

**JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
El Dorado, Arkansas
For the Year Ended March 31, 2024
INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**



American Institute of CPAs

Arkansas Society of CPAs

Texas Society of CPAs

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

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

We have performed the procedures enumerated below on the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119 of Johnson Township Public Water Authority for the year ended March 31, 2024. Johnson Township Public Water Authority management is responsible for the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119.

Johnson Township Public Water Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with Arkansas law and lender requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes

The procedures and associated findings are as follows:

Cash

1. a. Perform a proof of cash for the year and reconcile year-end bank balances to book balance.
- b. Confirm with depository institutions the cash on deposit and investments.
- 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 ten deposits, 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.

**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 the additions and disposals were properly accounted for in the records (materiality level – 5% of total equipment of \$500, whichever is greater).

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

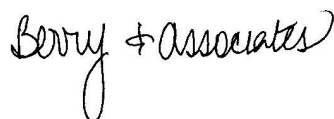
7. a. Determine that any items of financial significance were approved and documented in the minutes of the governing body minutes.

Findings: We found the following exceptions as result of the procedures. No minutes were recorded for the fiscal year. We found no other exceptions as a result of these procedures.

We were engaged by Johnson Township Public Water Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an audit or review engagement, 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.

We are required to be independent of Johnson Township Public Water Authority and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Johnson Township Public Water Authority, Communities Unlimited, Inc., and the Legislative Joint Auditing Committee 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
July 30, 2024

**JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
FINANCIAL STATEMENTS
For the Year Ended March 31, 2024
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, 2024**

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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, 2024, 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
July 30, 2024

JOHNSON TOWNSHIP PUBLIC WATER AUTHORITY OF THE STATE OF ARKANSAS
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION-MODIFIED CASH BASIS
March 31, 2024

ASSETS

CURRENT ASSETS

Cash and cash equivalents \$ 77,743

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 (1,085,030)

Net Capital Assets 96,871

TOTAL ASSETS \$ 174,614

LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Current maturities of long-term debt \$ 15,600

LONG-TERM DEBT, Net of Current Maturities

Communities Unlimited, Inc. 52,839

PAYABLES FROM RESTRICTED ASSETS

Customer water meter deposits 29,304

TOTAL LIABILITIES 97,743

NET POSITION

Unrestricted 66,785

Restricted 10,086

TOTAL NET POSITION 76,871

TOTAL LIABILITIES AND NET POSITION \$ 174,614

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, 2024

CASH RECEIPTS

Water revenue	\$ 137,708
Interest income	464
Total Cash Receipts	<u>138,172</u>

CASH DISBURSEMENTS

Operator expense	15,786
Debt service	
Principal	15,086
Interest	2,713
Utilities and telephone	22,627
Repairs	35,288
Material and supplies	5,705
Professional fees	7,185
Dues and fees	2,260
Insurance	11,215
Meter deposit refunds	500
Office expense	2,063
Truck expense	4,400
Total Cash Disbursements	<u>124,828</u>

INCREASE IN CASH AND CASH EQUIVALENTS

13,344

BEGINNING CASH AND CASH EQUIVALENTS, AT MARCH 31, 202364,399**ENDING CASH AND CASH EQUIVALENTS, AT MARCH 31, 2024**\$ 77,743

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT