

**Town of Gillham, Arkansas**

**Financial and Compliance Report**

**December 31, 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF GILLHAM, ARKANSAS  
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FOR THE YEAR ENDED DECEMBER 31, 2022

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# Arkansas

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**Sen. John Payton**  
Senate Vice Chair



**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
House Vice Chair

**Roger A. Norman, JD, CPA, CFE, CFF**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Town of Gillham, 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 Gillham, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated January 25, 2024. 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 finding contained in this section relates to the following officials who held office during 2022:

Mayor: Lester Overturf  
Recorder/Treasurer: Jane Whisenhunt

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 office of **Mayor**.

#### **Mayor**

General Fund disbursements exceeded appropriations by \$61,261 (36.18%), in noncompliance with Ark Code Ann. § 14-58-203.

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 cursive script that reads "Roger A. Norman".

Roger A. Norman, JD, CPA, CFE, CFF  
Legislative Auditor

Little Rock, Arkansas  
January 25, 2024  
LOM306822

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	\$ 197,255	\$ 38,299
Receipts:		
State aid	2,342	29,789
Federal aid		16,349
Property taxes	8,516	2,555
Franchise fees	5,093	
Sales taxes	158,670	
Interest	151	29
Local permits and fees		3,000
Donations		5,390
Total Receipts	<u>174,772</u>	<u>57,112</u>
Disbursements:		
General government	214,759	
Highways and streets		15,761
Public safety		12,374
Recreation and culture	1,374	
Debt service	14,428	
Total Disbursements	<u>230,561</u>	<u>28,135</u>
Cash Balance, December 31, 2022	<u>\$ 141,466</u>	<u>\$ 67,276</u>

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

Schedule 2

	Street	Fire Department	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 4,704	\$ 17,331	\$ 16,264	\$ 38,299
Receipts:				
State aid	13,555	16,234		29,789
Federal aid			16,349	16,349
Property taxes	2,555			2,555
Interest	4	25		29
Local permits and fees		3,000		3,000
Donations		5,390		5,390
Total Receipts	<u>16,114</u>	<u>24,649</u>	<u>16,349</u>	<u>57,112</u>
Disbursements:				
Highways and streets	15,761			15,761
Public safety		12,374		12,374
Total Disbursements	<u>15,761</u>	<u>12,374</u>		<u>28,135</u>
Cash Balance, December 31, 2022	<u>\$ 5,057</u>	<u>\$ 29,606</u>	<u>\$ 32,613</u>	<u>\$ 67,276</u>

TOWN OF GILLHAM, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Schedule 3

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

	December 31, 2022
Land	\$ 10,085
Buildings	61,106
Equipment	<u>213,393</u>
Total	<u>\$ 284,584</u>

4. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2022
Financed purchases	<u>\$ 134,302</u>

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

	December 31, 2022
American Rescue Plan Act (ARPA)	<u>\$ 16,349</u>