

**Town of Powhatan, Arkansas**

**Financial and Compliance Report**

**December 31, 2024**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF POWHATAN, ARKANSAS  
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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, 2024, and have issued our report thereon dated June 30, 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 2024:

Mayor: Eric Smith  
Recorder/Treasurer: Deborah Shaw

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**

General Fund disbursements exceeded budget by \$17,175 (67%), in noncompliance with Ark. Code Ann. § 14-58-203. A similar finding was noted in the previous report.

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  
June 30, 2025  
LOM313124

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

Schedule 1

|                                 | General<br>Fund  | Special<br>Revenue Fund<br>(Street) |
|---------------------------------|------------------|-------------------------------------|
| Cash Balance, January 1, 2024   | \$ 82,826        | \$ 22,302                           |
| Receipts:                       |                  |                                     |
| State aid                       | 1,547            | 8,552                               |
| Property taxes                  | 947              | 789                                 |
| Franchise fees                  | 4,155            |                                     |
| Sales taxes                     | 12,220           |                                     |
| Interest                        | 511              | 176                                 |
| Other                           | 816              | 1,120                               |
| Total Receipts                  | <u>20,196</u>    | <u>10,637</u>                       |
| Disbursements:                  |                  |                                     |
| General government              | 42,675           |                                     |
| Highways and streets            |                  | 4,577                               |
| Total Disbursements             | <u>42,675</u>    | <u>4,577</u>                        |
| Cash Balance, December 31, 2024 | <u>\$ 60,347</u> | <u>\$ 28,362</u>                    |

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

Schedule 2

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,<br>2024    |
|-----------|-------------------------|
| Land      | \$ 12,700               |
| Buildings | <u>70,000</u>           |
| Total     | <u><u>\$ 82,700</u></u> |