

Town of Powhatan, Arkansas

Financial and Compliance Report

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF POWHATAN, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2023

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Arkansas

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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 Powhatan, 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 Powhatan, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated March 21, 2025. Management of the Town is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The finding contained in this section relates to the following officials who held office during 2023:

Mayor: Eric Smith
Recorder/Treasurer: Deborah Shaw

We evaluated the Town's compliance with certain state laws concerning general accounting, budgeting, purchasing, and depositing of public funds.

Noncompliance with state law and accepted accounting practices was noted in the office of **Mayor**.

Mayor

General Fund disbursements exceeded the budget by \$59,897 (240%).

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
March 21, 2025
LOM313123

TOWN OF POWHATAN, 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	\$ 51,979	\$ 29,068
Receipts:		
State aid	1,581	8,773
Property taxes	884	736
Franchise fees	4,832	
Sales taxes	12,057	
Interest	511	99
Settlement from Terminix	95,689	
Other	115	
Total Receipts	<u>115,669</u>	<u>9,608</u>
Disbursements:		
General government	84,822	13,035
Highways and streets	<u> </u>	<u>3,339</u>
Total Disbursements	<u>84,822</u>	<u>16,374</u>
Cash Balance, December 31, 2023	<u>\$ 82,826</u>	<u>\$ 22,302</u>

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

Schedule 2

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 16,033	\$ 13,035	\$ 29,068
Receipts:			
State aid	8,773		8,773
Property taxes	736		736
Interest	99		99
Total Receipts	<u>9,608</u>		<u>9,608</u>
Disbursements:			
General government		13,035	13,035
Highways and streets	3,339		3,339
Total Disbursements	<u>3,339</u>	<u>13,035</u>	<u>16,374</u>
Cash Balance, December 31, 2023	<u>\$ 22,302</u>	<u>\$ 0</u>	<u>\$ 22,302</u>

TOWN OF POWHATAN, 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 and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General and Park
3. The Municipality's capital assets records are summarized below:

	December 31, 2023
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Land	\$ 12,700
Buildings	<hr/> 70,000
	<hr/>
Total	<u><u>\$ 82,700</u></u>