

Town of Gilbert, Arkansas

Financial and Compliance Report

December 31, 2024 and 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



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

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Arkansas



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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 Gilbert, 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 Gilbert, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated January 22, 2026. 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: Alvin Chip Johnson
Recorder/Treasurer: Vacant

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 expenditures exceeded appropriated amounts by \$16,197 (169%) in 2023, in noncompliance with Ark. Code Ann. § 14-58-203. Additionally, Street Fund expenditures exceeded appropriated amounts by \$1,244 (178%) in 2024. A similar finding was noted in the prior report.

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 accounting procedures as follows:

- Electronic funds transfers (EFTs) transactions were noted without an authorizing ordinance with written policies and procedures approved by the governing body.
- Payroll records were not provided.
- A detailed fixed asset listing was not provided.
- Bank reconciliations were not prepared for bank accounts.
- Prenumbered receipts were not issued for all funds received.
- Cash receipts and disbursements journals were not provided.
- Annual financial statements were not posted.

A similar finding was noted in the prior 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".

Kevin William White, CPA,
JD Legislative Auditor

Little Rock, Arkansas
January 22, 2026
LOM306724

TOWN OF GILBERT, 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	\$ 72,631	\$ 36,676
Receipts:		
State aid	387	2,138
Property taxes	2,431	1,825
Franchise fees	2,060	
Sales taxes	15,724	
Interest	42	25
Other	3,941	
Total Receipts	24,585	3,988
Disbursements:		
General government	15,249	
Highways and streets		1,944
Recreation and culture		5,386
Total Disbursements	15,249	7,330
Cash Balance, December 31, 2024	\$ 81,967	\$ 33,334

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

Schedule 2

	<u>Street</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2024	<u>\$ 31,290</u>	<u>\$ 5,386</u>	<u>\$ 36,676</u>
Receipts:			
State aid	2,138		2,138
Property taxes	1,825		1,825
Interest	25		25
Total Receipts	<u>3,988</u>		<u>3,988</u>
Disbursements:			
Highways and streets	1,944		1,944
Recreation and culture		5,386	5,386
Total Disbursements	<u>1,944</u>	<u>5,386</u>	<u>7,330</u>
Cash Balance, December 31, 2024	<u><u>\$ 33,334</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 33,334</u></u>

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

Schedule 3

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2023	\$ 76,400	\$ 31,606
Receipts:		
State aid	395	2,193
Property taxes	4,861	3,648
Franchise fees	2,029	
Sales taxes	14,631	
Interest	78	40
Other	9	
Total Receipts	<u>22,003</u>	<u>5,881</u>
Disbursements:		
General government	23,886	
Highways and streets		811
Sanitation	1,886	
Total Disbursements	<u>25,772</u>	<u>811</u>
Cash Balance, December 31, 2023	<u>\$ 72,631</u>	<u>\$ 36,676</u>

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

Schedule 4

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 26,220	\$ 5,386	\$ 31,606
Receipts:			
State aid	2,193		2,193
Property taxes	3,648		3,648
Interest	40		40
Total Receipts	5,881		5,881
Disbursements:			
Highways and streets	811		811
Cash Balance, December 31, 2023	\$ 31,290	\$ 5,386	\$ 36,676

TOWN OF GILBERT, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.
2. The Municipality's capital assets records were not available.