

**CITY OF EVARTS, KENTUCKY**  
**COMPILED FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

## CONTENTS

<b>Compilation Report .....</b>	<b>1</b>
<b>Basic Financial Statements</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Position .....	2
Statement of Activities .....	3
<b>Fund Financial Statements</b>	
Balance Sheet – Governmental Funds .....	4
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position .....	5
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	6
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities .....	7
Statement of Net Position – Proprietary Funds .....	8
Statement of Revenues, Expenses and Change in Net Position – Proprietary Funds .....	9
Statement of Cash Flows – Proprietary Funds .....	10
Statement of Revenues, Expenditures, and Changes in Fund Balances, Budget and Actual - General Fund .....	11



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**Cloyd & Associates, PSC**

*Certified Public Accountants  
and  
Business Advisors*

To the City Council and Mayor  
City of Evarts, Kentucky

Management is responsible for the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Evarts, Kentucky (the City), as of and for the year ended June 30, 2024, which collectively comprise the City's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the City's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that the budgetary schedules are presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

*Cloyd & Associates, PSC*

Cloyd & Associates, PSC  
London, Kentucky  
January 8, 2026



**CITY OF EVARTS, KENTUCKY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

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	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents - unrestricted	\$ 90,740	\$ 38,788	\$ 129,528
Cash and cash equivalents - restricted	1,365	159,849	161,214
Taxes receivable:			
Property tax	32,053	-	32,053
Other receivables (net of allowance for uncollectible accounts)	-	6,777	6,777
Due from other funds	85,251	65,936	151,187
Prepaid expense	297	-	297
Investment in fixed assets, net			
Depreciable	79,759	3,089,668	3,169,427
<b>Total assets</b>	<u>289,465</u>	<u>3,361,018</u>	<u>3,650,483</u>
<b>LIABILITIES</b>			
Accounts payable	21,401	46,398	67,799
Accrued expenses	48,962	85,640	134,602
Current portion of note payables	3,800	9,813	13,613
Current portion of bond payables	-	64,583	64,583
Other current liabilities	-	100,576	100,576
Due to other funds	-	156,653	156,653
Non-current portion of note payables	7,600	167,431	175,031
Non-current portion of bond payables	-	274,167	274,167
Other long-term liabilities	-	-	-
<b>Total liabilities</b>	<u>81,763</u>	<u>905,261</u>	<u>987,024</u>
<b>NET POSITION</b>			
Net investment in capital assets	79,759	3,089,668	3,169,427
Restricted	1,662	-	1,662
Unrestricted	126,281	(633,911)	(507,630)
<b>Total net position</b>	<u>\$ 207,702</u>	<u>\$ 2,455,757</u>	<u>\$ 2,663,459</u>

**CITY OF EVARTS, KENTUCKY**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>FUNCTIONS/PROGRAMS</b>							
<b>Governmental activities</b>							
General government	\$ 180,924	\$ -	\$ -	\$ 57,096	\$ (123,828)	\$ -	\$ (123,828)
Police department	136,428	-	-	-	(136,428)	-	(136,428)
Fire department	13,734	-	-	-	(13,734)	-	(13,734)
Street and sanitation	26,705	-	-	-	(26,705)	-	(26,705)
Other	20,445	-	-	-	(20,445)	-	(20,445)
Tourism and convention	25,949	-	-	-	(25,949)	-	(25,949)
Total governmental activities	404,185	-	-	57,096	(347,089)	-	(347,089)
<b>Business-type activities</b>							
Water	847,017	776,646	-	-	-	(70,371)	(70,371)
Sewer	210,559	161,572	-	-	-	(48,987)	(48,987)
Sanitation	123,140	135,304	-	-	-	12,164	12,164
Interest expense	22,937	-	-	-	-	(22,937)	(22,937)
Total Business-type activities	1,203,653	1,073,522	-	-	-	(130,131)	(130,131)
Total governmental and business-type activities	\$ 1,607,838	\$ 1,073,522	\$ -	\$ 57,096	(347,089)	(130,131)	(477,220)
<b>General revenues</b>							
Taxes:							
Property					65,470	-	65,470
Insurance premium					87,487	-	87,487
Other					39,112	-	39,112
Franchise					52,932	-	52,932
Licenses and permits					10,026	-	10,026
Earnings on investments					-	-	-
Other					41,148	-	41,148
Total general revenues					296,175	-	296,175
Restated net position, July 1, 2023					258,616	2,585,888	2,844,504
Change in net position					(50,914)	(130,131)	(181,045)
Net position as of June 30, 2024					\$ 207,702	\$ 2,455,757	\$ 2,663,459

**CITY OF EVARTS, KENTUCKY**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2024**

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	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents - unrestricted	\$ 62,409	\$ 28,331	\$ 90,740
Cash and cash equivalents - restricted	1,365	-	1,365
Taxes receivable			
Property tax	32,053	-	32,053
Prepaid expenses	297	-	297
Due from other funds	85,251	-	85,251
<b>Total assets</b>	<u>181,375</u>	<u>28,331</u>	<u>209,706</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	20,283	1,118	21,401
Accrued expenses	48,962	-	48,962
<b>Total liabilities</b>	<u>69,245</u>	<u>1,118</u>	<u>70,363</u>
<b>Fund balances</b>			
Nonspendable	297	-	297
Unassigned	111,833	27,213	139,046
<b>Total fund balances</b>	<u>112,130</u>	<u>27,213</u>	<u>139,343</u>
<b>Total liabilities and fund balances</b>	<u>\$ 181,375</u>	<u>\$ 28,331</u>	<u>\$ 209,706</u>

**CITY OF EVARTS, KENTUCKY**

**RECONCILIATION OF THE BALANCE SHEET -GOVERNMENTAL FUNDS TO  
THE STATEMENT OF NET POSITION  
JUNE 30, 2024**

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Total fund balances - Governmental funds	\$	139,343
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.		
The capital assets net of depreciation are:		79,759
Note payable is not reported in the governmental fund balance sheet because it is not due and payable in the current period, but it is presented in the statement of net position.		<u>(11,400)</u>
Total net position - governmental activities	\$	<u>207,702</u>



**CITY OF EVARTS, KENTUCKY****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****GOVERNMENTAL FUNDS****FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Taxes:			
Property	\$ 65,470	\$ -	\$ 65,470
Municipal insurance	87,487	-	87,487
Other	-	39,112	39,112
Franchise fees	52,932	-	52,932
Licenses and permits	10,026	-	10,026
Intergovernmental revenues	57,096	-	57,096
Other	41,148	-	41,148
Total revenues	<u>314,159</u>	<u>39,112</u>	<u>353,271</u>
<b>Expenditures</b>			
General government	170,854	-	170,854
Police department	136,428	-	136,428
Fire department	17,534	-	17,534
Street	26,705	-	26,705
Tourism and convention	-	25,949	25,949
Miscellaneous	20,445	-	20,445
Total expenditures	<u>371,966</u>	<u>25,949</u>	<u>397,915</u>
Excess (deficit) of revenues over (under) expenditures	(57,807)	13,163	(44,644)
<b>Other financing sources (uses)</b>			
Transfer in/(out)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(57,807)	13,163	(44,644)
Restated fund balances, June 30, 2023	<u>169,937</u>	<u>14,050</u>	<u>183,987</u>
Fund balances, June 30, 2024	<u>\$ 112,130</u>	<u>\$ 27,213</u>	<u>\$ 139,343</u>



**CITY OF EVARTS, KENTUCKY**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024**

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Net change in total fund balances - governmental funds

\$ (44,644)

Amounts reported for governmental activities in the statement of activities  
are different because:

Capital outlays are reported as expenditures in the governmental fund financial  
statements because they use current financial resources, but they are treated  
as assets in the statement of activities and depreciated over their estimated  
economic lives. The difference is the amount by which depreciation expense  
exceeds capital outlay for the year.

(6,270)

Change in net position - governmental activities

\$ (50,914)

**CITY OF EVARTS, KENTUCKY**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**JUNE 30, 2024**

	Water	Sewer	Sanitation	Total Proprietary Funds
<b>Current Assets</b>				
Cash	\$ 27,225	\$ 7,393	\$ 4,170	\$ 38,788
Accounts receivable, net	-	-	6,777	6,777
Due from other funds	65,936	-	-	65,936
<b>Total Current Assets</b>	<u>93,161</u>	<u>7,393</u>	<u>10,947</u>	<u>111,501</u>
<b>Noncurrent Assets</b>				
Restricted cash	159,849	-	-	159,849
Capital assets, net of accumulated depreciation	<u>2,673,074</u>	<u>407,744</u>	<u>8,850</u>	<u>3,089,668</u>
<b>Total Noncurrent Assets</b>	<u>2,832,923</u>	<u>407,744</u>	<u>8,850</u>	<u>3,249,517</u>
<b>Total Assets</b>	<u>\$ 2,926,084</u>	<u>\$ 415,137</u>	<u>\$ 19,797</u>	<u>\$ 3,361,018</u>
<b>Current Liabilities</b>				
Accounts payable	\$ 28,763	\$ 10,170	\$ 7,465	\$ 46,398
Notes payable	9,813	-	-	9,813
Bonds payable	64,583	-	-	64,583
Deposits	100,576	-	-	100,576
Accrued expenses	80,016	5,624	-	85,640
Due to other funds	-	127,615	29,038	156,653
<b>Total Current Liabilities</b>	<u>283,751</u>	<u>143,409</u>	<u>36,503</u>	<u>463,663</u>
<b>Noncurrent Liabilities</b>				
Note payable	167,431	-	-	167,431
Bond payable	<u>274,167</u>	<u>-</u>	<u>-</u>	<u>274,167</u>
<b>Total Noncurrent Liabilities</b>	<u>441,598</u>	<u>-</u>	<u>-</u>	<u>441,598</u>
<b>Total Liabilities</b>	<u>725,349</u>	<u>143,409</u>	<u>36,503</u>	<u>905,261</u>
<b>Net Position</b>				
Invested in capital assets, net of related debt	2,334,324	407,744	8,850	2,750,918
Restricted	159,849	-	-	159,849
Unrestricted	<u>(293,438)</u>	<u>(136,016)</u>	<u>(25,556)</u>	<u>(455,010)</u>
<b>Total Net Position</b>	<u>\$ 2,200,735</u>	<u>\$ 271,728</u>	<u>\$ (16,706)</u>	<u>\$ 2,455,757</u>

**CITY OF EVARTS, KENTUCKY****STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION****PROPRIETARY FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

	Water	Sewer	Sanitation	Total Proprietary Funds
<b>Operating Revenues</b>				
Charges for services	\$ 771,562	\$ 161,572	\$ 125,098	\$ 1,058,232
Intergovernmental revenue	-	-	-	-
Other income	5,084	-	10,206	15,290
Total Operating Revenue	<u>776,646</u>	<u>161,572</u>	<u>135,304</u>	<u>1,073,522</u>
<b>Operating Expense</b>				
Salaries	234,000	60,399	-	294,399
Dues	1,731	-	-	1,731
Depreciation	139,712	26,024	150	165,886
Repairs & maintenance	239,432	55,483	4,453	299,368
Utilities	100,673	30,811	193	131,677
Contractual services	38,220	16,627	113,435	168,282
Supplies	36,290	12,910	684	49,884
Fuel	17,578	2,406	471	20,455
Uniforms	3,905	2,958	107	6,970
Travel	359	-	-	359
Taxes	17,754	-	-	17,754
Other operating expenses	17,143	2,906	3,612	23,661
Other general expenses	220	35	35	290
Total Operating Expenses	<u>847,017</u>	<u>210,559</u>	<u>123,140</u>	<u>1,180,716</u>
Operating Income (Loss)	<u>(70,371)</u>	<u>(48,987)</u>	<u>12,164</u>	<u>(107,194)</u>
Other Revenues (Expenses)				
Interest expense	<u>(22,937)</u>	<u>-</u>	<u>-</u>	<u>(22,937)</u>
Total Other Revenues (Expenses)	<u>(22,937)</u>	<u>-</u>	<u>-</u>	<u>(22,937)</u>
Income (loss) before transfers	(93,308)	(48,987)	12,164	(130,131)
Transfers (to) / from governmental activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	(93,308)	(48,987)	12,164	(130,131)
Net Position , July 1, 2023	<u>2,294,043</u>	<u>320,715</u>	<u>(28,870)</u>	<u>2,585,888</u>
Net Position, June 30, 2024	<u>\$ 2,200,735</u>	<u>\$ 271,728</u>	<u>\$ (16,706)</u>	<u>\$ 2,455,757</u>



**CITY OF EVARTS, KENTUCKY**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Water	Sewer	Sanitation	Total Proprietary Funds
Cash Flows From Operating Activities				
Receipts from customers	\$ 776,646	\$ 161,572	\$ 135,304	\$ 1,073,522
Payments for goods and services	(703,224)	(184,534)	(122,990)	(1,010,748)
Net Cash Provided (Used) by Operating Activities	<u>73,422</u>	<u>(22,962)</u>	<u>12,314</u>	<u>62,774</u>
Cash Flows From Noncapital Financing Activities				
Transfers (to) from restricted funds	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows From Capital Financing Activities				
Capital asset activity	-	-	-	-
Principal and interest paid on debt	(104,760)	-	(9,000)	(113,760)
Net Cash Used by Capital Financing Activities	(104,760)	-	(9,000)	(113,760)
Cash Flows From Investing Activities				
Interest	-	-	-	-
Net Cash Provided by Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Decrease in Cash	(31,338)	(22,962)	3,314	(50,986)
Cash - July 1, 2023	<u>218,412</u>	<u>30,355</u>	<u>856</u>	<u>249,623</u>
Cash - June 30, 2024	<u>\$ 187,074</u>	<u>\$ 7,393</u>	<u>\$ 4,170</u>	<u>\$ 198,637</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (70,371)	\$ (48,987)	\$ 12,164	\$ (107,194)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	139,712	26,024	150	165,886
(Increase) Decrease in:				
Interfund receivables	-	-	-	-
Increase (Decrease) in:				
Accounts payable	-	-	-	-
Accrued expenses	(5,921)	1	-	(5,920)
Customer deposits	10,002	-	-	10,002
Net Cash Provided (Used) by Operating Activities	<u>\$ 73,422</u>	<u>\$ (22,962)</u>	<u>\$ 12,314</u>	<u>\$ 62,774</u>



**CITY OF EVARTS, KENTUCKY****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET AND ACTUAL - GENERAL FUND****YEAR ENDED JUNE 30, 2024**

	Original Budget	Final Budget	Actual	Variance
REVENUES	<u>\$ 441,975</u>	<u>\$ 441,975</u>	<u>\$ 314,159</u>	<u>\$ (127,816)</u>
EXPENDITURES				
General government	129,210	129,210	170,854	41,644
Police department	159,360	159,360	136,428	(22,932)
Fire department	11,320	11,320	17,534	6,214
Street department	44,770	44,770	26,705	(18,065)
Parks and Recreation	310	310	-	(310)
Other	<u>-</u>	<u>-</u>	<u>20,445</u>	<u>20,445</u>
Total expenditures	<u>344,970</u>	<u>344,970</u>	<u>371,966</u>	<u>26,996</u>
Net Change in Fund Balance	97,005	97,005	(57,807)	(154,812)
Fund balance, July 1, 2023	<u>128,800</u>	<u>128,800</u>	<u>169,937</u>	<u>-</u>
Fund balance June 30, 2024	<u>\$ 225,805</u>	<u>\$ 225,805</u>	<u>\$ 112,130</u>	<u>\$ (154,812)</u>