

City of Cherry Valley, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF CHERRY VALLEY, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

Financial and Compliance Report

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Cherry Valley, 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 Cherry Valley, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated July 28, 2025. These procedures were not performed for the Water and Sewer Funds. 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 2024:

Mayor: Earnest Meredith (appointed May 14, 2024)
Adam Love (resigned April 9, 2024)
Recorder/Treasurer: Stacey Bennett
District Court Clerk: Terrie Hess
Police Chief: Jamie Walls

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
July 28, 2025
LOM203024

CITY OF CHERRY VALLEY, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds	Capital Projects Fund (Park Complex)
Cash Balance, January 1, 2024	\$ 226,480	\$ 391,186	\$ 139,562
Receipts:			
State aid	8,551	65,534	
Property taxes	26,843	7,387	
Franchise fees	25,968		
Sales taxes	144,568		72,370
Fines, forfeitures, and costs	74,598	3,790	
Interest	641	58	
Local permits and fees	2,273		
Refunds		2,000	
Sale of assets		2,575	
Loan proceeds	20,014		
Community developments payments		125,000	
Other	3,052	200	
Total Receipts	<u>306,508</u>	<u>206,544</u>	<u>72,370</u>
Disbursements:			
General government	107,614		
Law enforcement	133,650	4,378	
Highways and streets		89,638	
Public safety	23,003	6,805	
Recreation and culture	370		138,355
Community development		15	
Contribution to water department		98,337	
Debt service	6,133	12,071	
Total Disbursements	<u>270,770</u>	<u>211,244</u>	<u>138,355</u>
Cash Balance, December 31, 2024	<u>\$ 262,218</u>	<u>\$ 386,486</u>	<u>\$ 73,577</u>

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

Schedule 2

	Street	Fire Equipment and Training	Court Automation	Mosquito Control	Economic Development	Inmate Housing	Street Sales Tax	American Rescue Plan Act	Community Development	Total
Cash Balance, January 1, 2024	\$ 40,092	\$ 17,669	\$ 8,188	\$ 3,509	\$ 48,688	\$ 195	\$ 49,508	\$ 98,337	\$ 125,000	\$ 391,186
Receipts:										
State aid	47,283	18,251								65,534
Property taxes	7,387									7,387
Fines, forfeitures, and costs			1,140			2,650				3,790
Interest	58									58
Refunds							2,000			2,000
Sale of assets							2,575			2,575
Community developments payments									125,000	125,000
Other	200									200
Total Receipts	<u>54,928</u>	<u>18,251</u>	<u>1,140</u>			<u>2,650</u>	<u>4,575</u>		<u>125,000</u>	<u>206,544</u>
Disbursements:										
Law enforcement			1,723			2,655				4,378
Highways and streets	57,190						32,448			89,638
Public safety		6,805								6,805
Community development									15	15
Contribution to water department							98,337			98,337
Debt service		12,071								12,071
Total Disbursements	<u>57,190</u>	<u>18,876</u>	<u>1,723</u>			<u>2,655</u>	<u>32,448</u>	<u>98,337</u>	<u>15</u>	<u>211,244</u>
Cash Balance, December 31, 2024	<u>\$ 37,830</u>	<u>\$ 17,044</u>	<u>\$ 7,605</u>	<u>\$ 3,509</u>	<u>\$ 48,688</u>	<u>\$ 190</u>	<u>\$ 21,635</u>	<u>\$ 0</u>	<u>\$ 249,985</u>	<u>\$ 386,486</u>

CITY OF CHERRY VALLEY, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.

2. The General Fund column on the Financial Schedules includes the following bank accounts:
 General, Drug Forfeiture, Police Saving, Police Equipment, and Fire Equipment.

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

	December 31, 2024
District Court	\$ 12,614

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

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

	December 31, 2024
Land	\$ 63,973
Buildings	336,423
Equipment	786,106
Total	\$ 1,186,502

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

	December 31, 2024
Financed purchases	\$ 158,102