Town of Casa, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE

TOWN OF CASA, ARKANSAS
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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 Casa, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated April 23, 2026. 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 findings contained in this section relate to the following officials who held office during 2024:

Mayor: Josie Payne
Recorder/Treasurer: Kerrie Alexander (appointed November 14, 2024)
Lelah Donnelly (resigned October 1, 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

An audit or agreed upon procedures report for the Water Department was not obtained, as required by Ark. Code Ann. § 14-234-119. However, as of report date, the Town has engaged with a CPA firm to obtain an audit for 2024 and 2023. A similar finding was noted in the previous three reports.

The annual financial statement were not published or posted, in noncompliance with Ark. Code Ann. § 14-59-116.

Recorder/Treasurer

Accounting procedures for municipalities are set forth in Ark. Code Ann. §§ 14-59-101 – 14-59-119. The Town was in noncompliance with these codes and other proper accounting procedures as noted below:

- A fixed asset listing was established, but records were not updated.
- Cash receipts journals were not properly maintained and were not reconciled to total deposits per the bank for the General, Street, and Fire Funds

  A similar finding was noted in the previous report.

The Town ended the year with a negative cash balance in the General Fund at December 31, 2024, of $8,031. A similar finding was issued in the previous report.

A review of disbursements revealed inadequate supporting documentation for tested disbursements totaling $3,703 to vendors that appear to be for legitimate business, 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

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
April 23, 2026
LOM303624

Schedule 1

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

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2024	$ (4,586)	$ 107,601
Receipts:		
State aid	1,785	19,968
Property taxes	6,666	9,179
Franchise fees	6,894	
Sales taxes	11,479	
Fines, forfeitures, and costs		6,059
Interest	49	115
Contribution from water department	31,316	12,201
Other	1,062	2,000
Total Receipts	59,251	49,522
Disbursements:		
General government	62,696	
Highways and streets		9,864
Public safety		11,718
Total Disbursements	62,696	21,582
Cash Balance, December 31, 2024	$ (8,031)	$ 135,541

TOWN OF CASA, ARKANSAS
COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 2

	Street	Fire	American Rescue Plan Act (ARPA)	Total
Cash Balance, January 1, 2024	$ 14,866	$ 58,135	$ 34,600	$ 107,601
Receipts:				
State aid	9,868	10,100		19,968
Property taxes	1,121	8,058		9,179
Fines, forfeitures, and costs		6,059		6,059
Interest	43	72		115
Contribution from water department		12,201		12,201
Other	2,000			2,000
Total Receipts	13,032	36,490		49,522
Disbursements:				
Highways and streets	9,864			9,864
Public safety		11,718		11,718
Total Disbursements	9,864	11,718		21,582
Cash Balance, December 31, 2024	$ 18,034	$ 82,907	$ 34,600	$ 135,541

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

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts.

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

	December 31, 2024
Land	$ 21,929
Buildings	59,005
Equipment	178,480
Total	$ 259,414