

City of Hermitage, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF HERMITAGE, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

Financial and Compliance Report

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Hermitage, 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 Hermitage, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated June 17, 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 2024:

Mayor: Matt Cathey
Recorder: Kassi Howard
Treasurer: Taylor Hernandez
Police Chief: Ben Poole

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 dark ink, appearing to read "Kevin White", written over a light blue horizontal line.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
June 17, 2025
LOM223024

CITY OF HERMITAGE, 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	\$ 72,704	\$ 185,468
Receipts:		
State aid	7,808	60,937
Property taxes	23,421	7,035
Franchise fees	37,519	
Sales taxes	257,976	
Fines, forfeitures, and costs	268	
Interest	200	18
Donations		12,082
Sanitation fees	105,217	
Jail fees	1,300	
Other	11,746	75
Transfers in		9,734
Unclassified	378	
Total Receipts	<u>445,833</u>	<u>89,881</u>
Disbursements:		
General government	236,558	13,412
Law enforcement	125,194	2,794
Highways and streets		61,955
Public safety	15,546	24,204
Recreation and culture	3,812	6,445
Debt service	4,350	
Transfers out	9,734	
Total Disbursements	<u>395,194</u>	<u>108,810</u>
Cash Balance, December 31, 2024	<u>\$ 123,342</u>	<u>\$ 166,539</u>

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

Schedule 2

	Street	Fire Equipment and Training Act 833	Police Reserve	Spirit of Christmas	Facilities Grant	American Rescue Plan Act	Hermit Daze Festival	Fire Department Fundraiser	Total
Cash Balance, January 1, 2024	\$ 140,203	\$ 15,236	\$ 1,773	\$ 2,656	\$ 7,560	\$ 17,615	\$ 1,620	\$ (1,195)	\$ 185,468
Receipts:									
State aid	43,146	17,791							60,937
Property taxes	7,035								7,035
Interest	18								18
Donations				375			9,507	2,200	12,082
Other	25	50							75
Transfers in					9,734				9,734
Total Receipts	<u>50,224</u>	<u>17,841</u>		<u>375</u>	<u>9,734</u>		<u>9,507</u>	<u>2,200</u>	<u>89,881</u>
Disbursements:									
General government						13,412			13,412
Law enforcement						2,794			2,794
Highways and streets	61,955								61,955
Public safety		22,795				1,409			24,204
Recreation and culture				713			5,426	306	6,445
Total Disbursements	<u>61,955</u>	<u>22,795</u>		<u>713</u>		<u>17,615</u>	<u>5,426</u>	<u>306</u>	<u>108,810</u>
Cash Balance, December 31, 2024	<u>\$ 128,472</u>	<u>\$ 10,282</u>	<u>\$ 1,773</u>	<u>\$ 2,318</u>	<u>\$ 17,294</u>	<u>\$ 0</u>	<u>\$ 5,701</u>	<u>\$ 699</u>	<u>\$ 166,539</u>

CITY OF HERMITAGE, 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.

2. Cash balances at year-end in the custodial funds are as follows:

	<u>December 31, 2024</u>
Police Bond and Fine	\$ 14,724
Entergy Payments	100

These balances represent fines, forfeitures, costs, and Entergy payments that have not been transferred to the appropriate entities.

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

	<u>December 31, 2024</u>
Land	\$ 52,800
Buildings	828,566
Equipment	<u>271,034</u>
Total	<u><u>\$ 1,152,400</u></u>

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

	<u>December 31, 2024</u>
Financed purchase	<u><u>\$ 3,209</u></u>