City of Salesville, Arkansas

Financial and Compliance Report

December 31, 2024 and 2023

LEGISLATIVE JOINT AUDITING COMMITTEE

CITY OF SALESVILLE, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Financial and Compliance Report

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Arkansas

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Sen. Jim Dotson
Senate Vice Chair

Rep. Robin Lundstrum
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

City of Salesville, 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 Salesville, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated December 23, 2025. These procedures were not performed for the Sewer Fund. 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 2024 and 2023:

Mayor: Tim Mayfield
Recorder/Treasurer: Kendra Spencer

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.

Noncompliance with state law and accepted accounting practices was noted in the offices of **Mayor** and **Recorder/Treasurer**.

Mayor and Recorder/Treasurer

The City paid a Council member to serve concurrently as Assistant Fire Chief, in apparent conflict with Ark. Code Ann. § 14-42-107 and the common law doctrine of incompatibility discussed in Op. Att'y Gen. no. 2005-172.

Recorder/Treasurer

Cancelled check images provided on bank statements did not include copies of the backs of cancelled checks, as required by Ark. Code Ann. § 19-2-506.

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



Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
December 23, 2025
LOM220724

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2024	$ 289,623	$ 215,528
Receipts:		
State aid	7,034	59,417
Property taxes	33,071	8,933
Franchise fees	23,016	
Sales taxes	200,280	
Interest	819	562
Local permits and fees	3,480	
Trash service fees	56,859	
Contributions from Baxter County		5,263
Donations		6,709
Other	776	14
Total Receipts	325,335	80,898
Disbursements:		
General government	177,310	
Highways and streets		53,809
Public safety	21,160	21,358
Sanitation	66,073	
Contributions to sewer	506	
Total Disbursements	265,049	75,167
Cash Balance, December 31, 2024	$ 349,909	$ 221,259

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

Schedule 2

	Street	Fire	Total
Cash Balance, January 1, 2024	$ 204,636	$ 10,892	$ 215,528
Receipts:			
State aid	38,895	20,522	59,417
Property taxes	8,933		8,933
Interest	517	45	562
Contributions from Baxter County		5,263	5,263
Donations		6,709	6,709
Other		14	14
Total Receipts	48,345	32,553	80,898
Disbursements:			
Highways and streets	53,809		53,809
Public safety		21,358	21,358
Total Disbursements	53,809	21,358	75,167
Cash Balance, December 31, 2024	$ 199,172	$ 22,087	$ 221,259

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

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2023	$ 214,944	$ 330,016
Receipts:		
State aid	7,192	58,892
Property taxes	31,708	8,564
Franchise fees	24,114	
Sales taxes	180,447	
Interest	461	433
Local permits and fees	4,192	
Trash service fees	15,300	
Contributions from Baxter County		5,263
Other	3,385	2,734
Total Receipts	266,799	75,886
Disbursements:		
General government	126,337	
Law enforcement	250	
Highways and streets		28,425
Public safety	14,542	93,578
Sanitation	102	
Sewer	49,599	68,371
Contribution to sewer	1,290	
Total Disbursements	192,120	190,374
Cash Balance, December 31, 2023	$ 289,623	$ 215,528

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

Schedule 4

	Street	Fire	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	$ 184,241	$ 77,430	$ 68,345	$ 330,016
Receipts:				
State aid	39,900	18,992		58,892
Property taxes	8,564			8,564
Interest	356	51	26	433
Contributions from Baxter County		5,263		5,263
Other		2,734		2,734
Total Receipts	48,820	27,040	26	75,886
Disbursements:				
Highways and streets	28,425			28,425
Public safety		93,578		93,578
Sewer			68,371	68,371
Total Disbursements	28,425	93,578	68,371	190,374
Cash Balance, December 31, 2023	$ 204,636	$ 10,892	$ 0	$ 215,528

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

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

2. The General Fund column on the Financial Schedules includes the following bank accounts:
   General, Trash, and Court (Fee) Account

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

	December 31, 2024	December 31, 2023
Buildings	$ 142,733	$ 131,832
Equipment	404,167	368,473
Totals	$ 546,900	$ 500,305

The Municipality's capital asset records did not contain cost amounts for land.