

**Town of Williford, Arkansas**

**Financial and Compliance Report**

**December 31, 2024 and 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF WILLIFORD, ARKANSAS  
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# Arkansas

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**Sen. Jim Dotson**  
Senate Vice Chair



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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 Williford, 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 Williford, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated October 31, 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 2024 and 2023:

Mayor: Phillip Allan (March 30, 2023 – December 31, 2024)  
Linda Brock (January 1, 2023 - March 30, 2023)  
Recorder/Treasurer: Joan Hunnicut (April 20, 2023 – December 31, 2024)  
Phillip Allan (January 1, 2023 - March 30, 2023)

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**

The governing body did not review the prior report and accompanying comments at the first regularly scheduled meeting following receipt of the report as required by Ark. Code Ann. § 10-4-418.

#### **Mayor and Recorder/Treasurer**

The Payroll Preparer invoiced the Town and was paid \$1,000 for performing additional services; these payments were not approved in the Town Council minutes or included in the approved budget. Additionally, we were unable to determine the amount paid to the payroll preparer in 2024 due to lack of payroll records.

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:

- Invoices and supporting documentation were not provided for disbursements of \$6,275 (25%), and \$16,500 (66%) in 2024 and 2023, respectively.
- Electronic funds transfers (EFTs) transactions were noted without an authorizing ordinance with written policies and procedures approved by the governing body.
- A listing of fixed assets was established but did not include all additions, deletions, or totals by major category. A similar finding was noted in the previous five reports dating back to 2012.
- Bank reconciliations were not prepared for all bank accounts and reconciliations reviewed were not accurate.
- Cash receipts and disbursements journals were not properly posted and classified.
- Prenumbered receipts were not issued for all funds received and receipts issued were not properly completed and issued at the time of collection. A similar finding was noted in the previous four reports dating back to 2014.
- Annual financial statements were not prepared and posted.
- Town Council minutes for January 2024 and February 2025 were not maintained for inspection.

The following issues were noted during our examination of payroll:

- Individual payroll records were not maintained.
- Timesheets or other payroll documentation were not provided for all payroll payments.
- Internal Revenue Service (IRS) Forms 944 were not filed for 2024 and 2023.
- IRS Form W-3 was not available for 2023.
- Department of Finance and Administration (DFA) Forms ARW-3 were completed; however, amounts reported on the form did not agree to other payroll reports submitted.
- Per review of records, no taxes or withholdings were paid to the IRS or DFA for the years tested.
- The City Clerk was paid \$1,400 at the beginning of 2023 and those wages were not included on an IRS W-2 Form.
- Amounts paid to employees and withholdings could not be reconciled to IRS W-2 Forms provided. Per other documentation reviewed, W-2 Forms were not completed for all employees.
- In 2023, the Town paid penalties and interest of \$1,026 to the IRS for not filing and paying 2016 federal taxes.

Similar findings were noted in the previous four 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



Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
October 31, 2025  
LOM317624

TOWN OF WILLIFORD, 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	\$ 96,768	\$ 131,774
Receipts:		
State aid	1,175	6,496
Property taxes	1,701	10,788
Franchise fees		1,065
Sales taxes	14,865	
Interest	303	455
Other		3,616
Total Receipts	<u>18,044</u>	<u>22,420</u>
Disbursements:		
General government	16,986	
Law enforcement	500	
Highways and streets		5,450
Public safety		26,430
Recreation and culture		780
Total Disbursements	<u>17,486</u>	<u>32,660</u>
Cash Balance, December 31, 2024	<u>\$ 97,326</u>	<u>\$ 121,534</u>

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

Schedule 2

	Street	Fire Department	Library	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 70,254	\$ 40,696	\$ 4,221	\$ 16,603	\$ 131,774
Receipts:					
State aid	6,496				6,496
Property taxes	837	9,951			10,788
Franchise fees		1,065			1,065
Interest	302	153			455
Other		3,616			3,616
Total Receipts	<u>7,635</u>	<u>14,785</u>			<u>22,420</u>
Disbursements:					
Highways and streets	5,450				5,450
Public safety		26,430			26,430
Recreation and culture			780		780
Total Disbursements	<u>5,450</u>	<u>26,430</u>	<u>780</u>		<u>32,660</u>
Cash Balance, December 31, 2024	<u>\$ 72,439</u>	<u>\$ 29,051</u>	<u>\$ 3,441</u>	<u>\$ 16,603</u>	<u>\$ 121,534</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2023	\$ 87,884	\$ 147,033
Receipts:		
State aid	1,201	14,462
Property taxes	7,908	6,283
Franchise fees	949	
Sales taxes	14,672	
Interest	226	308
Other	648	8,403
Total Receipts	<u>25,604</u>	<u>29,456</u>
Disbursements:		
General government	16,220	
Law enforcement	500	
Highways and streets		4,517
Public safety		39,989
Recreation and culture		209
Total Disbursements	<u>16,720</u>	<u>44,715</u>
Cash Balance, December 31, 2023	<u>\$ 96,768</u>	<u>\$ 131,774</u>

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

Schedule 4

	Street	Fire Department	Library	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 66,290	\$ 42,301	\$ 3,978	\$ 34,464	\$ 147,033
Receipts:					
State aid	6,664	7,798			14,462
Property taxes	979	5,304			6,283
Interest	188	100	16	4	308
Other	650	7,317	436		8,403
Total Receipts	<u>8,481</u>	<u>20,519</u>	<u>452</u>	<u>4</u>	<u>29,456</u>
Disbursements:					
Highways and streets	4,517				4,517
Public safety		22,124		17,865	39,989
Recreation and culture			209		209
Total Disbursements	<u>4,517</u>	<u>22,124</u>	<u>209</u>	<u>17,865</u>	<u>44,715</u>
Cash Balance, December 31, 2023	<u>\$ 70,254</u>	<u>\$ 40,696</u>	<u>\$ 4,221</u>	<u>\$ 16,603</u>	<u>\$ 131,774</u>

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

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.
  
2. The Municipality's capital assets records are summarized below:

	December 31, 2024	December 31, 2023
Land	\$ 23,100	\$ 23,100
Buildings	447,643	447,643
Equipment	253,659	253,659
Totals	\$ 724,402	\$ 724,402