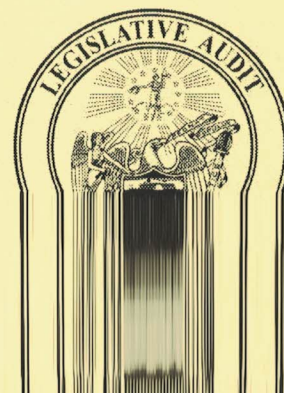


City of Cedarville, Arkansas

Financial and Compliance Report

December 31, 2016 and 2015

LEGISLATIVE JOINT AUDITING COMMITTEE



Arkansas

Sen. Jimmy Hickey, Jr.
Senate Chair
Sen. Lance Eads
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Mary Bentley
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Cedarville, 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 Cedarville, Arkansas, as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon dated October 5, 2017. Management of the City 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 2016 and 2015:

Mayor: Glenanna O'mara (resigned May 19, 2015)
Mark Isenhower (appointed June 16, 2015)
Recorder/Treasurer: Brenda Breshears (resigned January 19, 2015)
Sandra Cook (appointed January 20, 2015)
Police Chief: Larry Merrill (resigned May 6, 2015)
Donnie Threet (appointed August 25, 2015, resigned October 31, 2016)
Kenneth Howard (appointed November 23, 2016)

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.

Our procedures indicated that the above offices were in substantial compliance with Arkansas fiscal and financial laws.

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 cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
October 5, 2017
LOM221416

CITY OF CEDARVILLE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Fund - Street
Cash Balance, January 1, 2016	\$ 323,692	\$ 97,178
Receipts:		
State aid	28,116	92,085
Property taxes		20,975
Franchise fees	5,384	
Sales taxes	147,516	
Fines, forfeitures, and costs	6,261	
Interest	225	155
Local permits and fees	1,520	
Other	2,770	27,119
Transfers in		144,000
Total Receipts	<u>191,792</u>	<u>284,334</u>
Disbursements:		
General government	91,523	
Law enforcement	55,967	
Highways and streets		213,786
Public safety	17,108	
Debt service	27,552	16,757
Transfers out	144,000	
Total Disbursements	<u>336,150</u>	<u>230,543</u>
Cash Balance, December 31, 2016	<u>\$ 179,334</u>	<u>\$ 150,969</u>

CITY OF CEDARVILLE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015
(UNAUDITED)

Schedule 2

	General Fund	Special Revenue Fund - Street
Cash Balance, January 1, 2015	\$ 73,763	\$ 106,079
Receipts:		
State aid	27,655	92,043
Federal aid		12,007
Property taxes		16,681
Franchise fees	5,631	
Sales taxes	143,099	
Fines, forfeitures, and costs	8,832	
Interest	255	133
Local permits and fees	1,903	
Court ordered restitution received	252,715	43,215
Other	7,597	
Total Receipts	<u>447,687</u>	<u>164,079</u>
Disbursements:		
General government	107,876	
Law enforcement	44,150	
Highways and streets	13,345	154,666
Public safety	20,314	
Debt service	12,073	18,314
Total Disbursements	<u>197,758</u>	<u>172,980</u>
Cash Balance, December 31, 2015	<u>\$ 323,692</u>	<u>\$ 97,178</u>

CITY OF CEDARVILLE, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(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 and Payroll Fund

3. Cash balances at year-end in the agency fund are as follows:

	December 31, 2016	December 31, 2015
Payroll Fund	<u>\$ 16,707</u>	<u>\$ 3,223</u>

These balances represent payroll taxes that have not been transferred to the appropriate entities.

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

	December 31, 2016	December 31, 2015
Land	\$ 51,284	\$ 51,284
Buildings	223,910	223,910
Equipment	<u>372,745</u>	<u>370,745</u>
Totals	<u>\$ 647,939</u>	<u>\$ 645,939</u>

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

	December 31, 2016	December 31, 2015
Leases payable	\$ 21,327	\$ 38,084
Notes payable	<u> </u>	<u>27,211</u>
Totals	<u>\$ 21,327</u>	<u>\$ 65,295</u>