

**Town of Haynes, Arkansas**

**Financial and Compliance Report**

**December 31, 2024**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF HAYNES, 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 Haynes, 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 Haynes, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated March 2, 2026. These procedures were not performed for the Sewer Fund. Management of the Town 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: Willie Coleman (appointed December 10, 2024)  
Ossie Thomas (resigned October 30, 2024)  
Recorder/Treasurer: Charlotte McFadden

We evaluated the Town's compliance with certain state laws concerning general 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 and Recorder/Treasurer**

1. Restricted funds of \$16,656 noted in previous years were not transferred from the General Fund to the Street Fund, in noncompliance with Ark. Code Ann. § 27-70-207. The Legislative Joint Audit Committee on February 9, 2024, approved the Town to repay \$100 per month; however, only \$178 was paid in 2024 to reduce the balance owed to the Street Fund. A similar finding was noted in the previous eight reports dating back to 2013.
2. Although Schedule 1 of this report shows a balance of \$1,902, it was brought to our attention that as of December 31, 2024, the General Fund owed a significant amount for balances owed to the Street Fund and to the Internal Revenue Service. As shown in Note 4 on Schedule 3, when these outstanding amounts were considered, the General Fund had a deficit fund balance of \$35,502. A similar finding was noted in the previous six reports dating back to 2018.

#### **Recorder/Treasurer**

The bank accounts for the General, Street, Sanitation, and Act 833 Fire Equipment and Training Funds were not properly reconciled, in noncompliance with Ark. Code Ann. § 14-59-108.

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".

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
March 2, 2026  
LOM307724

TOWN OF HAYNES, 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	\$ 2,188	\$ 30,330
Receipts:		
State aid	1,814	10,032
Property taxes	3,363	830
Franchise fees	788	
Sales taxes	15,062	
Interest		14
Local permits and fees	696	
Sanitation fees		17,387
Donations	2	2
Transfers in		178
Total Receipts	<u>21,725</u>	<u>28,443</u>
Disbursements:		
General government	21,833	1,767
Highways and streets		16,316
Public safety		3,838
Sanitation		17,387
Transfers out	178	
Total Disbursements	<u>22,011</u>	<u>39,308</u>
Cash Balance, December 31, 2024	<u>\$ 1,902</u>	<u>\$ 19,465</u>

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

Schedule 2

	Street	Sanitation	Fire Department	Act 833 Fire Equipment and Training	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 20,973	\$ 41	\$ 54	\$ 7,495	\$ 1,767	\$ 30,330
Receipts:						
State aid	10,032					10,032
Property taxes	830					830
Interest	14					14
Sanitation fees		17,387				17,387
Donations			2			2
Transfers in	178					178
Total Receipts	<u>11,054</u>	<u>17,387</u>	<u>2</u>			<u>28,443</u>
Disbursements:						
General government					1,767	1,767
Highways and streets	16,316					16,316
Public safety				3,838		3,838
Sanitation		17,387				17,387
Total Disbursements	<u>16,316</u>	<u>17,387</u>		<u>3,838</u>	<u>1,767</u>	<u>39,308</u>
Cash Balance, December 31, 2024	<u>\$ 15,711</u>	<u>\$ 41</u>	<u>\$ 56</u>	<u>\$ 3,657</u>	<u>\$ 0</u>	<u>\$ 19,465</u>

TOWN OF HAYNES, 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 General Fund column on the Financial Schedules includes the following bank accounts:  
General and Police
3. The Municipality's capital assets records are summarized below:

	December 31, 2024
Land	\$ 12,179
Buildings	295,000
Equipment	33,000
Total	\$ 340,179

4. The schedules included on our Financial and Compliance Reports are typically cash basis. We are including additional information here, as it was brought to our attention that the General Fund owed a significant amount for balances due to the Street Fund and to the Internal Revenue Service (IRS) at December 31, 2023. The information below begins with the cash balances for the General and Street Funds. The computation includes changes to the cash balances for outstanding amounts owed at year end.

	General	Street
Cash balances per accountant's report as of December 31, 2024	\$ 1,902	\$ 15,711
Due to Street Fund	(16,656)	
Due from General Fund		16,656
Due to the IRS*	(20,748)	
Restated balances as of December 31, 2024	\$ (35,502)	\$ 32,367

\*Balance due is for the years 2011-2015, and was obtained from the latest correspondence from the IRS as of August 30, 2020. No payments were noted subsequent to this date.