

Town of Letona, Arkansas

Financial and Compliance Report

December 31, 2025 and 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF LETONA, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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Arkansas

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Sen. Jim Dotson
Senate Vice Chair



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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 years ended December 31, 2025 and 2024, and have issued our report thereon dated September 4, 2026. 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 commentary contained in this section relates to the following officials who held office during 2025 and 2024:

Mayor: Sherrel Bennett
Recorder/Treasurer: Margie Olive

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.

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 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
September 4, 2026
LOM309725

TOWN OF LETONA, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2025	\$ 108,092	\$ 324,243
Receipts:		
State aid	2,386	11,834
Property taxes	2,989	4,162
Franchise fees	11,721	
Sales taxes	53,109	
Interest	215	92
Grant funds	4,984	
Fall fest donations	1,120	
Contribution from county		140,021
Other	3,854	1,010
Total Receipts	<u>80,378</u>	<u>157,119</u>
Disbursements:		
General government	89,895	
Highways and streets		11,594
Public safety		61,786
Sanitation	276	276
Recreation and culture	4,322	
Fall fest	722	
Debt service		4,928
Total Disbursements	<u>95,215</u>	<u>78,584</u>
Cash Balance, December 31, 2025	<u>\$ 93,255</u>	<u>\$ 402,778</u>

TOWN OF LETONA, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2025
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>Fire Fund</u>	<u>Total</u>
Cash Balance, January 1, 2025	\$ 42,669	\$ 281,574	\$ 324,243
Receipts:			
State aid	11,834		11,834
Property taxes	4,162		4,162
Interest	92		92
Contribution from county		140,021	140,021
Other		1,010	1,010
Total Receipts	<u>16,088</u>	<u>141,031</u>	<u>157,119</u>
Disbursements:			
Highways and streets	11,594		11,594
Public safety		61,786	61,786
Sanitation		276	276
Debt service	4,928		4,928
Total Disbursements	<u>16,522</u>	<u>62,062</u>	<u>78,584</u>
Cash Balance, December 31, 2025	<u>\$ 42,235</u>	<u>\$ 360,543</u>	<u>\$ 402,778</u>

TOWN OF LETONA, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2024	\$ 102,631	\$ 275,619
	<u> </u>	<u> </u>
Receipts:		
State aid	3,569	19,735
Property taxes	3,050	4,213
Franchise fees	11,753	
Sales taxes	51,010	
Interest	252	86
Contribution from county		135,105
Other	2,627	2,187
Total Receipts	<u>72,261</u>	<u>161,326</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	54,114	
Highways and streets		17,710
Public safety		85,710
Sanitation	276	276
Recreation and culture	4,410	
Wastewater	8,000	
Debt service		8,905
Unclassified		101
Total Disbursements	<u>66,800</u>	<u>112,702</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2024	<u>\$ 108,092</u>	<u>\$ 324,243</u>

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

Schedule 4

	Street	Fire Fund	Total
Cash Balance, January 1, 2024	\$ 45,250	\$ 230,369	\$ 275,619
Receipts:			
State aid	19,735		19,735
Property taxes	4,213		4,213
Interest	86		86
Contribution from county		135,105	135,105
Other		2,187	2,187
Total Receipts	<u>24,034</u>	<u>137,292</u>	<u>161,326</u>
Disbursements:			
Highways and streets	17,710		17,710
Public safety		85,710	85,710
Sanitation		276	276
Debt service	8,905		8,905
Unclassified		101	101
Total Disbursements	<u>26,615</u>	<u>86,087</u>	<u>112,702</u>
Cash Balance, December 31, 2024	<u>\$ 42,669</u>	<u>\$ 281,574</u>	<u>\$ 324,243</u>

TOWN OF LETONA, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(UNAUDITED)

Schedule 5

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

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

	December 31, 2025	December 31, 2024
Land	\$ 89,000	\$ 89,000
Buildings	432,965	432,965
Equipment	599,610	583,782
Totals	<u>\$ 1,121,575</u>	<u>\$ 1,105,747</u>

3. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2025	December 31, 2024
Financed purchases	<u>\$ 4,788</u>	<u>\$ 9,146</u>

4. Pursuant to Ark. Code Ann. § 14-234-120, which states if an audit report or agreed-upon procedures and compliance report "... for a municipal water or sewer system is not submitted to the Legislative Auditor on behalf of the municipality within eighteen (18) months after the end of a fiscal year that the report covers, the Legislative Joint Auditing Committee may give notice of that fact to the Treasurer of State, who shall then withhold any turnback funds due the municipality in escrow until notified by the Legislative Joint Auditing Committee that all reports covering periods through the most recent fiscal year have been filed..." The Town of Letona's general revenue turnback funds for August 2025 through May 2026 were held in escrow.