

City of Adona, Arkansas

Financial and Compliance Report

December 31, 2025

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF ADONA, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2025

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Arkansas

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Sen. Jim Dotson
Senate Vice Chair



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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 Adona, 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 Adona, Arkansas, as of and for the year ended December 31, 2025, and have issued our report thereon dated September 18, 2026. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The finding contained in this section relates to the following officials who held office during 2025:

Mayor: Mark Cossey
Recorder/Treasurer: Carolyn McCallister

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 office of the **Recorder/Treasurer**.

Recorder/Treasurer

Compensation paid to elected officials was reported to the Internal Revenue Service (IRS) on Form 1099-NEC instead of Form W-2. In addition, applicable taxes were not withheld. A similar finding was issued in the previous 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 horizontal line.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
September 18, 2026
LOM200125

CITY OF ADONA, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2025	\$ 4,481	\$ 53,104
Receipts:		
State aid	2,214	24,355
Property taxes	3,790	1,222
Franchise fees	6,971	
Sales taxes	14,220	
Donations	400	125
Other	2,270	1,000
Total Receipts	<u>29,865</u>	<u>26,702</u>
Disbursements:		
General government	28,481	
Highways and streets		20,317
Public safety		9,877
Total Disbursements	<u>28,481</u>	<u>30,194</u>
Cash Balance, December 31, 2025	<u>\$ 5,865</u>	<u>\$ 49,612</u>

CITY OF ADONA, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2025
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>Fire</u>	<u>Park</u>	<u>Fire Billing</u>	<u>Total</u>
Cash Balance, January 1, 2025	\$ 31,927	\$ 19,671	\$ 525	\$ 981	\$ 53,104
Receipts:					
State aid	12,591	11,764			24,355
Property taxes	1,222				1,222
Donations		125			125
Other	1,000				1,000
Total Receipts	<u>14,813</u>	<u>11,889</u>			<u>26,702</u>
Disbursements:					
Highways and streets	20,317				20,317
Public safety		9,877			9,877
Total Disbursements	<u>20,317</u>	<u>9,877</u>			<u>30,194</u>
Cash Balance, December 31, 2025	<u>\$ 26,423</u>	<u>\$ 21,683</u>	<u>\$ 525</u>	<u>\$ 981</u>	<u>\$ 49,612</u>

CITY OF ADONA, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.
2. The Municipality's capital assets records are summarized below:

	December 31, 2025
Land	\$ 4,431
Buildings	74,500
Equipment	445,152
Total	\$ 524,083