

**Town of Letona, Arkansas**

**Financial and Compliance Report**

**December 31, 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF LETONA, ARKANSAS  
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FOR THE YEAR ENDED DECEMBER 31, 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

Town of Letona, 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 Letona, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated January 29, 2025. These procedures were not performed for the Sewer Department. 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 2023:

Mayor: Sherrel Bennett  
Recorder/Treasurer: Margie Carter (appointed as interim October 3, 2023 and appointed as Recorder/Treasurer on November 7, 2023)  
Shirley Bennett (January 1, 2023 through October 13, 2023)

We evaluated the Town'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 **Mayor**.

### Mayor

An annual audit or agreed-upon procedures and compilation report has not been completed and submitted to Arkansas Legislative Audit for the Sewer Department since 2015, as required by Ark. Code Ann. § 14-234-119. The Town signed an engagement letter on January 28, 2024, for the 2023 year; however, the Town has not received the report. A similar finding was noted in the previous five reports.

General Fund disbursements exceeded appropriations by \$90,113 (91%), in noncompliance with Ark. Code Ann. § 14-58-203.

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", with a stylized flourish at the end.

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
January 29, 2025  
LOM309723

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2023	\$ 196,685	\$ 190,324
Receipts:		
State aid	3,649	20,245
Property taxes	4,555	3,917
Franchise fees	7,077	
Sales taxes	50,504	
Interest	282	87
Contributions from county		142,234
Other	28,940	2,698
Unclassified		1,339
Total Receipts	<u>95,007</u>	<u>170,520</u>
Disbursements:		
General government	99,544	
Highways and streets		12,588
Public safety		62,251
Sanitation	346	
Recreation and culture	89,171	
Debt service		10,386
Total Disbursements	<u>189,061</u>	<u>85,225</u>
Cash Balance, December 31, 2023	<u>\$ 102,631</u>	<u>\$ 275,619</u>

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

Schedule 2

	<u>Street</u>	<u>Fire</u>	<u>Total</u>
Cash Balance, January 1, 2023	\$ 41,277	\$ 149,047	\$ 190,324
Receipts:			
State aid	20,245		20,245
Property taxes	3,917		3,917
Interest	87		87
Contributions from county		142,234	142,234
Other	2,698		2,698
Unclassified		1,339	1,339
Total Receipts	<u>26,947</u>	<u>143,573</u>	<u>170,520</u>
Disbursements:			
Highways and streets	12,588		12,588
Public safety		62,251	62,251
Debt service	10,386		10,386
Total Disbursements	<u>22,974</u>	<u>62,251</u>	<u>85,225</u>
Cash Balance, December 31, 2023	<u>\$ 45,250</u>	<u>\$ 230,369</u>	<u>\$ 275,619</u>

TOWN OF LETONA, 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.

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

	December 31, 2023
Land	\$ 89,000
Buildings	432,965
Equipment	534,782
Total	<u>\$ 1,056,747</u>

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

	December 31, 2023
Financed purchases	<u>\$ 17,336</u>