

Town of Lexa, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF LEXA, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

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Arkansas

Sen. Jim Petty
Senate Chair
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 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 year ended December 31, 2024, and have issued our report thereon dated July 24, 2026. These procedures were not performed for the Water and Sewer Funds. 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 2024:

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 offices of the **Mayor** and **Recorder/Treasurer**.

Mayor

The City made payments totaling \$8,774 to the Mayor's son (\$6,914) and the Mayor's father (\$1,860) for various services, without ordinances authorizing these related party transactions, in apparent conflict with Ark. Code Ann. § 14-42-107.

Mayor and Recorder/Treasurer

Disbursements of funds were made by electronic funds transfer without establishing an ordinance along with written policies and procedures of internal accounting controls and documentation, in noncompliance with Ark. Code Ann. § 14-59-105.

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 dark ink, appearing to read "Kevin White".

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
July 24, 2026
LOM309824

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

Schedule 1

	General Fund	Special Revenue Fund - Street
Cash Balance, January 1, 2024	\$ 189,878	\$ 169,259
Receipts:		
State aid	3,078	17,022
Property taxes	9,189	
Franchise fees	10,893	
Sales taxes	52,871	
Interest	2,378	299
Sanitation fees	18,037	
Other	5,000	
Transfers in	54,428	
Unclassified	2,710	
Total Receipts	<u>158,584</u>	<u>17,321</u>
Disbursements:		
General government	65,891	
Highways and streets		18,893
Sanitation	21,097	
Transfers out		54,428
Unclassified		800
Total Disbursements	<u>86,988</u>	<u>74,121</u>
Cash Balance, December 31, 2024	<u>\$ 261,474</u>	<u>\$ 112,459</u>

TOWN OF LEXA, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 2

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.

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

	<u>December 31, 2024</u>
Buildings	\$ 75,000
Equipment	<u>18,811</u>
Total	<u><u>\$ 93,811</u></u>