

**Town of Lexa, Arkansas**

**Financial and Compliance Report**

**December 31, 2022 and 2021**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF LEXA, ARKANSAS  
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# Arkansas

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**Sen. John Payton**  
Senate Vice Chair



**Rep. Jimmy Gazaway**  
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 Lexa, 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 Lexa, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated February 8, 2024. These procedures were not performed for the Water and 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 2022 and 2021:

Mayor: Jason Turner  
Recorder/Treasurer: Michelle Snowden

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**

The Town Council did not review the prior report and accompanying comments at the first regularly scheduled meeting following receipt of the report, in noncompliance with Ark. Code Ann. § 10-4-418. A similar finding was noted in the previous 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 cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas  
February 8, 2024  
LOM309822

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

Schedule 1

	General Fund	Street Fund
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2022	\$ 233,677	\$ 195,648
Receipts:		
State aid	3,088	17,872
Property taxes	10,364	
Franchise fees	14,175	
Sales taxes	51,146	
Interest	530	372
Sanitation fees	19,571	
Other	15,686	
Total Receipts	<u>114,560</u>	<u>18,244</u>
Disbursements:		
General government	89,834	
Highways and streets	3,142	62,211
Sanitation	27,426	
Total Disbursements	<u>120,402</u>	<u>62,211</u>
Cash Balance, December 31, 2022	<u>\$ 227,835</u>	<u>\$ 151,681</u>

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

Schedule 2

	<u>General Fund</u>	<u>Street Fund</u>
Cash Balance, January 1, 2021	\$ 226,716	\$ 173,468
Receipts:		
State aid	4,424	21,989
Federal aid	3,155	
Property taxes	8,665	
Franchise fees	10,674	
Sales taxes	50,735	
Interest	1,024	509
Sanitation fees	17,587	
Other	12,030	
Total Receipts	<u>108,294</u>	<u>22,498</u>
Disbursements:		
General government	71,833	
Highways and streets	4,184	318
Sanitation	25,316	
Total Disbursements	<u>101,333</u>	<u>318</u>
Cash Balance, December 31, 2021	<u>\$ 233,677</u>	<u>\$ 195,648</u>

TOWN OF LEXA, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
 (UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.
  
2. The Municipality's capital assets records are summarized below:

	December 31, 2022	December 31, 2021
	<u>                    </u>	<u>                    </u>
Land	\$ 26,800	\$ 26,800
Buildings	75,000	120,000
Equipment	<u>24,200</u>	<u>29,100</u>
 Totals	 <u>\$ 126,000</u>	 <u>\$ 175,900</u>