

Town of Cove, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF COVE, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

Financial and Compliance Report

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Arkansas

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Senate Chair
Sen. Jim Dotson
Senate Vice Chair



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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

Town of Cove, 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 Town of Cove, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated October 14, 2025. These procedures were not performed for the Water and Sewer Department. Management of the Town 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: Joan Headley
Recorder/Treasurer: Barbara Vallee

We evaluated the Town'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 Town 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 horizontal line.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
October 14, 2025
LOM304224

TOWN OF COVE, 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	\$ 635,461	\$ 199,380
	<u> </u>	<u> </u>
Receipts:		
State aid	104,744	30,541
Property taxes	3,735	1
Franchise fees	6,819	
Sales taxes	306,106	
Interest	1,217	234
Other	1,457	14
Transfers in		33,274
Total Receipts	<u>424,078</u>	<u>64,064</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	51,375	
Highways and streets		48,212
Public safety		10,550
Recreation and culture	6,207	
Contribution to water and sewer	92,556	
Transfers out	33,274	
Total Disbursements	<u>183,412</u>	<u>58,762</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2024	<u>\$ 876,127</u>	<u>\$ 204,682</u>

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

Schedule 2

	<u>Street</u>	<u>Fire Department</u>	<u>Total</u>
Cash Balance, January 1, 2024	\$ 157,648	\$ 41,732	\$ 199,380
Receipts:			
State aid	26,217	4,324	30,541
Property taxes	1		1
Interest	152	82	234
Other	14		14
Transfers in	24,199	9,075	33,274
Total Receipts	<u>50,583</u>	<u>13,481</u>	<u>64,064</u>
Disbursements:			
Highways and streets	48,212		48,212
Public safety		10,550	10,550
Total Disbursements	<u>48,212</u>	<u>10,550</u>	<u>58,762</u>
Cash Balance, December 31, 2024	<u>\$ 160,019</u>	<u>\$ 44,663</u>	<u>\$ 204,682</u>

TOWN OF COVE, 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, General Reserve, and Park
3. The Municipality's capital assets records are summarized below:

	December 31, 2024
	<hr/>
Land	\$ 37,064
Buildings	154,423
Equipment	<hr/> 285,046
Total	<hr/> <hr/> \$ 476,533