

City of Portland, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF PORTLAND, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

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Arkansas

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Sen. Jim Dotson
Senate Vice Chair



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House Chair
Rep. RJ Hawk
House Vice Chair

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Portland, 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 Portland, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated June 25, 2025. 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 2024:

Mayor: Thomas Frazer
Recorder/Treasurer: Amber Spaulding
Police Chief: Taylor Spaulding

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 the **Mayor**.

Mayor

The City was in noncompliance with Ark. Code Ann. §§ 14-58-202, -203 as noted below:

- General Fund disbursements exceeded budgeted appropriations by \$97,466 (34%).
- Street Fund disbursements exceeded budgeted appropriations by \$5,900 (23%).
- Budgets were not adopted by ordinance or resolution.

A similar finding was issued in the prior four reports.

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
June 25, 2025
LOM215724

CITY OF PORTLAND, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2024	\$ 57,676	\$ 37,625
Receipts:		
State aid	4,833	40,740
Property taxes	38,842	5,332
Sales taxes	183,320	
Fines, forfeitures, and costs	75,806	
Interest	17	
Mosquito fees	8,150	
Contribution from water/sewer	26,920	
Contribution from water department	34,977	
Other	39,107	509
Transfers in	13,500	
Unclassified	320	
Total Receipts	<u>425,792</u>	<u>46,581</u>
Disbursements:		
General government	318,922	
Law enforcement	46,414	
Highways and streets		14,894
Public safety		19,883
Sanitation	21	
Health	13,457	
Recreation and culture	2,200	
Wastewater	4,272	
Debt service		7,859
Transfers out		13,500
Total Disbursements	<u>385,286</u>	<u>56,136</u>
Cash Balance, December 31, 2024	<u>\$ 98,182</u>	<u>\$ 28,070</u>

CITY OF PORTLAND, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>Act 833</u>	<u>Total</u>
Cash Balance, January 1, 2024	\$ 15,394	\$ 22,231	\$ 37,625
Receipts:			
State aid	26,725	14,015	40,740
Property taxes	5,332		5,332
Other		509	509
Total Receipts	<u>32,057</u>	<u>14,524</u>	<u>46,581</u>
Disbursements:			
Highways and streets	14,894		14,894
Public safety		19,883	19,883
Debt service	7,859		7,859
Transfers out	13,500		13,500
Total Disbursements	<u>36,253</u>	<u>19,883</u>	<u>56,136</u>
Cash Balance, December 31, 2024	<u>\$ 11,198</u>	<u>\$ 16,872</u>	<u>\$ 28,070</u>

CITY OF PORTLAND, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(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, Sales Tax, Mosquito, Park, Portland Justice, and Sanitation
3. The Municipality's capital assets records are summarized below:

	December 31, 2024
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Land	\$ 243,320
Buildings	555,845
Equipment	<hr/> 570,191
Total	<hr/> <hr/> \$ 1,369,356

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

	December 31, 2024
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Financed purchases	<hr/> <hr/> \$ 4,953

Note: A portion of the payments on the above long-term liabilities was paid by the Water and Sewer Department.