

City of Stamps, Arkansas

Financial and Compliance Report

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



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

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Arkansas

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Senate Vice Chair



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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Stamps, 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 Stamps, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated December 17, 2024. These procedures were not performed for the Water and Sewer Department. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

Mayor: Stacie Mitchell-Gweah
Recorder/Treasurer: Annette Fallin
District Court Clerk: Brenda Force
Police Chief: Vacant (October 13, 2023 – December 31, 2023)
Selvain McQueen (April 3, 2023 – October 12, 2023)
Vacant (January 1, 2023 – April 2, 2023)

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.

Noncompliance with state law and accepted accounting practices was noted in the office of **Mayor**.

Mayor

As of December 31, 2023, the General Fund owed the Red River Aluminum Settlement Fund \$140,152 for interest earned on proceeds received in 2006 from a settlement lawsuit. This is being repaid at \$100 per month and the interest is now being deposited to the proper fund. A similar finding was issued in the previous nine reports dating back to 2011.

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 17, 2024
LOM217423

CITY OF STAMPS, 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	\$ 57,629	\$ 1,590,830
Receipts:		
State aid	19,127	131,340
Federal aid		42,249
Property taxes	51,759	19,685
Franchise fees	81,213	
Sales taxes	52,218	301,515
Fines, forfeitures, and costs	35,999	20,829
Interest	374	18,650
Sanitation fees		82,639
LOPFI contributions		4,750
Other	2,746	2,532
Transfers in		1,200
Total Receipts	<u>243,436</u>	<u>625,389</u>
Disbursements:		
General government	58,105	
Law enforcement	187,737	67,446
Highways and streets		132,259
Public safety		114,743
Sanitation		214,700
Recreation and culture	145	187
Debt service		8,873
Transfers out	1,200	
Unclassified	81	
Total Disbursements	<u>247,268</u>	<u>538,208</u>
Cash Balance, December 31, 2023	<u>\$ 53,797</u>	<u>\$ 1,678,011</u>

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

Schedule 2

	Street	Health & Sanitation	District Court Administration	Court Automation	Local Police and Fire Retirement (LOPFI)	Police Department Equipment	Police Department Sales Tax	Fire Department Sales Tax
Cash Balance, January 1, 2023	\$ 125,016	\$ 86,817	\$ 57,110	\$ 8,386	\$ 60,211	\$ 10,419	\$ 11,940	\$ 5,237
Receipts:								
State aid	111,503					2,444		
Federal aid								
Property taxes	15,543				4,142			
Sales taxes	52,218	144,861					52,218	52,218
Fines, forfeitures, and costs		487	10,777	1,375	524	7,635	31	
Interest	324			15	352	85		17
Sanitation fees		82,639						
LOPFI contributions					4,750			
Other	50	1,213				953	313	
Transfers in								
Total Receipts	<u>179,638</u>	<u>229,200</u>	<u>10,777</u>	<u>1,390</u>	<u>9,768</u>	<u>11,117</u>	<u>52,562</u>	<u>52,235</u>
Disbursements:								
Law enforcement			6,268	3,388		2,318	55,472	
Highways and streets	132,259							
Public safety								48,881
Sanitation		214,700						
Recreation and culture								
Debt service	8,873							
Total Disbursements	<u>141,132</u>	<u>214,700</u>	<u>6,268</u>	<u>3,388</u>		<u>2,318</u>	<u>55,472</u>	<u>48,881</u>
Cash Balance, December 31, 2023	<u>\$ 163,522</u>	<u>\$ 101,317</u>	<u>\$ 61,619</u>	<u>\$ 6,388</u>	<u>\$ 69,979</u>	<u>\$ 19,218</u>	<u>\$ 9,030</u>	<u>\$ 8,591</u>

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

Schedule 2

	Red River Aluminum Settlement	Fire Department Act 833	City Park	Fire Department Donation	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 960,882	\$ 24,944	\$ 3,345	\$ 13,729	\$ 222,794	\$ 1,590,830
Receipts:						
State aid		17,393				131,340
Federal aid				42,249		42,249
Property taxes						19,685
Sales taxes						301,515
Fines, forfeitures, and costs						20,829
Interest	16,325	38	16	29	1,449	18,650
Sanitation fees						82,639
LOPFI contributions						4,750
Other			3			2,532
Transfers in	1,200					1,200
Total Receipts	<u>17,525</u>	<u>17,431</u>	<u>19</u>	<u>42,278</u>	<u>1,449</u>	<u>625,389</u>
Disbursements:						
Law enforcement						67,446
Highways and streets						132,259
Public safety		23,613		42,249		114,743
Sanitation						214,700
Recreation and culture			187			187
Debt service						8,873
Total Disbursements		<u>23,613</u>	<u>187</u>	<u>42,249</u>		<u>538,208</u>
Cash Balance, December 31, 2023	<u>\$ 978,407</u>	<u>\$ 18,762</u>	<u>\$ 3,177</u>	<u>\$ 13,758</u>	<u>\$ 224,243</u>	<u>\$ 1,678,011</u>

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

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General Fund and City Hall Construction Fund
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023
District Court	\$ 9,303
Payroll	(131)
Local Sales Use & Tax	2
Administration of Justice	109

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 and Buildings	\$ 1,407,305
Improvements	5,800
Equipment	1,211,835
Total	\$ 2,624,940

5. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2023
Financed purchases	\$ 48,835