

City of Mountainburg, Arkansas

Financial and Compliance Report

December 31, 2023 and 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF MOUNTAINBURG, ARKANSAS
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Arkansas

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Mountainburg, 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 Mountainburg, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated July 31, 2024. These procedures were not performed for the Water Department. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The commentary contained in this section relates to the following officials who held office during 2023 and 2022:

Mayor: Susan Wilson
Recorder/Treasurer: Tina Moore
Police Chief: Bradley Ridenour

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.

During our evaluation, nothing came to our attention that would warrant disclosure in this 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
July 31, 2024
LOM213623

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

Schedule 1

	General Fund	Special Revenue Funds	Fire Pension Trust Fund
	<u> </u>	<u> </u>	<u> </u>
Cash Balance, January 1, 2023	\$ 440,362	\$ 149,710	\$ 101,259
Receipts:			
State aid	8,028	44,540	4,434
Property taxes	14,604	8,152	2,174
Franchise fees	25,992		
Sales taxes	297,673	32,149	
Fines, forfeitures, and costs	24,783	4,651	
Interest	13,044	2,676	2,628
Insurance proceeds	30,070		
Other	6,642		
Total Receipts	<u>420,836</u>	<u>92,168</u>	<u>9,236</u>
Disbursements:			
General government	165,691		
Law enforcement	126,246	1,560	
Highways and streets		73,115	
Public safety	18,973		16,133
Water and sewer		59,443	
Sales tax contributions to water and sewer	48,223		
Total Disbursements	<u>359,133</u>	<u>134,118</u>	<u>16,133</u>
Cash Balance, December 31, 2023	<u>\$ 502,065</u>	<u>\$ 107,760</u>	<u>\$ 94,362</u>

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

Schedule 2

	Street	Court Automation	Jail Fee	American Rescue Plan Act (ARPA)	Total
Cash Balance, January 1, 2023	\$ 87,748	\$ 2,121	\$ 1,051	\$ 58,790	\$ 149,710
Receipts:					
State aid	44,540				44,540
Property taxes	8,152				8,152
Sales taxes	32,149				32,149
Fines, forfeitures, and costs			4,651		4,651
Interest	1,870	61	92	653	2,676
Total Receipts	<u>86,711</u>	<u>61</u>	<u>4,743</u>	<u>653</u>	<u>92,168</u>
Disbursements:					
Law enforcement			1,560		1,560
Highways and streets	73,115				73,115
Water and sewer				59,443	59,443
Total Disbursements	<u>73,115</u>		<u>1,560</u>	<u>59,443</u>	<u>134,118</u>
Cash Balance, December 31, 2023	<u>\$ 101,344</u>	<u>\$ 2,182</u>	<u>\$ 4,234</u>	<u>\$ 0</u>	<u>\$ 107,760</u>

CITY OF MOUNTAINBURG, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Fire Pension Trust Fund</u>
Cash Balance, January 1, 2022	\$ 496,995	\$ 154,736	\$ 109,205
Receipts:			
State aid	13,259	45,586	4,213
Federal aid		63,501	
Property taxes	18,316	10,190	2,717
Franchise fees	22,631		
Sales taxes	294,114	31,483	
Fines, forfeitures, and costs	23,623	3,480	
Interest	3,362	534	303
Other	3,773		
Total Receipts	<u>379,078</u>	<u>154,774</u>	<u>7,233</u>
Disbursements:			
General government	141,679	1,303	
Law enforcement	107,795	3,803	
Highways and streets		90,391	
Public safety	139,012		15,179
Water and sewer		64,303	
Sales tax contributions to water and sewer	47,225		
Total Disbursements	<u>435,711</u>	<u>159,800</u>	<u>15,179</u>
Cash Balance, December 31, 2022	<u>\$ 440,362</u>	<u>\$ 149,710</u>	<u>\$ 101,259</u>

CITY OF MOUNTAINBURG, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022
 (UNAUDITED)

Schedule 4

	Street	Court Automation	Jail Fee	American Rescue Plan Act (ARPA)	Total
Cash Balance, January 1, 2022	\$ 89,065	\$ 2,104	\$ 66	\$ 63,501	\$ 154,736
Receipts:					
State aid	45,586				45,586
Federal aid				63,501	63,501
Property taxes	10,190				10,190
Sales taxes	31,483				31,483
Fines, forfeitures, and costs			3,480		3,480
Interest	512	17	5		534
Total Receipts	<u>87,771</u>	<u>17</u>	<u>3,485</u>	<u>63,501</u>	<u>154,774</u>
Disbursements:					
General government				1,303	1,303
Law enforcement			2,500	1,303	3,803
Highways and streets	89,088			1,303	90,391
Water and sewer				64,303	64,303
Total Disbursements	<u>89,088</u>		<u>2,500</u>	<u>68,212</u>	<u>159,800</u>
Cash Balance, December 31, 2022	<u>\$ 87,748</u>	<u>\$ 2,121</u>	<u>\$ 1,051</u>	<u>\$ 58,790</u>	<u>\$ 149,710</u>

CITY OF MOUNTAINBURG, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
 (UNAUDITED)

Schedule 5

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, Fire Operating, and Police Operating
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023	December 31, 2022
Payroll Tax Account	\$ 3,958	\$ 2,389

These balances represent payroll taxes that have not been transferred to the appropriate entities.

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

	December 31, 2023	December 31, 2022
Land and Buildings	\$ 331,058	\$ 308,517
Equipment	556,048	556,779
Totals	\$ 887,106	\$ 865,296

5. The City received federal funding in the following amount related to COVID-19 relief:

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 63,501