

City of Sparkman, Arkansas

Financial and Compliance Report

December 31, 2024



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

Financial and Compliance Report

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Sparkman, 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 Sparkman, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated January 8, 2026. These procedures were not performed for the Water and Sewer. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2024:

Mayor: Bobby Story
Recorder/Treasurer: Rita Fite
District Court Clerk: Rita Fite

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 offices of **Mayor** and **Recorder/Treasurer**.

Mayor

The governing body did not review the prior report and accompanying comments and recommendations at the first regularly scheduled meeting following receipt of the report, as required by Ark. Code Ann. § 10-4-418.

Recorder/Treasurer

Monthly financial statements were not prepared and presented to the City Council, in noncompliance with Ark. Code Ann. § 14-59-115. A similar finding was issued in the prior 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
January 8, 2026
LOM217224

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

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2024	\$ 100,040	\$ 77,101
Receipts:		
State aid	5,279	42,693
Property taxes	9,021	4,512
Franchise fees	18,283	
Sales taxes	62,159	
Fines, forfeitures, and costs	45,927	1,190
Interest	425	
Local permits and fees		7,185
Donations		1,000
Other	11,155	
Transfers in		4,990
Total Receipts	<u>152,249</u>	<u>61,570</u>
Disbursements:		
General government	98,020	
Law enforcement	23,240	7,438
Highways and streets	13,449	41,161
Public safety		17,479
Debt service		2,057
Transfers out	4,288	702
Total Disbursements	<u>138,997</u>	<u>68,837</u>
Cash Balance, December 31, 2024	<u>\$ 113,292</u>	<u>\$ 69,834</u>

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

Schedule 2

	Street	Fire Protection Premium Tax (Act 833)	Fire and Rescue	Library	Parks and Recreation	Court Automation	Local Police and Fire Retirement (LOPFI)	Prisoner Care	Total
Cash Balance, January 1, 2024	\$ 23,640	\$ 30,986	\$ 13,633	\$ 1,208	\$ 668	\$ 557	\$ 272	\$ 6,137	\$ 77,101
Receipts:									
State aid	29,192	13,501							42,693
Property taxes	3,430		1,082						4,512
Fines, forfeitures, and costs						1,190			1,190
Local permits and fees			7,185						7,185
Donations					1,000				1,000
Transfers in							4,990		4,990
Total Receipts	<u>32,622</u>	<u>13,501</u>	<u>8,267</u>		<u>1,000</u>	<u>1,190</u>	<u>4,990</u>		<u>61,570</u>
Disbursements:									
Law enforcement						1,725		5,713	7,438
Highways and streets	41,161								41,161
Public safety		5,571	6,714				5,194		17,479
Debt service	2,057								2,057
Transfers out			702						702
Total Disbursements	<u>43,218</u>	<u>5,571</u>	<u>7,416</u>			<u>1,725</u>	<u>5,194</u>	<u>5,713</u>	<u>68,837</u>
Cash Balance, December 31, 2024	<u>\$ 13,044</u>	<u>\$ 38,916</u>	<u>\$ 14,484</u>	<u>\$ 1,208</u>	<u>\$ 1,668</u>	<u>\$ 22</u>	<u>\$ 68</u>	<u>\$ 424</u>	<u>\$ 69,834</u>

CITY OF SPARKMAN, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 3

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

	December 31, 2024
Police Bond and Fine	\$ 18,135
Administration of Justice	15

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, 2024
Land	\$ 32,250
Buildings	260,594
Equipment	321,725
Total	\$ 614,569