

City of Cotter, Arkansas

Financial and Compliance Report

December 31, 2024

*Including Financial Information
For
December 31, 2023*

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF COTTER, ARKANSAS
TABLE OF CONTENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 20223

Financial and Compliance Report

	<u>Schedule</u>
2024	
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
2023	
Schedule of Financial Information (Unaudited)	3
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	4
2024 and 2023	
Other Information (Unaudited)	5

Arkansas

Sen. Jim Petty
Senate Chair
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 Cotter, 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 Cotter, Arkansas, as of and for the year ended December 31, 2024. Additionally, we requested certain cash basis information and your acknowledgement of compliance with certain state laws and accepted accounting practices for the year ended December 31, 2023, and have issued our report thereon dated February 2, 2026. 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 and 2023:

Mayor: Phillip McGeorge Caradine
Recorder/Treasurer: Andrea Kray
District Court Clerk: Pamela Milton
Police Chief: Travis Hopson

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", with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
February 2, 2026
LOM203624

CITY OF COTTER, 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	\$ 692,902	\$ 401,764
Receipts:		
State aid	82,939	197,168
Federal aid	7,000	
Property taxes	124,402	28,763
Franchise fees	55,559	
Sales taxes	548,128	
Fines, forfeitures, and costs	37,834	1,463
Interest	22,162	6,846
Local permits and fees	4,030	1,300
Contribution from Baxter County	5,263	
Other	35,840	4,414
Transfers in		47,018
Total Receipts	923,157	286,972
Disbursements:		
General government	294,437	
Law enforcement	193,720	
Highways and streets		249,735
Public safety	68,923	6,514
Recreation and culture	15,610	
Cemetery		5,866
Debt service	17,858	
Contributions to water and sewer department		197,018
Sales tax transferred to water and sewer department	150,283	
Transfers out	5,580	41,438
Total Disbursements	746,411	500,571
Cash Balance, December 31, 2024	\$ 869,648	\$ 188,165

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

Schedule 2

	Street	Street Capital Reserve	Cemetery	Local Police and Fire Retirement System	Court Automation	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 124,832	\$ 59,419	\$ 17,124	\$ 1,394	\$ 1,100	\$ 197,895	\$ 401,764
Receipts:							
State aid	197,168						197,168
Property taxes	28,763						28,763
Fines, forfeitures, and costs					1,463		1,463
Interest	4,141	1,488	498	66	50	603	6,846
Local permits and fees			1,300				1,300
Other			4,414				4,414
Transfers in	41,438			2,580	3,000		47,018
Total Receipts	<u>271,510</u>	<u>1,488</u>	<u>6,212</u>	<u>2,646</u>	<u>4,513</u>	<u>603</u>	<u>286,972</u>
Disbursements:							
Highways and streets	249,735						249,735
Public safety				1,542	4,972		6,514
Cemetery			5,866				5,866
Contribution to water and sewer department						197,018	197,018
Transfers out		41,438					41,438
Total Disbursements	<u>249,735</u>	<u>41,438</u>	<u>5,866</u>	<u>1,542</u>	<u>4,972</u>	<u>197,018</u>	<u>500,571</u>
Cash Balance, December 31, 2024	<u>\$ 146,607</u>	<u>\$ 19,469</u>	<u>\$ 17,470</u>	<u>\$ 2,498</u>	<u>\$ 641</u>	<u>\$ 1,480</u>	<u>\$ 188,165</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2023	\$ 729,095	\$ 338,961
Receipts:		
State aid	86,845	74,790
Federal aid	16,224	
Property taxes	113,960	26,464
Franchise fees	55,386	
Sales taxes	451,619	
Fines, forfeitures, and costs	48,708	1,565
Interest	16,671	4,916
Local permits and fees	3,782	
Contribution from Baxter County	5,263	
Other	13,477	47,412
Transfers in		28,175
Total Receipts	<u>811,935</u>	<u>183,322</u>
Disbursements:		
General government	278,324	
Law enforcement	203,354	4,034
Highways and streets		79,615
Public safety	71,487	2,088
Recreation and culture	176,132	
Cemetery		10,782
Sales tax transferred to water and sewer	114,656	
Transfers out	4,175	24,000
Total Disbursements	<u>848,128</u>	<u>120,519</u>
Cash Balance, December 31, 2023	<u>\$ 692,902</u>	<u>\$ 401,764</u>

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

Schedule 4

	Street	Street Capital Reserve	Cemetery	Local Police and Fire Protection System	Court Automation	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 124,370	\$ 50	\$ 15,137	\$ 1,255	\$ 1,516	\$ 196,633	\$ 338,961
Receipts:							
State aid	74,790						74,790
Property taxes	26,464						26,464
Fines, forfeitures, and costs					1,565		1,565
Interest	2,732	433	384	52	53	1,262	4,916
Other	91	34,936	12,385				47,412
Transfers in		24,000		2,175	2,000		28,175
Total Receipts	<u>104,077</u>	<u>59,369</u>	<u>12,769</u>	<u>2,227</u>	<u>3,618</u>	<u>1,262</u>	<u>183,322</u>
Disbursements:							
Law enforcement					4,034		4,034
Highways and streets	79,615						79,615
Public safety				2,088			2,088
Cemetery			10,782				10,782
Transfers out	24,000						24,000
Total Disbursements	<u>103,615</u>		<u>10,782</u>	<u>2,088</u>	<u>4,034</u>		<u>120,519</u>
Cash Balance, December 31, 2023	<u>\$ 124,832</u>	<u>\$ 59,419</u>	<u>\$ 17,124</u>	<u>\$ 1,394</u>	<u>\$ 1,100</u>	<u>\$ 197,895</u>	<u>\$ 401,764</u>

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

Schedule 5

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 Fund, General Savings, General Investments, Fire Department, and Fire Department Capital Reserve
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2024	December 31, 2023
District Court	\$ 2,542	\$ 8,293
Payroll	6,906	8,107

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

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

	December 31, 2024	December 31, 2023
Land	\$ 269,990	\$ 269,990
Buildings and improvements	1,195,558	1,195,558
Equipment	1,024,147	1,011,998
Totals	\$ 2,489,695	\$ 2,477,546

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

	December 31, 2024	December 31, 2023
Financed purchases	\$ 10,379	\$ 26,495