

Town of Emerson, Arkansas

Financial and Compliance Report

December 31, 2025 and 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF EMERSON, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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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 Emerson, 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 Emerson, Arkansas, as of and for the years ended December 31, 2025 and 2024, and have issued our report thereon dated August 11, 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 2025 and 2024:

Mayor: Linda Mullins
Recorder: Mary Waller
Treasurer: Bonnie Bradley

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 **Treasurer**.

Mayor and Treasurer

The Mayor was overpaid a total of \$3,000 for 2025 and 2024 due to calculation errors that occurred when the Town changed from monthly to weekly payroll processing. As a result, the Mayor was paid more than the appropriated salary, and none of the overpayment has been recouped, as of the report date.

Mayor

In 2025, Street Fund disbursements exceeded appropriations by \$15,218 (35%) in noncompliance with Ark. Code Ann. § 14-58-203. A similar finding was issued in the prior six reports dating back to 2014.

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", written over a light blue horizontal line.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
August 11, 2026
LOM305325

TOWN OF EMERSON, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2025	\$ 20,072	\$ 161,616
Receipts:		
State aid	4,354	44,558
Property taxes	12,076	3,626
Franchise fees	4,316	4,062
Sales taxes	97,952	
Interest		69
Donations		37,043
Other	5,000	2,373
Transfers in		10,642
Total Receipts	<u>123,698</u>	<u>102,373</u>
Disbursements:		
General government	116,559	6
Highways and streets		58,275
Public safety		33,207
Recreation and culture		99,762
Cemetery		455
Transfers out	10,642	
Total Disbursements	<u>127,201</u>	<u>191,705</u>
Cash Balance, December 31, 2025	<u>\$ 16,569</u>	<u>\$ 72,284</u>

TOWN OF EMERSON, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2025
 (UNAUDITED)

Schedule 2

	Street	Fire Department	Cemetery	American Rescue Plan Act	Cumberland Cemetery	Trail Grant	Total
Cash Balance, January 1, 2025	\$ 27,274	\$ 28,944	\$ 1,104	\$ 6	\$ 4,553	\$ 99,735	\$ 161,616
Receipts:							
State aid	24,759	19,799					44,558
Property taxes	3,626						3,626
Franchise fees	4,062						4,062
Interest		69					69
Donations		36,293			750		37,043
Other		2,346				27	2,373
Transfers in	10,642						10,642
Total Receipts	<u>43,089</u>	<u>58,507</u>			<u>750</u>	<u>27</u>	<u>102,373</u>
Disbursements:							
General government				6			6
Highways and streets	58,275						58,275
Public safety		33,207					33,207
Recreation and culture						99,762	99,762
Cemetery					455		455
Total Disbursements	<u>58,275</u>	<u>33,207</u>		<u>6</u>	<u>455</u>	<u>99,762</u>	<u>191,705</u>
Cash Balance, December 31, 2025	<u>\$ 12,088</u>	<u>\$ 54,244</u>	<u>\$ 1,104</u>	<u>\$ 0</u>	<u>\$ 4,848</u>	<u>\$ 0</u>	<u>\$ 72,284</u>

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

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2024	\$ 10,638	\$ 133,700
Receipts:		
State aid	4,357	140,743
Property taxes	12,291	3,690
Franchise fees		12,103
Sales taxes	83,315	
Interest		65
Donations		27,986
Other		2,839
Total Receipts	<u>99,963</u>	<u>187,426</u>
Disbursements:		
General government	90,529	12,521
Highways and streets		90,633
Public safety		50,185
Cemetery		6,171
Total Disbursements	<u>90,529</u>	<u>159,510</u>
Cash Balance, December 31, 2024	<u>\$ 20,072</u>	<u>\$ 161,616</u>

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

Schedule 4

	Street	Fire Department	Cemetery	American Rescue Plan Act	Cumberland Cemetery	Trail Grant	Total
Cash Balance, January 1, 2024	\$ 78,020	\$ 41,984	\$ 1,104	\$ 12,168	\$ 424		\$ 133,700
Receipts:							
State aid	24,094	16,914				\$ 99,735	140,743
Property taxes	3,690						3,690
Franchise fees	12,103						12,103
Interest		65					65
Donations		17,686			10,300		27,986
Other		2,480		359			2,839
Total Receipts	<u>39,887</u>	<u>37,145</u>		<u>359</u>	<u>10,300</u>	<u>99,735</u>	<u>187,426</u>
Disbursements:							
General government				12,521			12,521
Highways and streets	90,633						90,633
Public safety		50,185					50,185
Cemetery					6,171		6,171
Total Disbursements	<u>90,633</u>	<u>50,185</u>		<u>12,521</u>	<u>6,171</u>		<u>159,510</u>
Cash Balance, December 31, 2024	<u>\$ 27,274</u>	<u>\$ 28,944</u>	<u>\$ 1,104</u>	<u>\$ 6</u>	<u>\$ 4,553</u>	<u>\$ 99,735</u>	<u>\$ 161,616</u>

TOWN OF EMERSON, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General and Donations
3. The Municipality's capital assets records are summarized below:

	December 31, 2025	December 31, 2024
	<u> </u>	<u> </u>
Land	\$ 12,125	\$ 12,125
Buildings	372,556	351,876
Equipment	<u>185,399</u>	<u>186,908</u>
Totals	<u><u>\$ 570,080</u></u>	<u><u>\$ 550,909</u></u>