

City of Quitman, Arkansas

Financial and Compliance Report

December 31, 2023



CITY OF QUITMAN, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2023

Financial and Compliance Report

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Quitman, Arkansas Officials and Council Members
Legislative Joint Auditing Committee

A priority of Arkansas Legislative Audit is to assist local government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of local governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to cash basis financial information and compliance with certain state laws and accepted accounting practices for the City of Quitman, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated December 11, 2024. These procedures were not performed for the Water and Sewer Department Funds. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The commentary contained in this section relates to the following officials who held office during 2023:

Mayor: Todd Henry
Recorder: Pam Bennett
Treasurer: Sherry Davis (Appointed May 16, 2023)
Dena Barger (Resigned April 30, 2023)
District Court Clerk: Alex Bennett
Police Chief: Charles Shaw

We evaluated the City's compliance with certain state laws concerning general and district court accounting, budgeting, purchasing, and investing and depositing of public funds.

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local City government, state executive and oversight management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Kevin White".

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
December 11, 2024
LOM216023

CITY OF QUITMAN, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2023	\$ 560,232	\$ 626,397
Receipts:		
State aid	30,710	58,544
Property taxes	41,721	3,628
Franchise fees	59,849	
Sales taxes	362,912	206,238
Fines, forfeitures, and costs	96,760	17,671
Interest	43,705	32,510
Local permits and fees	19,450	255
Festival income		5,972
Repayment of economic development loans		28,422
Other	57,201	2,171
Transfers in		42,689
Total Receipts	<u>712,308</u>	<u>398,100</u>
Disbursements:		
General government	309,891	
Law enforcement	186,113	29,259
Highways and streets		26,674
Public safety	35,489	
Recreation and culture		62,290
Economic development		21,605
Transfers out	42,689	
Contribution to water and sewer		148,963
Total Disbursements	<u>574,182</u>	<u>288,791</u>
Cash Balance, December 31, 2023	<u>\$ 698,358</u>	<u>\$ 735,706</u>

CITY OF QUITMAN, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (UNAUDITED)

Schedule 2

	Street	Police	Court Automation	Parks and Festival	Economic Development	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 176,653	\$ 32,809	\$ 22,988	\$ 112,515	\$ 132,469	\$ 148,963	\$ 626,397
Receipts:							
State aid	58,544						58,544
Property taxes	3,628						3,628
Sales taxes				206,238			206,238
Fines, forfeitures, and costs		15,716	1,955				17,671
Interest	11,172	1,506	1,380	11,172	7,280		32,510
Local permits and fees		255					255
Festival income				5,972			5,972
Repayment of economic development loans					28,422		28,422
Other		207		1,792	172		2,171
Transfers in				42,689			42,689
Total Receipts	<u>73,344</u>	<u>17,684</u>	<u>3,335</u>	<u>267,863</u>	<u>35,874</u>		<u>398,100</u>
Disbursements:							
Law enforcement		29,259					29,259
Highways and streets	26,674						26,674
Recreation and culture				62,290			62,290
Economic development					21,605		21,605
Contribution to water and sewer						148,963	148,963
Total Disbursements	<u>26,674</u>	<u>29,259</u>		<u>62,290</u>	<u>21,605</u>	<u>148,963</u>	<u>288,791</u>
Cash Balance, December 31, 2023	<u>\$ 223,323</u>	<u>\$ 21,234</u>	<u>\$ 26,323</u>	<u>\$ 318,088</u>	<u>\$ 146,738</u>	<u>\$ 0</u>	<u>\$ 735,706</u>

CITY OF QUITMAN, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
 General, Fire Department, Emergency, and Community Center
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023
District Court	\$ 14,900
Payroll	14,992

These balances represent fines, forfeitures, and costs and payroll taxes that have not been transferred to the appropriate entities.

4. The Municipality's capital assets records are summarized below:

	December 31, 2023
Land	\$ 188,790
Buildings	1,362,508
Equipment	625,444
Total	\$ 2,176,742

5. The City loaned economic development funds of \$120,000 in 2013, \$89,500 in 2020, \$10,000 in 2021, \$45,000 in 2022, and \$40,000 in 2023 to local area businesses. The outstanding balances of the loans at December 31, 2023 were \$130,948.