

**JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
El Dorado, Arkansas
For the Year Ended March 31, 2023
INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**



Berry & Associates
CERTIFIED PUBLIC ACCOUNTANTS

American Institute of CPAs

Arkansas Society of CPAs

Texas Society of CPAs

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**Board of Directors
Johnson Township Public Water Authority of the State of Arkansas
El Dorado, Arkansas**

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

We have performed the procedures enumerated below, which were agreed to by the members of the Board on the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119 for the Johnson Township Public Water Authority for the year ended March 31, 2023. Johnson Township Public Water Authority's management is responsible for the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119. The sufficiency of these procedures is solely the responsibility of the members of the Board. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Cash

1. a. Perform a proof and reconciliation of cash for the year.
- b. Confirm the cash on deposit and investments with the depository institutions.
- c. Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater.

Findings: We found no exceptions as a result of the procedures.

Receipts

2. a. Agree the deposits per the proof of cash for the year with the deposits per the journal within 5% or \$500, whichever is greater.
- b. Agree 10 customer payments on the accounts receivable subledger to deposit and billing documents.
- c. For one deposit, agree the cash/check composition of the deposit with receipt information.

Findings: We found no exceptions as a result of the procedures.

Accounts Receivable

3. a. Agree 10 customer billings to the accounts receivable subledger.
- b. Determine that 5 customer adjustments were properly authorized.

Findings: We found no exceptions as a result of the procedures.

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**BOARD OF DIRECTORS
JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS**

Disbursements

4. a. Agree the disbursements per the proof of cash for the year with the disbursements per the journal within 5% or \$500, whichever is greater.
- b. Analyze all property, plant, and equipment disbursements.
- c. Select all disbursements paid to employees other than payroll and ten (10) other disbursements and determine if they were adequately documented.

Findings: We found no exceptions as a result of the procedures.

Property, Plant, & Equipment

5. a. Determine that additions and disposals were properly accounted for in the records.

Findings: We found no exceptions as a result of the procedures.

Long-Term Debt

6. a. Schedule long-term debt and verify changes in all balances for the year.
- b. Confirm loans, bonds, notes, and contracts payable with the lender/trustee/contractor.
- c. Determine that the appropriate debt service accounts have been established and maintained.

Findings: We found no exceptions as a result of these procedures.

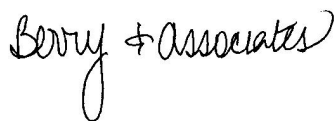
General

7. a. Determine that any items of financial significance were approved and documented in the minutes of the governing body minutes.

Findings: We found no other exceptions as a result of these procedures.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, Communities Unlimited, and the management of Johnson Township Public Water Authority of the State of Arkansas and is not intended to be and should not be used by anyone other than these specified parties.



BERRY & ASSOCIATES, P.A.
Little Rock, Arkansas
November 28, 2023

**JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
FINANCIAL STATEMENTS
For the Year Ended March 31, 2023
and
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

**JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
El Dorado, Arkansas
For the Year Ended March 31, 2023**

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Board of Directors

**Johnson Township Public Water Authority of the State of Arkansas
El Dorado, Arkansas**

Management is responsible for the accompanying financial statements of Johnson Township Public Water Authority, which comprise the statement of assets, liabilities, and net position – modified cash basis as of March 31, 2023, and the related statement of cash receipts and cash disbursements for the year then ended, and for determining that the modified-cash basis of accounting is an acceptable financial reporting framework. 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.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's assets, liabilities, net position, cash receipts and cash disbursements. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Berry & Associates, P.A.
Little Rock, Arkansas
November 28, 2023

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JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY OF THE STATE OF ARKANSAS
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION-MODIFIED CASH BASIS
March 31, 2023

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 64,399
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CAPITAL ASSETS - AT COST

Building	17,380
Distribution lines	1,078,119
Tank	7,301
Equipment	75,000
Fence	4,101

	1,181,901
Less: accumulated depreciation	(1,072,114)

Net Capital Assets	109,787
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TOTAL ASSETS	\$ 174,186
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LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Current maturities of long-term debt	\$ 15,100
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LONG-TERM DEBT, Net of Current Maturities

Communities Unlimited, Inc.	68,425
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PAYABLES FROM RESTRICTED ASSETS

Customer water meter deposits	29,404
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TOTAL LIABILITIES	112,929
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NET POSITION

Unrestricted	52,951
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Restricted	8,306
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TOTAL NET POSITION	61,257
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TOTAL LIABILITIES AND NET POSITION	\$ 174,186
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SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY OF THE STATE OF ARKANSAS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
For the Year Ended March 31, 2023

CASH RECEIPTS

Water revenue	\$ 141,262
Meter deposits received	1,400
Interest income	152
Service connections	1,900
Other Income	1,015
Total Cash Receipts	<u>145,729</u>

CASH DISBURSEMENTS

Operator expense	18,565
Debt service	
Principal	14,095
Interest	3,705
Utilities and telephone	35,803
Repairs	39,619
Material and supplies	5,468
Professional fees	7,175
Dues and fees	1,881
Insurance	15,070
Office expense	3,942
Meter deposit refunds	650
Truck expense	5,300
Total Cash Disbursements	<u>151,273</u>

DECREASE IN CASH AND CASH EQUIVALENTS (5,544)

BEGINNING CASH AND CASH EQUIVALENTS, AT MARCH 31, 2022 69,943

ENDING CASH AND CASH EQUIVALENTS, AT MARCH 31, 2023 \$ 64,399