City of Parkdale, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE

CITY OF PARKDALE, ARKANSAS
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LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Parkdale, 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 Parkdale, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated April 30, 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 findings contained in this section relate to the following officials who held office during 2024:

Mayor: Latreace Taylor
Recorder/Treasurer: Vacant

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 **Mayor**.

The governing body did not adopt the budgets by ordinance or resolution in noncompliance with Ark. Code Ann. § 14-58-202. A similar finding was noted in the previous report.

The following issues were noted when reviewing payroll records:

- Internal Revenue Services (IRS) 1st quarter 941 report was not provided.
- IRS Form W-3 was not provided.
- Federal taxes were not always remitted by the City. Only two payments were made to the IRS in 2024.
- Arkansas Department of Finance and Administration form AR3 was not provided.

A similar finding was noted in the previous two reports.

Accounting procedures for municipalities are set forth in Ark. Code Ann. §§ 14-59-101 - 14-59-119. The City was not in compliance with these codes and other proper accounting procedures as noted below:

- Monthly bank reconciliations were not prepared for the American Rescue Plan Act bank account.
- The General Fund bank account was not properly reconciled.
- Bank reconciliations were not approved by someone other than the preparer.
- Cash receipts and disbursements journals were not properly maintained.
- Prenumbered receipts were not issued for all funds received.

A similar finding was noted in the previous two reports.

Although Schedule 1 shows a cash balance of $15,600 in the General Fund, the City owes a significant amount to the Internal Revenue Service which has not been paid as of report date. As shown in Note 4 on Schedule 3 of this report, when this outstanding amount was considered, the General Fund had a deficit balance of $17,488 at December 31, 2024. A similar finding was noted in the previous three reports.

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
April 30, 2026
LOM214924

Schedule 1

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

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2024	$ 8,650	$ 34,069
Receipts:		
State aid	2,558	14,144
Property taxes	8,956	1,223
Franchise fees	8,093	
Sales taxes	39,035	
Interest		2
Sanitation fees	15,129	
Other	857	
Total Receipts	74,628	15,369
Disbursements:		
General government	60,167	
Highways and streets		16,071
Sanitation	7,456	
Wastewater		21,515
Debt service		950
Unclassified	55	
Total Disbursements	67,678	38,536
Cash Balance, December 31, 2024	$ 15,600	$ 10,902

Schedule 2

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

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	$ 4,055	$ 30,014	$ 34,069
Receipts:			
State aid	14,144		14,144
Property taxes	1,223		1,223
Interest		2	2
Total Receipts	15,367	2	15,369
Disbursements:			
Highways and streets	16,071		16,071
Wastewater		21,515	21,515
Debt service	950		950
Total Disbursements	17,021	21,515	38,536
Cash Balance, December 31, 2024	$ 2,401	$ 8,501	$ 10,902

Schedule 3

CITY OF PARKDALE, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

1. Cash balances on the Financial Schedules include demand accounts.

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

	December 31, 2024
Land	$ 16,415
Buildings	68,443
Equipment	49,262
Total	$ 134,120

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

	December 31, 2024
Financed purchases	$ 7,053

4. The schedules included in our Financial and Compliance Reports are routinely presented on a cash basis. We are including additional information here, as it was brought to our attention that the City of Parkdale (City) had significant delinquent payments for 2024, 2023, and 2022 to the Internal Revenue Service (IRS). The information below begins with the cash balance per Schedule 1 of this report and the computation includes the amount due to the IRS on a separate line.

	December 31, 2024 General Fund
Cash balance per Schedule	$ 15,600
Due to IRS	(33,088)
Restated balance	$ (17,488)