

Town of Garner, Arkansas

Financial and Compliance Report

December 31, 2024 and 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF GARNER, ARKANSAS
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Arkansas

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Garner, 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 Garner, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated June 13, 2025. These procedures were not performed for the Fire Department 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 and 2023:

Mayor: Dana Wilcox (appointed December 1, 2023)
Dorothy Hanner (deceased November 13, 2023)
Recorder/Treasurer: Carla Johnson

We evaluated the Town's compliance with certain state laws concerning general 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 and compilation has not been completed for the Sewer Fund, as required by Ark. Code Ann. § 14-234-119.

Recorder/Treasurer

A fixed asset listing was established but not updated to include all purchases as required by Ark. Code Ann. § 14-59-107. In addition, a fixed asset policy has not been adopted by the governing body. A similar finding was noted in the previous report.

Adequate supporting documentation was not maintained for credit card transactions tested totaling \$1,031 in 2023, in noncompliance with Ark. Code Ann. § 14-59-105. Subsequently, the Town was able to obtain appropriate documentation that supported a business purpose.

The City made payments to the City Attorney totaling \$3,300 annually in 2024 and 2023 without adequate supporting documentation in the form of an authorizing ordinance or contract, 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

A handwritten signature in dark ink, appearing to read "Kevin White".

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
June 13, 2025
LOM306524

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

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2024	\$ 83,231	\$ 83,130
Receipts:		
State aid	3,138	17,351
Property taxes	3,731	1,321
Franchise fees	1,035	
Sales taxes	44,847	
Interest	25	
Donations		1,330
Other	1,028	100
Transfers in		22,200
Unclassified	50	
Total Receipts	<u>53,854</u>	<u>42,302</u>
Disbursements:		
General government	46,663	
Highways and streets		9,432
Recreation and culture	180	
Cemetery		1,920
Transfers out	22,200	
Total Disbursements	<u>69,043</u>	<u>11,352</u>
Cash Balance, December 31, 2024	<u>\$ 68,042</u>	<u>\$ 114,080</u>

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

Schedule 2

	Street	Cemetery	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 82,953	\$ 100	\$ 77	\$ 83,130
Receipts:				
State aid	17,351			17,351
Property taxes	1,321			1,321
Donations		1,330		1,330
Other		100		100
Transfers in	21,000	1,200		22,200
Total Receipts	39,672	2,630		42,302
Disbursements:				
Highways and streets	9,432			9,432
Cemetery		1,920		1,920
Total Disbursements	9,432	1,920		11,352
Cash Balance, December 31, 2024	\$ 113,193	\$ 810	\$ 77	\$ 114,080

TOWN OF GARNER, 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	\$ 84,026	\$ 63,982
Receipts:		
State aid	3,208	17,799
Property taxes	3,266	1,148
Franchise fees	1,254	
Sales taxes	44,401	
Interest	27	
Donations		100
Insurance proceeds	20,891	
Other	4,392	380
Transfers in		10,000
Total Receipts	<u>77,439</u>	<u>29,427</u>
Disbursements:		
General government	67,999	
Highways and streets		8,839
Recreation and culture	235	
Cemetery		1,440
Transfers out	10,000	
Total Disbursements	<u>78,234</u>	<u>10,279</u>
Cash Balance, December 31, 2023	<u>\$ 83,231</u>	<u>\$ 83,130</u>

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

Schedule 4

	Street	Cemetery	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 62,465	\$ 1,440	\$ 77	\$ 63,982
Receipts:				
State aid	17,799			17,799
Property taxes	1,148			1,148
Donations		100		100
Other	380			380
Transfers in	10,000			10,000
Total Receipts	<u>29,327</u>	<u>100</u>		<u>29,427</u>
Disbursements:				
Highways and streets	8,839			8,839
Cemetery		1,440		1,440
Total Disbursements	<u>8,839</u>	<u>1,440</u>		<u>10,279</u>
Cash Balance, December 31, 2023	<u>\$ 82,953</u>	<u>\$ 100</u>	<u>\$ 77</u>	<u>\$ 83,130</u>

TOWN OF GARNER, 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 and Savings

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

	December 31, 2024	December 31, 2023
	<u> </u>	<u> </u>
Land	\$ 11,883	\$ 11,883
Buildings	51,215	51,215
Equipment	<u>84,775</u>	<u>82,981</u>
Totals	<u><u>\$ 147,873</u></u>	<u><u>\$ 146,079</u></u>

4. On May 23, 2025, a lawsuit was filed against the Town of Garner alleging unpaid fees for sewer services. As of the report date, litigation was ongoing.