

**Town of La Grange, Arkansas**

**Financial and Compliance Report**

**December 31, 2021**

LEGISLATIVE JOINT AUDITING COMMITTEE

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FOR THE YEAR ENDED DECEMBER 31, 2021

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# Arkansas

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**Sen. John Payton**  
Senate Vice Chair



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House Chair  
**Rep. Richard Womack**  
House Vice Chair

**Roger A. Norman, JD, CPA, CFE, CFF**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Town of La Grange, 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 La Grange, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated May 11, 2023. 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 2021:

Mayor: Rebecca Brown  
Recorder/Treasurer: Sandra Wheeler

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**

Street Fund disbursements exceeded appropriations by \$13,896 (196%), in noncompliance with Ark. Code Ann. § 14-58-203.

#### **Recorder/Treasurer**

The cash disbursements journal for the General Fund was not properly posted, in noncompliance with Ark. Code Ann. § 14-59-111.

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 cursive script that reads "Roger A. Norman".

Roger A. Norman, JD, CPA, CFE, CFF  
Legislative Auditor

Little Rock, Arkansas  
May 11, 2023  
LOM309321

TOWN OF LA GRANGE, ARKANSAS  
SCHEDULE OF FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2021	\$ 15,736	\$ 48,119
Receipts:		
State aid	1,341	6,594
Federal aid		7,355
Property taxes	1,869	
Franchise fees	1,666	
Sales taxes	7,008	
Interest	9	
Sanitation fees	3,107	
Transfers in		444
Total Receipts	<u>15,000</u>	<u>14,393</u>
Disbursements:		
General government	12,851	
Highways and streets		20,966
Sanitation	3,546	
Transfers out	444	
Contributions to sewer department		7,336
Total Disbursements	<u>16,841</u>	<u>28,302</u>
Cash Balance, December 31, 2021	<u>\$ 13,895</u>	<u>\$ 34,210</u>

TOWN OF LA GRANGE, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021  
 (UNAUDITED)

Schedule 2

	Street	American Recue Plan Act	Total
Cash Balance, January 1, 2021	\$ 48,119		\$ 48,119
Receipts:			
State aid	6,594		6,594
Federal aid		\$ 7,355	7,355
Transfers in	444		444
Total Receipts	<u>7,038</u>	<u>7,355</u>	<u>14,393</u>
Disbursements:			
Highways and streets	20,966		20,966
Contributions to sewer department		7,336	7,336
Total Disbursements	<u>20,966</u>	<u>7,336</u>	<u>28,302</u>
Cash Balance, December 31, 2021	<u>\$ 34,191</u>	<u>\$ 19</u>	<u>\$ 34,210</u>

TOWN OF LA GRANGE, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)

Schedule 3

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 and Sanitation

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

	December 31, 2021
Land	\$ 3,500
Buildings	34,000
Equipment	17,465
Total	<u>\$ 54,965</u>

4. The Town received federal funding of the following amount related to COVID-19 relief:

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 7,355</u>