Town of Guion, Arkansas

Financial and Compliance Report

December 31, 2023 and 2022

LEGISLATIVE JOINT AUDITING COMMITTEE

TOWN OF GUION, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Guion, 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 Guion, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated June 10, 2025. These procedures were not performed for the Water 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 2023 and 2022:

Mayor: Kathy Roberts
Recorder/Treasurer: Stacie Engles

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

General Fund disbursements exceeded total appropriations by $22,348 (26.73%), in non-compliance with Ark. Code Ann. § 14-58-203.

Mayor and Recorder/Treasurer

Restricted Street Fund monies of $20,000 were transferred to the Water Fund, in non-compliance with Ark. Code Ann. §§ 14-59-104, 27-70-207. Funds were subsequently repaid on February 28, 2025.

The Town paid a Council member to serve concurrently as Fire Chief, in apparent conflict with Ark. Code Ann. § 14-42-107 and the common law doctrine of incompatibility discussed in Op. Att'y Gen. no. 2005-172.

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
June 10, 2025
LOM307223

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2023	$ 368,529	$ 117,581
Receipts:		
State aid	1,034	21,949
Federal aid		7,000
Property taxes	31,788	9,385
Franchise fees	16,607	
Sales taxes	36,531	30,705
Interest		215
Donations		3,563
Total Receipts	85,960	72,817
Disbursements:		
General government	105,948	
Highways and streets		16,287
Public safety		33,254
Total Disbursements	105,948	49,541
Cash Balance, December 31, 2023	$ 348,541	$ 140,857

TOWN OF GUION, ARKANSAS

Schedule 2

COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2023

(UNAUDITED)

	Street	Fire Department	American Rescue Plan Act	Fire Department Auxiliary	Total
Cash Balance, January 1, 2023	$ 90,373	$ 18,097	$ 8,676	$ 435	$ 117,581
Receipts:					
State aid	5,736	16,213			21,949
Federal aid		7,000			7,000
Property taxes	9,385				9,385
Sales taxes		30,705			30,705
Interest	215				215
Donations				3,563	3,563
Total Receipts	15,336	53,918		3,563	72,817
Disbursements:					
Highways and streets	16,287				16,287
Public safety		30,024		3,230	33,254
Total Disbursements	16,287	30,024		3,230	49,541
Cash Balance, December 31, 2023	$ 89,422	$ 41,991	$ 8,676	$ 768	$ 140,857

TOWN OF GUION, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	$ 341,806	$ 145,009
Receipts:		
State aid	1,015	20,612
Federal aid		8,598
Property taxes	34,624	8,935
Franchise fees	9,268	
Sales taxes	50,218	7,294
Interest		64
Donations		3,759
Other	100	
Total Receipts	95,225	49,262
Disbursements:		
General government	68,502	
Highways and streets		12,490
Public safety		35,700
Contribution to water		28,500
Total Disbursements	68,502	76,690
Cash Balance, December 31, 2022	$ 368,529	$ 117,581

Schedule 4

TOWN OF GUION, ARKANSAS
COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

	Street	Fire Department	American Rescue Plan Act	Fire Department Auxiliary	Total
Cash Balance, January 1, 2022	$ 107,993	$ 26,069	$ 8,578	$ 2,369	$ 145,009
Receipts:					
State aid	5,871	14,741			20,612
Federal aid			8,598		8,598
Property taxes	8,935				8,935
Sales taxes		7,294			7,294
Interest	64				64
Donations				3,759	3,759
Total Receipts	14,870	22,035	8,598	3,759	49,262
Disbursements:					
Highways and streets	12,490				12,490
Public safety		30,007		5,693	35,700
Contribution to water	20,000		8,500		28,500
Total Disbursements	32,490	30,007	8,500	5,693	76,690
Cash Balance, December 31, 2022	$ 90,373	$ 18,097	$ 8,676	$ 435	$ 117,581

TOWN OF GUION, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(UNAUDITED)

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.

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

	December 31, 2023	December 31, 2022
Land	$ 66,970	$ 66,970
Buildings	115,651	115,651
Equipment	314,153	294,521
Totals	$ 496,774	$ 477,142

3. The Town received federal funding in the following amounts related to COVID-19 relief:

	December 31, 2023	December 31, 2022
American Rescue Plan Act (ARPA)		$ 8,598
American Rescue Plan Act (Passed through Izard County)	$ 7,000	
	$ 7,000	$ 8,598