Town of Beaver, Arkansas

Financial and Compliance Report

December 31, 2024 and 2023

LEGISLATIVE JOINT AUDITING COMMITTEE

TOWN OF BEAVER, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Beaver, 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 Beaver, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated October 27, 2025. 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 and 2023:

Mayor: Scott Leech (Appointed April 1, 2024)
Lynn Going (Resigned April 1, 2024)
Recorder/Treasurer: Suzi Lakin (Appointed July 8, 2024)

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 **Mayor** and **Recorder/Treasurer**.

Mayor and Recorder Treasurer

The Town paid $6,945 and $9,293 to the Mayor for park attendant services in 2024 and 2023, respectively. Town Council minutes indicate Ordinance no. 1001 was adopted to authorize these payments; however, a signed and complete copy of the ordinance was not provided for audit inspection. In addition, the Town paid $7,045 and $7,563 to the Mayor's spouse for bookkeeping and park attendant services in 2024 and 2023, respectively, without an authorizing ordinance, in apparent conflict with Ark. Code Ann. § 14-42-107.

During our review of payroll in 2024, an individual working as a park attendant was compensated in gift cards totaling $1,667, with the Town paying $27 in fees for purchase of the cards. Town officials indicated that this compensation method was used to avoid reporting the individual's income earned; therefore, this compensation was not reported on Internal Revenue Service (IRS) Form 1099.

During our testing of payroll for 2024, we noted that park attendants were paid at a daily rate of $40. Contracts were not available, the budget was not sufficiently detailed to determine authorized pay, and Council meeting minutes did not document approval for this pay rate. Minutes for a Council meeting held August 7, 2023, indicate approval for a pay rate increase for park attendants to $30 per day. Minutes for the meeting held August 12, 2024, indicate another rate increase was approved, but the daily pay rate was not included. Without contracts, detailed budgets, or daily rate of pay adequately documented, we were unable to determine if the park attendants were paid correctly.

Mayor

In 2023, Council minutes indicated a budget was adopted by resolution, however, a copy of the budget was not provided for all funds, in noncompliance with Ark. Code Ann. §§ 14-58-202, -203; therefore, we were unable to compare appropriations to disbursements.

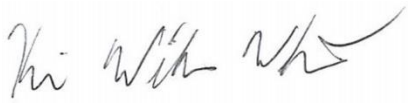
Recorder/Treasurer

Accounting procedures for municipalities are set forth in the Municipal Accounting Law, Ark. Code Ann. §§ 14-59-101 – 14-59-119. The City was in noncompliance with these codes as noted below:

- Prenumbered receipts were not issued for all funds received. A similar finding was issued in the previous two reports dating back to 2017.
- Adequate supporting documentation was not maintained for all disbursements. A similar finding was issued in the previous report.
- Internal Revenue Service (IRS) quarterly 941 forms for the 4th quarter of 2023 and 3rd quarter of 2024 and IRS form W-3 for 2023 were not made available for inspection.
- A fixed asset listing was established, but records were not updated.
- Annual financial statements were not prepared and posted.

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



Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
October 27, 2025
LOM301424

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2024	$ 102,832	$ 126,084
Receipts:		
State aid	996	5,509
Sales taxes	7,360	
Interest	2,585	4,400
Campground fees	122,978	
Rent	6,939	
Other	24,437	
Total Receipts	165,295	9,909
Disbursements:		
General government	32,083	20,762
Recreation and culture	83,245	
Total Disbursements	115,328	20,762
Cash Balance, December 31, 2024	$ 152,799	$ 115,231

TOWN OF BEAVER, ARKANSAS

Schedule 2

COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2024

(UNAUDITED)

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	$ 105,569	$ 20,515	$ 126,084
Receipts:			
State aid	5,509		5,509
Interest	4,153	247	4,400
Total Receipts	9,662	247	9,909
Disbursements:			
General government		20,762	20,762
Cash Balance, December 31, 2024	$ 115,231	$ 0	$ 115,231

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

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2023	$ 120,771	$ 116,092
Receipts:		
State aid	1,019	5,652
Sales taxes	7,178	
Interest	2,499	4,340
Campground fees	90,014	
Rent	7,019	
Other	830	
Unclassified	80	
Total Receipts	108,639	9,992
Disbursements:		
General government	30,646	
Recreation and culture	95,430	
Unclassified	502	
Total Disbursements	126,578	
Cash Balance, December 31, 2023	$ 102,832	$ 126,084

TOWN OF BEAVER, ARKANSAS

Schedule 4

COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2023

(UNAUDITED)

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	$ 96,298	$ 19,794	$ 116,092
Receipts:			
State aid	5,652		5,652
Interest	3,619	721	4,340
Total Receipts	9,271	721	9,992
Cash Balance, December 31, 2023	$ 105,569	$ 20,515	$ 126,084

TOWN OF BEAVER, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(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, RV Park, and Park Credit Card

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

	December 31, 2024	December 31, 2023
Land	$ 14,000	$ 14,000
Buildings	71,375	71,375
Equipment	29,962	29,962
Totals	$ 115,337	$ 115,337