

City of Stephens, Arkansas

Financial and Compliance Report

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



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

Financial and Compliance Report

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Arkansas

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Stephens, 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 Stephens, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated December 10, 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 commentary contained in this section relates to the following officials who held office during 2023:

Mayor: Harry Brown
Recorder/Treasurer: Marlene Fulkroad
District Court Clerk: Vickie Gamblin

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", with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
December 10, 2024
LOM217623

CITY OF STEPHENS, 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	\$ 254,235	\$ 240,984
Receipts:		
State aid	11,707	84,133
Federal aid		6,000
Property taxes	30,878	15,058
Franchise fees	44,694	
Sales taxes	200,750	
Fines, forfeitures, and costs	12,921	5,742
Interest	257	83
Local permits and fees	8,568	
Sanitation fees	1,685	
Loan proceeds	12,000	
Other	28,838	6,080
Transfers in		5,710
Total Receipts	<u>352,298</u>	<u>122,806</u>
Disbursements:		
General government	165,872	65,592
Law enforcement	10,970	6,672
Highways and streets		97,838
Public safety	44,378	7,907
Sanitation	64,607	
Recreation and culture	67,173	
Water and sewer		18,923
Debt service	25,215	
Transfers out	5,710	
Total Disbursements	<u>383,925</u>	<u>196,932</u>
Cash Balance, December 31, 2023	<u>\$ 222,608</u>	<u>\$ 166,858</u>

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

Schedule 2

	Street	Court Automation	Fire Equipment & Training - Act 833	Criminal Justice	Local Police and Fire Retirement (LOPFI)	American Rescue Plan Act	Fire Covid Relief	Total
Cash Balance, January 1, 2023	\$ 45,728	\$ 19,305	\$ 29,351	\$ 1,529	\$ 33,055	\$ 84,515	\$ 27,501	\$ 240,984
Receipts:								
State aid	64,955		19,178					84,133
Federal aid							\$ 6,000	6,000
Property taxes	9,135				5,923			15,058
Fines, forfeitures, and costs		467		5,275				5,742
Interest	83							83
Other	6,080							6,080
Transfers in	5,710							5,710
Total Receipts	<u>85,963</u>	<u>467</u>	<u>19,178</u>	<u>5,275</u>	<u>5,923</u>		<u>6,000</u>	<u>122,806</u>
Disbursements:								
General government						65,592		65,592
Law enforcement				5,929	743			6,672
Highways and streets	97,838							97,838
Public safety							7,907	7,907
Water and sewer						18,923		18,923
Total Disbursements	<u>97,838</u>			<u>5,929</u>	<u>743</u>	<u>84,515</u>	<u>7,907</u>	<u>196,932</u>
Cash Balance, December 31, 2023	<u>\$ 33,853</u>	<u>\$ 19,772</u>	<u>\$ 48,529</u>	<u>\$ 875</u>	<u>\$ 38,235</u>	<u>\$ 0</u>	<u>\$ 25,594</u>	<u>\$ 166,858</u>

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

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, General Savings, Special Police, Solid Waste, Fire and Emergency,
Community Projects, Community Museum, and Parks and Recreation.
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023
Police Bond and Fine	\$ 100
District Court	5,871
Administration of Justice	1,110

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

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

	December 31, 2023
Land	\$ 523,148
Buildings	1,096,174
Equipment	862,971
Total	\$ 2,482,293

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

	December 31, 2023
Financed purchases	\$ 221,252

6. The City received federal funding in the following amount related to COVID-19 relief:

	December 31, 2023
American Rescue Plan Act (ARPA) - pass through from Ouachita County	\$ 6,000