

# **City of Pangburn, Arkansas**

## **Financial and Compliance Report**

**December 31, 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF PANGBURN, ARKANSAS  
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FOR THE YEAR ENDED DECEMBER 31, 2023

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# Arkansas



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Senate Vice Chair

**Rep. Robin Lundstrum**  
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House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

City of Pangburn, 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 Pangburn, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated June 11, 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 findings contained in this section relate to the following officials who held office during 2023:

Mayor: Michael Marsh  
Recorder/Treasurer: Lesley Gray  
District Court Clerk: Brianna Cameron (Hired October 16, 2023)  
Tanya Higgs (Hired March 20, 2023, Resigned September 17, 2023)  
Hollie Hopkins (Resigned December 30, 2022)  
Police Chief: Chrystal Bonner

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**, **Recorder/Treasurer**, and **District Court Clerk**.

#### **Mayor**

General Fund disbursements exceeded budgeted appropriations by \$188,427 (52%), in noncompliance with Ark. Code Ann. § 14-58-203.

#### **Recorder/Treasurer**

Bank accounts were not properly reconciled for the General, American Rescue Plan Act, Fire Department, and Court Funds, in noncompliance with Ark. Code Ann. § 14-59-108. A similar finding was noted in the previous two reports.

#### **District Court Clerk**

Balances remaining in the bank were not identified with receipts issued for cases not yet adjudicated and payments on all unpaid individual time accounts, as required by Ark. Code Ann. § 16-10-209. A similar finding was noted in the previous five 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 dark ink, appearing to read "Kevin White", with a stylized flourish at the end.

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
June 11, 2025  
LOM214823

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

Schedule 1

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2023	\$ 164,488	\$ 191,558
Receipts:		
State aid	18,719	299,802
Property taxes	6,297	5,454
Franchise fees	37,362	
Sales taxes	222,310	27,377
Fines, forfeitures, and costs	110,207	
Interest	2,196	1,645
Donations	8,263	11,250
Contributions from county		123,353
Event proceeds		9,502
Other		2,600
Loan proceeds	40,302	
Sanitation fees	35,296	
Other	21,375	
Total Receipts	<u>502,327</u>	<u>480,983</u>
Disbursements:		
General government	240,707	31,461
Law enforcement	245,328	
Highways and streets		211,860
Public safety	58	152,694
Sanitation	35,588	
Recreation and culture		37,841
Debt service	4,310	
Unclassified		885
Total Disbursements	<u>525,991</u>	<u>434,741</u>
Cash Balance, December 31, 2023	<u>\$ 140,824</u>	<u>\$ 237,800</u>

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

Schedule 2

	Street	Fire Department	Parks & Recreation	Act 833	Criminal Activity	American Rescue Plan Act	Fun Park	Total
Cash Balance, January 1, 2023	\$ 92,307	\$ 9,837	\$ 5,698	\$ 10,076	\$ 4,181	\$ 69,459		\$ 191,558
Receipts:								
State aid	173,678	10,833		15,290			\$ 100,000	299,802
Property taxes	2,411	3,043						5,454
Sales taxes	16,728	10,649						27,377
Interest	875	669	101					1,645
Donations		2,550	8,700					11,250
Contributions from county		123,353						123,353
Event proceeds			9,502					9,502
Other			2,600					2,600
Total Receipts	193,692	151,098	20,902	15,290			100,000	480,983
Disbursements:								
General government						31,461		31,461
Highways and streets	211,860							211,860
Public safety		111,030		13,482		28,182		152,694
Recreation and culture			21,577			7,995	8,269	37,841
Unclassified					885			885
Total Disbursements	211,860	111,030	21,577	13,482	885	67,638	8,269	434,741
Cash Balance, December 31, 2023	\$ 74,140	\$ 49,905	\$ 5,023	\$ 11,884	\$ 3,296	\$ 1,821	\$ 91,731	\$ 237,800

CITY OF PANGBURN, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Schedule 3

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

2. Cash balances at year-end in the custodial funds are as follows:

	<u>December 31, 2023</u>
District Court	\$ 47,700
Administration of Justice	1,422

These balances represent fines, forfeitures, and costs that have not been transferred to the appropriate entities.

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

	<u>December 31, 2023</u>
Land	\$ 182,082
Buildings	940,955
Equipment	<u>501,289</u>
Total	<u><u>\$ 1,624,326</u></u>

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

	<u>December 31, 2023</u>
Financed purchase	<u><u>\$ 25,560</u></u>