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CITY OF COTTER

**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 2023

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



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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

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

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)

	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	<u>923,157</u>	<u>286,972</u>
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	<u>746,411</u>	<u>500,571</u>
Cash Balance, December 31, 2024	<u>\$ 869,648</u>	<u>\$ 188,165</u>



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

	General Fund	Special Revenue Funds
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	4,034
Law enforcement	203,354	79,615
Highways and streets		2,088
Public safety	71,487	
Recreation and culture	176,132	10,782
Cemetery		
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  
OTHER INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(UNAUDITED)

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