

City of Lepanto, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF LEPANTO, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Other Information (Unaudited)	3

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Lepanto, 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 City of Lepanto, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated April 2, 2026. These procedures were not performed for the Water and Sewer Funds. Management of the City 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 2024:

Mayor: Henry Tucker
Recorder/Treasurer: Tamara Wyatt
District Court Clerk: Regina Gipson
Police Chief: Mark Authement (appointed March 13, 2024)
Wyatt Wheaton (resigned March 11, 2024)

We evaluated the City'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 City 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
April 2, 2026
LOM105123

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

Schedule 1

	General Fund	Special Revenue Funds	Debt Service Fund (2007 Sales and Use Tax)
Cash Balance, January 1, 2024	\$ 439,165	\$ 409,890	\$ 193
Receipts:			
State aid	25,757	172,600	
Federal aid	7,400		
Property taxes	19,511	11,456	
Franchise fees	90,083		
Sales taxes	532,110	46,143	
Fines, forfeitures, and costs	35,889	951	
Interest	111	1,771	
Local permits and fees	100,951		
Sanitation fees	205,433		
Insurance proceeds		11,824	
Employee contributions		5,810	
Park fees, rentals, and sales		6,919	
Donations	10,000		
Other	3,819	14	
Transfers in	269		
Unclassified	24,513		
Total Receipts	<u>1,055,846</u>	<u>257,488</u>	
Disbursements:			
General government	104,552		
Law enforcement	569,766	11,774	
Highways and streets		180,135	
Public safety	57,986	42,153	
Sanitation	146,370		
Health	42,924		
Recreation and culture	2,712	41,391	
Social services		13,200	
Water and waste water	17,047		
Sales tax remitted to water and sewer	100,765		
Contribution to water and sewer		56,065	
Debt service	44,391	11,323	193
Transfers out		269	
Total Disbursements	<u>1,086,513</u>	<u>356,310</u>	<u>193</u>
Cash Balance, December 31, 2024	<u>\$ 408,498</u>	<u>\$ 311,068</u>	<u>\$ 0</u>

CITY OF LEPANTO, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 DECEMBER 31, 2024
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>Fire Equipment</u>	<u>Court Automation</u>	<u>Fire Protection</u>	<u>Criminal Justice</u>	<u>Cemetery</u>	<u>Jail Maintenance</u>
Cash Balance, January 1, 2024	\$ 47,011	\$ 28,309	\$ 3,054	\$ 26,123	\$ 1,541	\$ 6,698	\$ 204
Receipts:							
State aid	142,424			30,176			
Property taxes	11,456						
Sales taxes							
Fines, forfeitures, and costs							300
Interest	8		233		1,484	1	
Insurance proceeds	11,824						
Employee contributions							
Park fees, rentals, and sales							
Other	13	1					
Total Receipts	<u>165,725</u>	<u>1</u>	<u>233</u>	<u>30,176</u>	<u>1,484</u>	<u>1</u>	<u>300</u>
Disbursements:							
Law enforcement			4,732		1,566		
Highways and streets	180,135						
Public safety		18,310		16,938			
Recreation and culture							
Social services							
Contribution to water and sewer							
Debt service				11,323			
Transfers out							
Total Disbursements	<u>180,135</u>	<u>18,310</u>	<u>4,732</u>	<u>28,261</u>	<u>1,566</u>		
Cash Balance, December 31, 2024	<u>\$ 32,601</u>	<u>\$ 10,000</u>	<u>\$ (1,445)</u>	<u>\$ 28,038</u>	<u>\$ 1,459</u>	<u>\$ 6,699</u>	<u>\$ 504</u>

CITY OF LEPANTO, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 DECEMBER 31, 2024
 (UNAUDITED)

Schedule 2

	<u>Drug Control</u>	<u>Local Police and Fire Retirement Cost</u>	<u>Park Maintenance and Operations</u>	<u>Park Commission</u>	<u>American Rescue Plan Act (ARPA)</u>	<u>Total</u>
Cash Balance, January 1, 2024	\$ 279	\$ 2,026	\$ 202,952	\$ 17,123	\$ 74,570	\$ 409,890
Receipts:						
State aid						172,600
Property taxes						11,456
Sales taxes			46,143			46,143
Fines, forfeitures, and costs		651				951
Interest			42		3	1,771
Insurance proceeds						11,824
Employee contributions		5,810				5,810
Park fees, rentals, and sales				6,919		6,919
Other						14
Total Receipts		<u>6,461</u>	<u>46,185</u>	<u>6,919</u>	<u>3</u>	<u>257,488</u>
Disbursements:						
Law enforcement	10	1,266			4,200	11,774
Highways and streets						180,135
Public safety		5,797			1,108	42,153
Recreation and culture			38,861	2,530		41,391
Social services					13,200	13,200
Contribution to water and sewer					56,065	56,065
Debt service						11,323
Transfers out	269					269
Total Disbursements	<u>279</u>	<u>7,063</u>	<u>38,861</u>	<u>2,530</u>	<u>74,573</u>	<u>356,310</u>
Cash Balance, December 31, 2024	<u>\$ 0</u>	<u>\$ 1,424</u>	<u>\$ 210,276</u>	<u>\$ 21,512</u>	<u>\$ 0</u>	<u>\$ 311,068</u>

CITY OF LEPANTO, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
 General, Police Line, Payroll, and Sales Tax
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2024
Police Bond and Fine	\$ 5,970
District Court	8,266
Payroll	217

These balances represent fines, forfeitures, and costs and payroll taxes that have not been transferred to the appropriate entities.

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

	December 31, 2024
Land	\$ 264,154
Buildings and improvements	2,137,766
Equipment	1,260,558
Total	\$ 3,662,478

5. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2024
Financed purchases	\$ 204,238