

**City of Cave City, Arkansas**

**Financial and Compliance Report**

**December 31, 2023 and 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF CAVE CITY, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Financial and Compliance Report		<u>Schedule</u>
	2023	
Schedule of Financial Information (Unaudited)		1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)		2
	2022	
Schedule of Financial Information (Unaudited)		3
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)		4
	2023 and 2022	
Other Information (Unaudited)		5

# Arkansas

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**Sen. John Payton**  
Senate Vice Chair



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

City of Cave City, 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 City of Cave City, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated January 3, 2025. These procedures were not performed for the Water and Sewer Department. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The commentary contained in this section relates to the following officials who held office during 2023 and 2022:

Mayor: Jonas Anderson  
Recorder: Tammy Smith  
Finance Manager: Kim Langley (August 1, 2023 – December 31, 2023)  
Josh Matthews (January 1, 2022 – August 1, 2023)  
Police Chief/Marshal: David Edwards (August 1, 2023 – December 31, 2023)  
Brian Barnett (January 1, 2022 – July 31, 2023)

We evaluated the City's compliance with certain state laws concerning general and district court accounting, budgeting, purchasing, and investing and depositing of public funds.

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local City 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 black ink, appearing to read "Kevin White".

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
January 3, 2025  
LOM202623

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

Schedule 1

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2023	\$ 1,491,937	\$ 670,572
Receipts:		
State aid	74,272	162,133
Federal aid	7,253	
Property taxes	73,509	32,519
Franchise fees	113,881	
Sales taxes	818,199	
Fines, forfeitures, and costs	41,445	729
Interest	13,105	3,153
Local permits and fees	400	
Contribution from Sharp County	2,000	
Other	103,291	13,113
Transfers in	38	5,500
Total Receipts	<u>1,247,393</u>	<u>217,147</u>
Disbursements:		
General government	593,404	
Law enforcement	458,790	10,989
Highways and streets		190,170
Public safety	143,447	24,179
Recreation and culture	215,020	
Cemetery	575	5,100
Transfers out	5,500	38
Total Disbursements	<u>1,416,736</u>	<u>230,476</u>
Cash Balance, December 31, 2023	<u>\$ 1,322,594</u>	<u>\$ 657,243</u>

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

Schedule 2

	Street	Local Police and Fire Retirement Cost	K-9	Cemetery	Fire Department American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 546,687	\$ 8,421	\$ 1,357	\$ 54,056	\$ 60,051	\$ 670,572
Receipts:						
State aid	162,133					162,133
Property taxes	20,104	12,415				32,519
Fines, forfeitures, and costs		154	575			729
Interest	2,864	8	3	139	139	3,153
Other			5,000	8,113		13,113
Transfers in			5,500			5,500
Total Receipts	<u>185,101</u>	<u>12,577</u>	<u>11,078</u>	<u>8,252</u>	<u>139</u>	<u>217,147</u>
Disbursements:						
Law enforcement			10,989			10,989
Highways and streets	190,170					190,170
Public safety		14,464			9,715	24,179
Cemetery				5,100		5,100
Transfers out			38			38
Total Disbursements	<u>190,170</u>	<u>14,464</u>	<u>11,027</u>	<u>5,100</u>	<u>9,715</u>	<u>230,476</u>
Cash Balance, December 31, 2023	<u>\$ 541,618</u>	<u>\$ 6,534</u>	<u>\$ 1,408</u>	<u>\$ 57,208</u>	<u>\$ 50,475</u>	<u>\$ 657,243</u>

CITY OF CAVE CITY, 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	\$ 1,464,227	\$ 750,962
Receipts:		
State aid	106,140	165,939
Federal aid	75,000	259,618
Property taxes	78,422	29,842
Franchise fees	99,493	
Sales taxes	791,404	
Fines, forfeitures, and costs	31,152	550
Interest	4,957	1,410
Local permits and fees	10,793	
Contribution from Sharp County	2,000	
Other	97,068	42,157
Transfers in		16
Total Receipts	1,296,429	499,532
Disbursements:		
General government	482,122	
Law enforcement	507,721	586
Highways and streets		158,129
Public safety	213,019	12,560
Recreation and culture	65,841	
Contribution to water department		399,531
Cemetery		9,116
Transfers out	16	
Total Disbursements	1,268,719	579,922
Cash Balance, December 31, 2022	\$ 1,491,937	\$ 670,572

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

Schedule 4

	Street	Local Police and Fire Retirement Cost	K-9	Cemetery	American Rescue Plan Act	Fire Department American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 491,214	\$ 9,434	\$ 1,392	\$ 49,189	\$ 199,733		\$ 750,962
Receipts:							
State aid	165,939						165,939
Federal aid					199,618	\$ 60,000	259,618
Property taxes	18,304	11,538					29,842
Fines, forfeitures, and costs			550				550
Interest	1,062	9	1	123	164	51	1,410
Other	28,297			13,860			42,157
Transfers in					16		16
Total Receipts	<u>213,602</u>	<u>11,547</u>	<u>551</u>	<u>13,983</u>	<u>199,798</u>	<u>60,051</u>	<u>499,532</u>
Disbursements:							
Law enforcement			586				586
Highways and streets	158,129						158,129
Public safety		12,560					12,560
Contribution to water department					399,531		399,531
Cemetery				9,116			9,116
Total Disbursements	<u>158,129</u>	<u>12,560</u>	<u>586</u>	<u>9,116</u>	<u>399,531</u>		<u>579,922</u>
Cash Balance, December 31, 2022	<u>\$ 546,687</u>	<u>\$ 8,421</u>	<u>\$ 1,357</u>	<u>\$ 54,056</u>	<u>\$ 0</u>	<u>\$ 60,051</u>	<u>\$ 670,572</u>

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

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:  
 General, Grant, Fire Department Sales Tax, Fire Rescue, and AEDC Grant

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

	December 31, 2023	December 31, 2022
Land	\$ 490,001	\$ 490,001
Buildings	1,261,001	942,654
Equipment	2,006,936	1,708,318
Totals	\$ 3,757,938	\$ 3,140,973

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 199,618
American Rescue Plan Act (Passed through Sharp County)	60,000
	\$ 259,618