

**Town of Gilmore, Arkansas**

**Financial and Compliance Report**

**December 31, 2024**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF GILMORE, ARKANSAS  
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FOR THE YEAR ENDED DECEMBER 31, 2024

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# Arkansas



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House Vice Chair

**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Town of Gilmore, 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 Gilmore, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated February 10, 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 2024:

Mayor: Bruce Delaney  
Recorder/Treasurer: Vacant (October 22, 2024 – December 31, 2024)  
Santerria Elmore (resigned October 21, 2024)  
District Court Clerk: Stacey Gilchrist-Delaney  
Police Chief: Alvin Miller (hired September 1, 2024)  
Gregory Martin (resigned August 31, 2024)

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, Recorder/Treasurer, and District Court Clerk.**

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

Schedule 1 of this report shows a General Fund balance of \$653. It was brought to our attention that as of December 31, 2024, the General Fund owed a significant amount to the Internal Revenue Service (IRS) and Arkansas Department of Finance and Administration (DFA) for taxes owed as well as balances due to the Street and Fire Equipment and Training Funds. As shown in Note 5 on Schedule 3, when these outstanding amounts were considered, the General Fund had a deficit balance of \$54,257. A similar finding was noted in the previous five reports dating back to 2019.

#### **Mayor**

1. The minutes of the governing body did not document the review of the prior report by the governing body, as required by Ark. Code Ann. § 10-4-418.
2. Council minutes were not readily available for inspection, as required by Ark. Code Ann. § 14-45-107.

## Recorder/Treasurer

1. The following issues were noted while reviewing the payroll records:
  - Internal Revenue Service (IRS) Form 941 and Arkansas Department of Finance and Administration (DFA) Form AR3 were not provided.
  - Salary payments to the Mayor of \$1,840 were not reported on the IRS Form W-2.
  - Federal taxes owed for the current year and prior year of \$10,434 and \$20,020, respectively, were not remitted to the IRS, leaving a balance owed of \$30,454.
  - State taxes owed for the current year and prior year of \$327 and \$719, respectively, were not remitted to DFA, leaving a balance owed of \$1,046.
  - Timesheets were not provided for all payroll payments made to Recorder/Treasurer (Payroll Preparer).
  - Timesheets were not approved by supervisor.

A similar finding was noted in the previous nine reports dating back to 2014.


2. Restricted fire equipment and training monies of \$14,398 were expended for unallowable purposes. Unallowable expenditures from previous years of \$3,016 paid from the Fire Equipment and Training Fund were not repaid. The total amount due to Fire Equipment and Training Fund at December 31, 2024, was \$17,414. A similar finding was issued in the previous eight reports dating back to 2016.
3. Restricted Street Fund monies of \$116 were expended for unallowable purposes. State aid of \$5,880 for highway funds in previous years owed to the Street Fund was not transferred during the engagement period, as required by Ark. Code Ann. §§ 14-59-104, 27-70-207. The total amount due to the Street Fund at December 31, 2024, was \$5,996. The City Council passed Ordinance 2022-09-13, to pay 10% of general revenues to the Street Fund each year until the balance is paid in full. Although only 4% was paid in 2024, as of September 2025, the balance in total was repaid to the Street Fund. A similar finding was noted in the previous fifteen reports dating back to 2006.
4. Adequate supporting documentation was not provided for tested disbursements of \$13,640 (61%), in noncompliance with Ark. Code Ann. § 14-59-105. Additionally, invoices did not always indicate authorization to be paid.
5. The General Fund cash receipts journal and the Fire Equipment and Training Fund cash disbursements journal were not properly classified, in noncompliance with Ark. Code Ann. §§ 14-59-110, -111.

## District Court Clerk

The ending bank balance was not identified with receipt numbers for cases not yet adjudicated and payments made on all unpaid individual time accounts, as required by Ark. Code Ann. § 16-10-209.

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  
February 10, 2026  
LOM321124

TOWN OF GILMORE, 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	\$ 5,534	\$ 26,107
Receipts:		
State aid	2,617	35,975
Property taxes	15,937	1,973
Franchise fees	5,807	
Sales taxes	27,495	
Fines, forfeitures, and costs	33,235	
Interest	2	
Other	5,093	
Transfers in		4,872
Total Receipts	<u>90,186</u>	<u>42,820</u>
Disbursements:		
General government	40,396	
Law enforcement	40,852	
Highways and streets		10,422
Public safety	1,482	15,165
Wastewater	2,110	
Contribution to water department	4,171	3,732
Debt service	1,184	5,922
Transfers out	4,872	
Unclassified		13,448
Total Disbursements	<u>95,067</u>	<u>48,689</u>
Cash Balance, December 31, 2024	<u>\$ 653</u>	<u>\$ 20,238</u>

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

Schedule 2

	<u>Street</u>	<u>Fire Equipment and Training</u>	<u>Total</u>
Cash Balance, January 1, 2024	\$ 1,251	\$ 24,856	\$ 26,107
Receipts:			
State aid	14,472	21,503	35,975
Property taxes	1,973		1,973
Transfers in	3,622	1,250	4,872
Total Receipts	<u>20,067</u>	<u>22,753</u>	<u>42,820</u>
Disbursements:			
Highways and streets	10,422		10,422
Public safety		15,165	15,165
Contribution to water department	1,300	2,432	3,732
Debt service	5,922		5,922
Unclassified		13,448	13,448
Total Disbursements	<u>17,644</u>	<u>31,045</u>	<u>48,689</u>
Cash Balance, December 31, 2024	<u>\$ 3,674</u>	<u>\$ 16,564</u>	<u>\$ 20,238</u>

TOWN OF GILMORE, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2024  
 (UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts.

2. The cash balance at year-end in the custodial fund is as follows:

	December 31, 2024
District Court (Police Fund)	\$ 2,734

This balance represents fines, forfeitures, and costs that have not been transferred to the appropriate entities.

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

	December 31, 2024
Buildings	\$ 49,500
Equipment	317,340
Total	\$ 366,840

4. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2024
Financed purchase	\$ 22,582

TOWN OF GILMORE, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(UNAUDITED)

Schedule 3

5. Deficit General Fund Balance

The schedules included on our Financial and Compliance Reports are typically cash basis. We are including additional information here, as it was brought to our attention that the General Fund owed a significant amount to the Internal Revenue Service (IRS) and Arkansas Department of Finance and Administration (DFA) for taxes owed as well as balances due to the Street and Fire Equipment and Training Funds at December 31, 2024. The information below begins with the cash balances for the General, Street, and Fire Equipment and Training Funds. The computation includes changes to the cash balances for outstanding amounts owed at year-end.

Balances as of December 31, 2024	General	Street	Fire Equipment and Training
Cash balances per accountant's report	\$ 653	\$ 3,674	\$ 16,564
Due to Internal Revenue Service	(30,454)		
Due to Department of Finance and Administration	(1,046)		
Due to Street Fund	(5,996)		
Due to Fire Equipment and Training Fund	(17,414)		
Due from General Fund		5,996	17,414
Restated balances as of December 31, 2024	\$ (54,257)	\$ 9,670	\$ 33,978