



City of SHADY COVE

small town, BIG ADVENTURES



Isler Final Audit 2021-2022

ADOPTED Budget Document 2021-2022

Meaning: The auditor was unable to express any opinion on the City's financial statements due to a lack of sufficient, reliable evidence.

Primary Cause: Continued deterioration in financial record-keeping and the City's inability to provide adequate supporting documentation during the audit process.

Specific Issues: Breakdown of internal controls, missing or incomplete financial records, and the inability to verify or trace key financial transactions.

Public Impact: Represents a further decline from the prior year's audit findings, resulting in a complete loss of financial credibility, transparency, and public trust.

2024-2025 Adopted Budget

Audit is outstanding.

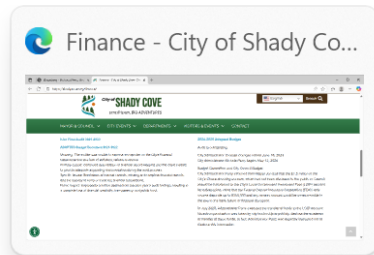
City Administrator Thomas Corrigan retires June 18, 2024

City Administrator Michele Parry begins May 13, 2024

Budget Committee and City Council Budget

City Administrator Parry informed then-Mayor Jon Ball that the \$1.5 million in the City's Chase checking account, which had not been disclosed to the public or Council should be transferred to the City's Local Government Investment Pool (LGIP) account for safekeeping, citing that the Federal Deposit Insurance Corporation (FDIC) only insures deposits up to \$250,000 and any excess amount would be unrecoverable in the event of a bank failure or financial disruption.

In July 2025, Administrator Parry executed the transfer of funds to the LGIP account. No subsequent action was taken by city leadership to publicly disclose the existence or transfer of these funds. In fact, Administrator Parry was explicitly instructed not to disclose this information.





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Fiscal Year 2022-2023

Final Proposed Budget Document 2022-2023

Sorren Financial Firm - Retained April 17, 2025

Unmodified Clean Audit: The Gold Standard

It means the financial statements present fairly, in all material respects, the financial position and results of operations in accordance with generally accepted accounting principles (GAAP).

Full Compliance: Meets all state and federal audit requirements

Funding Eligibility: Qualifies for all federal and state grant programs

Regulatory Standing: Good standing with oversight agencies

Legal Compliance: Fulfills fiduciary duties to taxpayers



Fiscal Year 2025-2026

Approved 2025 2026 Budget

Audit will be due December 31, 2026.

Richardson nominates Nuckles to be the budget committee chair.

In fiscal year 2025–2026, the approximately \$1.5 million previously identified in the City’s Chase checking account was discussed in general terms during the Budget Committee meeting and again prior to the City Council’s budget adoption process. City Administrator Parry recommended that the existence and transfer of these funds be formally disclosed to the public as part of transparent financial reporting and accountability. Despite this recommendation, no disclosure was made, and the matter was omitted from all public communications and financial summaries presented to the community.



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Prior City Administrator Outlining the 2022-2023 Budget

[Budget message 2022-2023](#)

[Final Proposed Budget Document 2022-2023](#)

[No Audit](#)

[2022-2023 Fact v. Fiction](#)

Documents used in the Fact v. Fiction Comparison

-Budget Message 2022-2023 by Tomas Corrigan