

**LISBON PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
El Dorado, Arkansas
For the Year Ended December 31, 2023**

**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
Lisbon 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 on the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119 of Lisbon Public Water Authority of the State of Arkansas for the year ended December 31, 2023. Lisbon Public Water Authority of the State of Arkansas's management is responsible for the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119.

Lisbon Public Water Authority of the State of Arkansas 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 AND INVESTMENTS

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 ten customer payments on the accounts receivable sub ledger 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 ten customer billings to the accounts receivable sub ledger.
- B. Determine that five customer adjustments were properly authorized.

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

**Board of Directors
Lisbon 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 other disbursements and determine if they were adequately documented.

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

PROPERTY, PLANT AND EQUIPMENT

5. A. Determine that additions and disposals were properly accounted for in the records (materiality level – 5% of total equipment or \$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 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

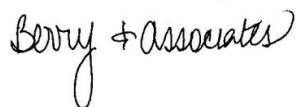
7. A. Determine that any items of financial significance were approved and documented in the minutes of the governing body minutes.

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

We were engaged by Lisbon Public Water Authority of the State of Arkansas 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 Lisbon Public Water Authority of the State of Arkansas 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 Lisbon Public Water Authority of the State of Arkansas 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, PA
Little Rock, Arkansas
November 18, 2024

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

**LISBON PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
El Dorado, Arkansas
For the Year Ended December 31, 2023**

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

Management is responsible for the accompanying financial statements of Lisbon Public Water Authority of the State of Arkansas, which comprise the statement of assets, liabilities, and net position – modified cash basis as of December 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. Accordingly, we do not express an opinion, a conclusion, nor provide any form of 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 18, 2024

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**LISBON PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION-MODIFIED CASH BASIS
December 31, 2023**

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 176,303
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FIXED ASSETS - AT COST

Well	187,493
Land	5,880
Water and Sewer System lines	468,925
Fence	5,650
Tank	60,141
Construction in progress	9,850
	737,939
Less: accumulated depreciation	(544,880)
Net Fixed Assets	193,059

TOTAL ASSETS	\$ 369,362
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LIABILITIES AND NET POSITION

PAYABLES FROM RESTRICTED ASSETS

Customer water meter deposits	\$ 10,630
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TOTAL LIABILITIES	10,630
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NET POSITION

Unrestricted	358,732
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TOTAL NET POSITION	358,732
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TOTAL LIABILITIES AND NET POSITION	\$ 369,362
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SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

**LISBON PUBLIC WATER AUTHORITY
OF THE STATE OF ARKANSAS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
For the Year Ended December 31, 2023**

CASH RECEIPTS

Water revenue	\$ 102,541
Meter deposits	347
Interest income	1,143
Service connections	140
Total Cash Receipts	<u>104,171</u>

CASH DISBURSEMENTS

Operator salary	13,416
Operator expenses	870
Utilities and telephone	12,783
Repairs and maintenance	27,033
Professional fees	5,400
Payment on construction in progress	9,850
Chemicals	885
Dues and fees	1,818
Sales tax	7,189
Insurance	3,996
Office expense	2,284
Truck expense	7,200
Supplies	683
Service connections	7,736
Meter deposit refunds	300
Total Cash Disbursements	<u>101,443</u>

INCREASE IN CASH AND RESTRICTED CASH

2,728

BEGINNING CASH AND RESTRICTED CASH, AT JANUARY 1, 2023173,575**ENDING CASH AND RESTRICTED CASH, AT DECEMBER 31, 2023**\$ 176,303

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT