

City of Evening Shade, Arkansas

Financial and Compliance Report

December 31, 2024 and 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF EVENING SHADE, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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Arkansas

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Sen. Jim Dotson
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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Evening Shade, 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 Evening Shade, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated November 3, 2025. These procedures were not performed for the Water Department. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2024 and 2023:

Mayor: Kimberly Graddy (appointed May 16, 2024)
Susan Perkey (resigned April 22, 2024)
Recorder: Rhonda Tillery (appointed July 25, 2024)
Kimberly Graddy (appointed April 18, 2024, resigned May 16, 2024)
Recorder/Treasurer: Tamara Taylor (January 1, 2023 to March 23, 2024)
Finance Manager: Tamara Taylor (March 23, 2024 to December 31, 2024)
Police Chief: Kevin Coursey

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 offices of **Mayor** and **Finance Manager**.

Mayor

The General and Street Fund expenditures exceeded budgeted appropriations by \$55,228 (28%) and \$50,249 (99%), respectively for 2024, in noncompliance with Ark. Code Ann. § 14-58-203.

Finance Manager

Cash receipts and disbursements journals were not properly posted and classified as required by Ark. Code Ann. §§ 14-59-110, - 111.

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 black ink, appearing to read "Kevin White".

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
November 3, 2025
LOM220624

CITY OF EVENING SHADE, 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	\$ 83,980	\$ 214,195
Receipts:		
State aid	6,246	55,780
Property taxes	18,178	3,192
Franchise fees	17,752	
Sales taxes	144,971	
Fines, forfeitures, and costs	4,440	
Interest	152	391
Donations	12,132	
Rental income		2,445
Fire dues	19,344	
Other	15,515	10,671
Transfers in		16,368
Total Receipts	<u>238,730</u>	<u>88,847</u>
Disbursements:		
General government	154,353	43,068
Law enforcement	25,339	
Highways and streets		137,956
Public safety	55,122	44,138
Sanitation	3,725	
Recreation and culture	3,067	15,611
Debt service	14,095	
Transfers out	16,368	
Total Disbursements	<u>272,069</u>	<u>240,773</u>
Cash Balance, December 31, 2024	<u>\$ 50,641</u>	<u>\$ 62,269</u>

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

Schedule 2

	Street	Fire Equipment and Training Act 833	School Property	American Rescue Plan Act	Fire Department - American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 90,374	\$ 34,787	\$ 4,178	\$ 79,926	\$ 4,930	\$ 214,195
Receipts:						
State aid	34,537	21,243				55,780
Property taxes	3,192					3,192
Interest	192	52	4	142	1	391
Rental income			2,445			2,445
Other	7,567		3,104			10,671
Transfers in	6,547		9,821			16,368
Total Receipts	<u>52,035</u>	<u>21,295</u>	<u>15,374</u>	<u>142</u>	<u>1</u>	<u>88,847</u>
Disbursements:						
General government				43,068		43,068
Highways and streets	100,956			37,000		137,956
Public safety		39,207			4,931	44,138
Recreation and culture			15,611			15,611
Total Disbursements	<u>100,956</u>	<u>39,207</u>	<u>15,611</u>	<u>80,068</u>	<u>4,931</u>	<u>240,773</u>
Cash Balance, December 31, 2024	<u>\$ 41,453</u>	<u>\$ 16,875</u>	<u>\$ 3,941</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 62,269</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2023	\$ 42,967	\$ 303,669
Receipts:		
State aid	7,256	60,101
Property taxes	18,662	3,253
Franchise fees	17,787	
Sales taxes	139,879	
Fines, forfeitures, and costs	6,513	
Interest	49	655
Donations	5,578	
Rental income		6,385
Fire dues	14,097	
Other	22,369	2,147
Transfers in		14,357
Unclassified	3,611	
Total Receipts	<u>235,801</u>	<u>86,898</u>
Disbursements:		
General government	126,237	737
Law enforcement	27,618	1,705
Highways and streets		50,963
Public safety	18,840	106,896
Sanitation	3,006	
Recreation and culture	3,533	16,071
Debt service	1,197	
Transfers out	14,357	
Total Disbursements	<u>194,788</u>	<u>176,372</u>
Cash Balance, December 31, 2023	<u>\$ 83,980</u>	<u>\$ 214,195</u>

CITY OF EVENING SHADE, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (UNAUDITED)

Schedule 4

	Street	Fire Equipment and Training Act 833	School Property	American Rescue Plan Act	Fire Department - American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 96,697	\$ 56,643	\$ 3,076	\$ 87,226	\$ 60,027	\$ 303,669
Receipts:						
State aid	35,430	24,671				60,101
Property taxes	3,253					3,253
Interest	234	94	7	207	113	655
Rental income			6,385			6,385
Other			2,147			2,147
Transfers in	5,723		8,634			14,357
Total Receipts	<u>44,640</u>	<u>24,765</u>	<u>17,173</u>	<u>207</u>	<u>113</u>	<u>86,898</u>
Disbursements:						
General government				737		737
Law enforcement				1,705		1,705
Highways and streets	50,963					50,963
Public safety		46,621		5,065	55,210	106,896
Recreation and culture			16,071			16,071
Total Disbursements	<u>50,963</u>	<u>46,621</u>	<u>16,071</u>	<u>7,507</u>	<u>55,210</u>	<u>176,372</u>
Cash Balance, December 31, 2023	<u>\$ 90,374</u>	<u>\$ 34,787</u>	<u>\$ 4,178</u>	<u>\$ 79,926</u>	<u>\$ 4,930</u>	<u>\$ 214,195</u>

CITY OF EVENING SHADE, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
 (UNAUDITED)

Schedule 5

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, Police Department, Fire Department, City Event, and Fire Department Bingo and Raffle

3. The Municipality's capital assets records are summarized below:

	December 31, 2024	December 31, 2023
Land	\$ 120,000	\$ 120,000
Buildings	292,000	202,000
Equipment	632,278	547,278
Totals	\$ 1,044,278	\$ 869,278

4. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2024	December 31, 2023
Financed purchases	\$ 28,092	\$ 11,407