

**City of Palestine, Arkansas**

**Financial Information Report**

**December 31, 2024**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF PALESTINE, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024

Financial Information Report

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

# Arkansas

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**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial Information Report

City of Palestine, 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 Palestine, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated September 23, 2025. This information was not requested 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:

Mayor: Billy Shafer  
Recorder/Treasurer: Valerie Parker  
Police Chief: Jeff Nichols

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 dark ink, appearing to read "Kevin White", with a stylized flourish at the end.

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
September 23, 2025  
LOM214724

CITY OF PALESTINE, ARKANSAS  
SCHEDULE OF FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(UNAUDITED)

	General Fund	Special Revenue Funds	Debt Service Fund (Fire Capital Improvement)
Cash Balance, January 1, 2024	\$ 27,932	\$ 859,129	\$ 19,400
Receipts:			
State aid	7,525	70,880	
Property taxes	10,829	4,790	
Franchise fees	41,861		
Sales taxes	310,525	310,525	
Fines, forfeitures, and costs	11,232		
Interest	111	19,491	
Local permits and fees	2,076		
Recreational fees		75,250	
Donations		1,900	
Advertising and promotion tax	400	46,351	
Other	3,749	2,860	
Transfers in	3,651	34,630	
Contributions from water department			15,950
Total Receipts	<u>391,959</u>	<u>566,677</u>	<u>15,950</u>
Disbursements:			
General government	178,464	21,240	
Law enforcement	145,348	51,937	
Highways and streets		86,989	
Public safety	27,174	29,442	
Sanitation		104,027	
Recreation and culture		67,671	
Advertising and promotions	1,074	34,811	
Transfers out	300	37,981	
Total Disbursements	<u>352,360</u>	<u>434,098</u>	
Cash Balance, December 31, 2024	<u>\$ 67,531</u>	<u>\$ 991,708</u>	<u>\$ 35,350</u>

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

Schedule 2

	Street	Sanitation	Fire Equipment and Training	Advertising and Promotion	Ballpark	Festival	Veterans Memorial	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 657,985	\$ 42,272	\$ 23,910	\$ 82,149	\$ 35,772	\$ 13,893	\$ 2,664	\$ 484	\$ 859,129
Receipts:									
State aid	41,609		29,271						70,880
Property taxes	4,790								4,790
Sales taxes	229,801	80,724							310,525
Interest	19,275			216					19,491
Recreational fees					75,250				75,250
Donations							1,900		1,900
Advertising and promotion tax				46,351					46,351
Other	2,860								2,860
Transfers in	34,630								34,630
Total Receipts	<u>332,965</u>	<u>80,724</u>	<u>29,271</u>	<u>46,567</u>	<u>75,250</u>		<u>1,900</u>		<u>566,677</u>
Disbursements:									
General government	21,240								21,240
Law enforcement	51,937								51,937
Highways and streets	86,989								86,989
Public safety			29,442						29,442
Sanitation		104,027							104,027
Recreation and culture					65,486		2,185		67,671
Advertising and promotions				34,811					34,811
Transfers out	3,651			34,330					37,981
Total Disbursements	<u>163,817</u>	<u>104,027</u>	<u>29,442</u>	<u>69,141</u>	<u>65,486</u>		<u>2,185</u>		<u>434,098</u>
Cash Balance, December 31, 2024	<u>\$ 827,133</u>	<u>\$ 18,969</u>	<u>\$ 23,739</u>	<u>\$ 59,575</u>	<u>\$ 45,536</u>	<u>\$ 13,893</u>	<u>\$ 2,379</u>	<u>\$ 484</u>	<u>\$ 991,708</u>

CITY OF PALESTINE, 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, Volunteer Fire, and Police Department

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

	December 31, 2024
Administration of Justice	\$ 364

This balance represent fines, forfeitures, and costs that have not been transferred to the appropriate entities.

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

	December 31, 2024
Land	\$ 244,070
Buildings	617,406
Equipment	839,948
Total	<u>\$ 1,701,424</u>