

Town of Russell, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF RUSSELL, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

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Arkansas

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Senate Chair
Sen. Jim Dotson
Senate Vice Chair



Rep. Robin Lundstrum
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

Town of Russell, 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 Town of Russell, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated October 9, 2025. These procedures were not performed for the Water and Sewer Department. Management of the Town 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: Tracy Klotz
Clerk/Treasurer: Barbara Parks

We evaluated the Town'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 **Clerk/Treasurer**.

Clerk/Treasurer

The Town owes approximately \$22,000 for payroll withholdings not remitted, with additional penalties and interest to be assessed for failure to properly file, report, and remit payroll taxes.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local Town 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
October 9, 2025
LOM314424

TOWN OF RUSSELL, 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	\$ 234,793	\$ 255,849
Receipts:		
State aid	2,736	30,095
Property taxes	2,470	873
Franchise fees	8,609	
Sales taxes	39,108	
Interest	6,179	169
Contributions from county		135,105
Rent	5,000	
Other	39	1,966
Total Receipts	<u>64,141</u>	<u>168,208</u>
Disbursements:		
General government	40,021	39,787
Highways and streets		5,628
Public safety		182,137
Debt service		16,500
Contribution to water department	12,982	
Total Disbursements	<u>53,003</u>	<u>244,052</u>
Cash Balance, December 31, 2024	<u>\$ 245,931</u>	<u>\$ 180,005</u>

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

Schedule 2

	Street	Fire Department	Fire Tax	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 106,402	\$ 9,477	\$ 95,012	\$ 44,958	\$ 255,849
Receipts:					
State aid	15,130		14,965		30,095
Property taxes	873				873
Interest	169				169
Contributions from county			135,105		135,105
Other		1,935	31		1,966
Total Receipts	<u>16,172</u>	<u>1,935</u>	<u>150,101</u>		<u>168,208</u>
Disbursements:					
General government				39,787	39,787
Highways and streets	5,628				5,628
Public safety		5,624	176,513		182,137
Debt service			16,500		16,500
Total Disbursements	<u>5,628</u>	<u>5,624</u>	<u>193,013</u>	<u>39,787</u>	<u>244,052</u>
Cash Balance, December 31, 2024	<u>\$ 116,946</u>	<u>\$ 5,788</u>	<u>\$ 52,100</u>	<u>\$ 5,171</u>	<u>\$ 180,005</u>

TOWN OF RUSSELL, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.

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

	December 31, 2024
	<hr/>
Land	\$ 39,363
Buildings	189,266
Equipment	<hr/> 490,953
Total	<hr/> <hr/> \$ 719,582

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

	December 31, 2024
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Financed purchase	<hr/> <hr/> \$ 16,500