City of Caraway, Arkansas

Financial Information Report

December 31, 2025

LEGISLATIVE JOINT AUDITING COMMITTEE

CITY OF CARAWAY, ARKANSAS
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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

Financial Information Report

City of Caraway, 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 requested certain cash basis financial information and your acknowledgement of compliance with certain state laws and accepted accounting practices for the City of Caraway, Arkansas, as of and for the year ended December 31, 2025, and have issued our report thereon dated August 10, 2026. This information was not requested for the Water and Sewer Funds. 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 2025:

Mayor: Bo James
Recorder/Treasurer: Rick Stevens
Police Chief: Shannon Kelems

No issues 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
August 10, 2026
LOM202425

Schedule 1

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

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2025	$ 260,663	$ 174,199
Receipts:		
State aid	16,834	133,065
Property taxes	17,376	10,136
Franchise fees	67,608	
Sales taxes	321,379	77,331
Fines, forfeitures, and costs	35,053	
Interest	1,942	1,564
Local permits and fees	7,500	5,719
Donations		10,579
Sale of assets	55,467	
Reimbursement from Riverside School District	20,236	
Loan proceeds	100,707	
Other	44,620	358
Total Receipts	688,722	238,752
Disbursements:		
General government	346,974	1,912
Law enforcement	335,207	
Highways and streets		195,223
Public safety	31,018	67,076
Recreation and culture	4,720	14,354
Contributions to water department	30,000	
Total Disbursements	747,919	278,565
Cash Balance, December 31, 2025	$ 201,466	$ 134,386

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

Schedule 2

	Street	Fire Equipment and Training	Parks Commission	Special Event	Veteran's Memorial	Total
Cash Balance, January 1, 2025	$ 91,766	$ 69,738	$ 10,000	$ 2,411	$ 284	$ 174,199
Receipts:						
State aid	95,739	37,326				133,065
Property taxes	10,136					10,136
Sales taxes	77,331					77,331
Interest	1,224	271	67		2	1,564
Local permits and fees			5,719			5,719
Donations			9,554	720	305	10,579
Other	90		268			358
Total Receipts	184,520	37,597	15,608	720	307	238,752
Disbursements:						
General government				1,912		1,912
Highways and streets	195,223					195,223
Public safety		67,076				67,076
Recreation and culture			14,354			14,354
Total Disbursements	195,223	67,076	14,354	1,912		278,565
Cash Balance, December 31, 2025	$ 81,063	$ 40,259	$ 11,254	$ 1,219	$ 591	$ 134,386

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

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.

2. The General Fund column on the Financial Schedules includes the following bank accounts:
   General and One Cent Sales Tax Funds

3. The cash balance at year-end in the agency fund is as follows:

	December 31, 2025
Tax Deposit	$ 1,729

This balance represents payroll taxes that have not been transferred to the appropriate entities.

4. The Municipality's fixed asset records are summarized below:

	December 31, 2025
Land	$ 55,795
Buildings	505,313
Equipment	920,793
Total	$ 1,481,901

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

	December 31, 2025
Financed purchases	$ 79,701