

**City of Holland, Arkansas**

**Financial and Compliance Report**

**December 31, 2023 and 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF HOLLAND, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Financial and Compliance Report	<u>Schedule</u>
2023	
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
2022	
Schedule of Financial Information (Unaudited)	3
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	4
2023 and 2022	
Other Information (Unaudited)	5

# Arkansas

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Senate Vice Chair



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House Chair  
**Rep. Richard Womack**  
House Vice Chair

**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

City of Holland, 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 Holland, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated July 29, 2024. 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 and 2022:

Mayor: Benjamin Damron  
Recorder/Treasurer: Megan Damron

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 **Recorder/Treasurer**.

#### **Recorder/Treasurer**

City deposits totaling \$110,815 and \$75,455 were uninsured and uncollateralized on December 31, 2023, and 2022, respectively, in noncompliance with Ark. Code Ann. § 19-8-107.

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  
July 29, 2024  
LOM222323

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2023	\$ 38,011	\$ 282,507
Receipts:		
State aid	8,910	63,993
Property taxes		9,672
Sales taxes	67,341	
Local permits and fees	9,000	
Fire dues		12,090
Insurance proceeds	8,887	
Other	2,222	465
Transfers in		11,697
Total Receipts	96,360	97,917
Disbursements:		
General government	58,316	21,813
Highways and streets	6,248	4,002
Public safety	6,369	31,290
Sanitation	353	
Recreation and culture	2,894	
Debt service	12,896	
Transfers out	11,697	
Total Disbursements	98,773	57,105
Cash Balance, December 31, 2023	\$ 35,598	\$ 323,319

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

Schedule 2

	<u>Street</u>	<u>Fire</u>	<u>Park</u>	<u>Non-entitlement Unit</u>	<u>Total</u>
Cash Balance, January 1, 2023	\$ 184,727	\$ 36,342	\$ 122	\$ 61,316	\$ 282,507
Receipts:					
State aid	49,433	14,560			63,993
Property taxes	9,672				9,672
Fire dues		12,090			12,090
Other		465			465
Transfers in	11,697				11,697
Total Receipts	<u>70,802</u>	<u>27,115</u>			<u>97,917</u>
Disbursements:					
General government				21,813	21,813
Highways and streets	4,002				4,002
Public safety		31,290			31,290
Total Disbursements	<u>4,002</u>	<u>31,290</u>		<u>21,813</u>	<u>57,105</u>
Cash Balance, December 31, 2023	<u>\$ 251,527</u>	<u>\$ 32,167</u>	<u>\$ 122</u>	<u>\$ 39,503</u>	<u>\$ 323,319</u>

CITY OF HOLLAND, ARKANSAS  
 SCHEDULE OF FINANCIAL INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2022  
 (UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2022	\$ 45,058	\$ 163,595
Receipts:		
State aid	8,742	77,922
Federal aid		49,581
Property taxes		8,609
Sales taxes	64,276	
Local permits and fees	6,500	
Fire dues		11,560
Other		100
Transfers in	47,080	1,200
Total Receipts	<u>126,598</u>	<u>148,972</u>
Disbursements:		
General government	48,728	
Highways and streets	6,100	11,948
Public safety	4,582	18,112
Sanitation	353	
Debt service	25,602	
Transfers out	48,280	
Total Disbursements	<u>133,645</u>	<u>30,060</u>
Cash Balance, December 31, 2022	<u>\$ 38,011</u>	<u>\$ 282,507</u>

CITY OF HOLLAND, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022  
 (UNAUDITED)

Schedule 4

	<u>Street</u>	<u>Fire</u>	<u>Park</u>	<u>Non-entitlement Unit</u>	<u>Total</u>
Cash Balance, January 1, 2022	\$ 136,473	\$ 12,765	\$ 122	\$ 14,235	\$ 163,595
Receipts:					
State aid	50,593	27,329			77,922
Federal aid		2,500		47,081	49,581
Property taxes	8,609				8,609
Fire dues		11,560			11,560
Other		100			100
Transfers in	1,000	200			1,200
Total Receipts	<u>60,202</u>	<u>41,689</u>		<u>47,081</u>	<u>148,972</u>
Disbursements:					
Highways and streets	11,948				11,948
Public safety		18,112			18,112
Total Disbursements	<u>11,948</u>	<u>18,112</u>			<u>30,060</u>
Cash Balance, December 31, 2022	<u>\$ 184,727</u>	<u>\$ 36,342</u>	<u>\$ 122</u>	<u>\$ 61,316</u>	<u>\$ 282,507</u>

CITY OF HOLLAND, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022  
 (UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts.

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Land	\$ 246,500	\$ 246,500
Buildings	335,812	334,312
Equipment	<u>717,248</u>	<u>708,105</u>
Totals	<u>\$ 1,299,560</u>	<u>\$ 1,288,917</u>

3. Outstanding balances at year-end for long-term liabilities are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Financed purchases	<u>\$ 127,096</u>	<u>\$ 131,654</u>

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

	<u>December 31, 2022</u>
American Rescue Plan Act (ARPA)	<u>\$ 47,081</u>