

**Town of Roe, Arkansas**

**Financial and Compliance Report**

**December 31, 2023 and 2022**



TOWN OF ROE, ARKANSAS  
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FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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# Arkansas

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Senate Chair  
Sen. John Payton  
Senate Vice Chair



Rep. Jimmy Gazaway  
House Chair  
Rep. Richard Womack  
House Vice Chair

Kevin William White, CPA, JD  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Town of Roe, 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 Roe, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated September 24, 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 commentary contained in this section relates to the following officials who held office during 2023 and 2022:

Mayor: Jason Dixon (appointed February 12, 2023)  
Nicholas Self (appointed June 16, 2022, resigned December 31, 2022)  
Vacant (January 1, 2022 – June 15, 2022)  
Recorder/Treasurer: Sarah Moore (appointed January 12, 2023)  
Hannah Nowlin (hired March 10, 2022, resigned December 13, 2022)  
Sarah Moore (resigned March 10, 2022)

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

Restricted Street Fund monies were loaned to the Water and Sewer Department in 2017, in noncompliance with Ark. Code Ann. §§ 26-79-104, 27-70-207. To repay the Street Fund, the Town made payments of \$600 from the Water and Sewer Department to the Street Fund in 2022. Additionally, in 2023, the Town passed Resolution 2023-001R, authorizing payment of 10% of general revenues to the Street Fund each year until the balance is paid in full, and made payments of \$1,857 in compliance with the Town's resolution. The total amount due to the Street Fund as of December 31, 2023, was \$15,793. A similar finding was noted in the previous two reports.

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".

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
September 24, 2024  
LOM313923

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

Schedule 1

|                                            | General<br>Fund   | Special<br>Revenue<br>Funds |
|--------------------------------------------|-------------------|-----------------------------|
|                                            | <u>          </u> | <u>          </u>           |
| Cash Balance, January 1, 2023              | \$ 31,083         | \$ 105,722                  |
| Receipts:                                  |                   |                             |
| State aid                                  | 1,034             | 5,736                       |
| Property taxes                             | 2,334             | 2,060                       |
| Franchise fees                             | 3,925             |                             |
| Sales taxes                                | 12,006            |                             |
| Interest                                   | 81                | 233                         |
| Contributions from water                   |                   | 250                         |
| Transfers in                               |                   | 1,607                       |
| Total Receipts                             | <u>19,380</u>     | <u>9,886</u>                |
| Disbursements:                             |                   |                             |
| General government                         | 11,956            |                             |
| Highways and streets                       |                   | 5,561                       |
| Contribution to water and sewer department | 5,000             | 10,514                      |
| Wastewater                                 |                   | 9,375                       |
| Transfers out                              | 1,607             |                             |
| Total Disbursements                        | <u>18,563</u>     | <u>25,450</u>               |
| Cash Balance, December 31, 2023            | <u>\$ 31,900</u>  | <u>\$ 90,158</u>            |

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

Schedule 2

|                                            | <u>Street</u>    | <u>American<br/>Rescue<br/>Plan Act</u> | <u>Total</u>     |
|--------------------------------------------|------------------|-----------------------------------------|------------------|
| Cash Balance, January 1, 2023              | \$ 85,833        | \$ 19,889                               | \$ 105,722       |
| Receipts:                                  |                  |                                         |                  |
| State aid                                  | 5,736            |                                         | 5,736            |
| Property taxes                             | 2,060            |                                         | 2,060            |
| Interest                                   | 233              |                                         | 233              |
| Contributions from water                   | 250              |                                         | 250              |
| Transfers in                               | 1,607            |                                         | 1,607            |
| Total Receipts                             | <u>9,886</u>     |                                         | <u>9,886</u>     |
| Disbursements:                             |                  |                                         |                  |
| Highways and streets                       | 5,561            |                                         | 5,561            |
| Contribution to water and sewer department |                  | 10,514                                  | 10,514           |
| Wastewater                                 |                  | 9,375                                   | 9,375            |
| Total Disbursements                        | <u>5,561</u>     | <u>19,889</u>                           | <u>25,450</u>    |
| Cash Balance, December 31, 2023            | <u>\$ 90,158</u> | <u>\$ 0</u>                             | <u>\$ 90,158</u> |

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

Schedule 3

|                                 | General<br>Fund | Special<br>Revenue<br>Funds |
|---------------------------------|-----------------|-----------------------------|
| Cash Balance, January 1, 2022   | \$ 24,262       | \$ 98,166                   |
| Receipts:                       |                 |                             |
| State aid                       | 1,015           | 5,871                       |
| Federal aid                     |                 | 9,944                       |
| Property taxes                  | 1,092           | 980                         |
| Franchise fees                  | 3,629           |                             |
| Sales taxes                     | 10,786          |                             |
| Interest                        | 98              | 225                         |
| Contributions from water        |                 | 600                         |
| Total Receipts                  | 16,620          | 17,620                      |
| Disbursements:                  |                 |                             |
| General government              | 9,799           |                             |
| Highways and streets            |                 | 10,065                      |
| Total Disbursements             | 9,799           | 10,065                      |
| Cash Balance, December 31, 2022 | \$ 31,083       | \$ 105,722                  |

TOWN OF ROE, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2022  
 (UNAUDITED)

Schedule 4

|                                 | <u>Street</u>           | <u>American<br/>Rescue<br/>Plan Act</u> | <u>Total</u>             |
|---------------------------------|-------------------------|-----------------------------------------|--------------------------|
| Cash Balance, January 1, 2022   | <u>\$ 88,221</u>        | <u>\$ 9,945</u>                         | <u>\$ 98,166</u>         |
| Receipts:                       |                         |                                         |                          |
| State aid                       | 5,871                   |                                         | 5,871                    |
| Federal aid                     |                         | 9,944                                   | 9,944                    |
| Property taxes                  | 980                     |                                         | 980                      |
| Interest                        | 225                     |                                         | 225                      |
| Contributions from water        | 600                     |                                         | 600                      |
| Total Receipts                  | <u>7,676</u>            | <u>9,944</u>                            | <u>17,620</u>            |
| Disbursements:                  |                         |                                         |                          |
| Highways and streets            | <u>10,065</u>           |                                         | <u>10,065</u>            |
| Cash Balance, December 31, 2022 | <u><u>\$ 85,833</u></u> | <u><u>\$ 19,889</u></u>                 | <u><u>\$ 105,722</u></u> |

TOWN OF ROE, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022  
 (UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand and savings accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:  
 General Checking, General Money Market, and Sales Tax
3. The Municipality's capital assets records are summarized below:

|           | December 31,<br>2023 | December 31,<br>2022 |
|-----------|----------------------|----------------------|
| Land      | \$ 160,000           | \$ 160,000           |
| Buildings | 45,000               | 45,000               |
| Totals    | \$ 205,000           | \$ 205,000           |

4. The Town received federal funding in the following amount related to COVID-19 relief:

|                                 | December 31,<br>2022 |
|---------------------------------|----------------------|
| American Rescue Plan Act (ARPA) | \$ 9,944             |