

City of Mountain Pine, Arkansas

Financial and Compliance Report

December 31, 2024 and 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF MOUNTAIN PINE, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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Arkansas

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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

City of Mountain Pine, 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 Mountain Pine, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated August 19, 2025. These procedures were not performed for the Water and Sewer Fund. 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 and 2023:

Mayor: Malinda Henson
Recorder/Treasurer: Rebecca Bailey (appointed October 2024)
Dawn Thompson (resigned October 2024)
Police Chief: Richard Lobbs (appointed June 2024)
Jeffery Island (appointed October 2023, resigned May 2024)
Joshua Jester (resigned August 2023)

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 **Police Chief**.

Police Chief

The following issues were noted with Ark. Code Ann. § 16-10-205:

- Completed citation books were not filed with the Court Clerk.
- Four ticket books were not available for inspection.

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 dark ink, appearing to read "Kevin White", with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
August 19, 2025
LOM213424

CITY OF MOUNTAIN PINE, 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	\$ 37,794	\$ 363,955
Receipts:		
State aid	8,700	48,105
Property taxes	22,183	
Franchise fees	35,513	
Sales taxes	148,455	106,040
Dumping fees	35,915	
Interest	386	756
Local permits and fees	885	
Rental income	19,895	
Sanitation fees		56,473
Other	1,357	1,574
Total Receipts	<u>273,289</u>	<u>212,948</u>
Disbursements:		
General government	63,696	
Law enforcement	167,150	10,590
Highways and streets		90,337
Taxes remitted to Garland County	63,716	
Sanitation		36,407
Debt service		8,129
Total Disbursements	<u>294,562</u>	<u>145,463</u>
Cash Balance, December 31, 2024	<u>\$ 16,521</u>	<u>\$ 431,440</u>

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

Schedule 2

	Street	Solid Waste	Jail	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 184,851	\$ 44,411	\$ 10,663	\$ 124,030	\$ 363,955
Receipts:					
State aid	48,105				48,105
Sales taxes	106,040				106,040
Interest	543	213			756
Sanitation fees		56,473			56,473
Other		1,574			1,574
Total Receipts	<u>154,688</u>	<u>58,260</u>			<u>212,948</u>
Disbursements:					
Law enforcement				10,590	10,590
Highways and streets	90,337				90,337
Sanitation		36,407			36,407
Debt service	4,987	3,142			8,129
Total Disbursements	<u>95,324</u>	<u>39,549</u>		<u>10,590</u>	<u>145,463</u>
Cash Balance, December 31, 2024	<u>\$ 244,215</u>	<u>\$ 63,122</u>	<u>\$ 10,663</u>	<u>\$ 113,440</u>	<u>\$ 431,440</u>

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

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2023	\$ 61,873	\$ 309,918
Receipts:		
State aid	8,895	49,348
Property taxes	15,150	
Franchise fees	35,843	
Sales taxes	144,121	102,944
Interest	458	488
Local permits and fees	1,450	
Dumping fees	35,750	
Rental income	19,236	
Sanitation fees		55,131
Other	6,002	
Total Receipts	<u>266,905</u>	<u>207,911</u>
Disbursements:		
General government	54,047	
Law enforcement	170,799	
Highways and streets		89,986
Taxes remitted to Garland County	66,138	
Sanitation		27,502
Contribution to water and sewer		30,000
Debt service		6,386
Total Disbursements	<u>290,984</u>	<u>153,874</u>
Cash Balance, December 31, 2023	<u>\$ 37,794</u>	<u>\$ 363,955</u>

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

Schedule 4

	Street	Solid Waste	Jail	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 122,174	\$ 23,051	\$ 10,663	\$ 154,030	\$ 309,918
Receipts:					
State aid	49,348				49,348
Sales taxes	102,944				102,944
Interest	371	117			488
Sanitation fees		55,131			55,131
Total Receipts	<u>152,663</u>	<u>55,248</u>			<u>207,911</u>
Disbursements:					
Highways and streets	89,986				89,986
Sanitation		27,502			27,502
Contribution to water and sewer				30,000	30,000
Debt service		6,386			6,386
Total Disbursements	<u>89,986</u>	<u>33,888</u>		<u>30,000</u>	<u>153,874</u>
Cash Balance, December 31, 2023	<u>\$ 184,851</u>	<u>\$ 44,411</u>	<u>\$ 10,663</u>	<u>\$ 124,030</u>	<u>\$ 363,955</u>

CITY OF MOUNTAIN PINE, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(UNAUDITED)

Schedule 5

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

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

	December 31, 2024	December 31, 2023
	<u> </u>	<u> </u>
Land	\$ 51,817	\$ 51,817
Buildings	203,081	203,081
Equipment	<u>280,703</u>	<u>247,238</u>
Totals	<u>\$ 535,601</u>	<u>\$ 502,136</u>

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

	December 31, 2024	December 31, 2023
	<u> </u>	<u> </u>
Financed purchases	<u>\$ 16,459</u>	<u>\$ 2,087</u>