

**EAST LOGAN COUNTY PUBLIC
WATER FACILITY BOARD**

**AGREED-UPON PROCEDURES REPORT AND
COMPILED FINANCIAL STATEMENTS**

DECEMBER 31, 2023 AND 2022



PRZYBYSZ
& ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

EAST LOGAN COUNTY PUBLIC WATER FACILITY BOARD

DECEMBER 31, 2023 AND 2022

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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors
East Logan County Public Water Facilities Board
New Blaine, Arkansas

We have performed the procedures enumerated below on the financial and billing records of the East Logan County Public Water Facilities Board, (the Board) as of and for the year ended December 31, 2023. The East Logan County Public Water Facilities Board's management is responsible for the financial and billing records.

The East Logan County Public Water Facilities Board has agreed to, and acknowledged that the procedures performed are appropriate to meet the intended purpose which is to comply with Arkansas Code Annotated 14-234-119 through 14-234-122 and *Guidelines for Conducting Agreed-Upon Procedures for Water and Sewer Service* providers as prepared by Arkansas Legislative Audit. 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 purpose.

The procedures and associated findings are as follows:

(1) Cash and Investments

- A. Perform a proof of cash for the year and reconcile year-end bank balances to book balance. We concluded this procedure with no findings.
- B. Confirm with depository institutions the cash on deposit and investments. We concluded this procedure with no findings.
- C. Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater. The ending balances for all accounts were within these parameters.

(2) Receipts

- 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. We concluded this procedure and found the deposits were within the parameters.

- B. Agree ten customer payments on the accounts receivable sub ledger to deposit, billing documents. We concluded this procedure with no findings.
 - C. For ten deposits, agree the cash/check composition of the deposit with receipt information. We concluded this procedure with no findings.
- (3) Accounts Receivable
- A. Agree ten customer billings to the accounts receivable sub-ledger. We concluded this procedure with no findings.
 - B. Determine that five customer adjustments were properly authorized. We concluded this procedure with no findings.
- (4) Disbursements
- 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. We concluded this procedure and found the disbursements to be within the parameters.
 - B. Analyze all property, plant and equipment disbursements. We concluded this procedure with no findings.
 - C. Select all disbursements to employees other than payroll and ten other disbursements and determine if they were adequately documented. We concluded this procedure with no findings.
- (5) Property, plant and equipment
- A. Determine that additions and disposals were properly accounted for in the records. We concluded this procedure with no findings.
- (6) Long-term debt
- A. Schedule long-term debt and verify changes in all balances for the year. We concluded this procedure with no findings.
 - B. Confirm loans, bond, notes and contracts payable with lender/trustee/contractor. We concluded this procedure with no findings.
 - C. Determine that the appropriate debt service accounts have been established and maintained. This procedure was not applicable
- (7) General
- A. Determine that any items of financial significance were approved and documented in the minutes of the board meetings. The minutes were provided to us and were read. We found all financially significant items to be documented.

We were engaged by the East Logan County Public Water Facilities Board to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the financial and billing records. 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 the East Logan County Public Water Facilities Board and to meet our other 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 East Logan County Public Water Facilities Board and Arkansas Legislative Audit and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Przybysz & Associates". The signature is written in a cursive, flowing style.

Przybysz & Associates, CPAs, P.C.
Fort Smith, Arkansas
August 5, 2024



To the Board of Directors
East Logan County Public Water Facilities Board
New Blaine, Arkansas

Management is responsible for the accompanying financial statements of the East Logan County Public Water Facilities Board, which comprise the statements of net position as of December 31, 2023 and 2022, the related statements of revenues, expenses and changes in net position for the years then ended 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 form of assurance on these financial statements.

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

Przybysz & Associates, CPAs, P.C.
Fort Smith, Arkansas
August 5, 2024

FINANCIAL STATEMENTS

EAST LOGAN COUNTY PUBLIC WATER FACILITY BOARD

STATEMENTS OF NET POSITION

AS OF DECEMBER 31,	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 244,778	\$ 281,688
Restricted checking and savings accounts	337,878	324,245
Certificate of deposit	126,201	124,910
Restricted certificates of deposit	204,800	204,800
Accounts receivable, less allowance for doubtful accounts of \$31,485 and \$25,908	62,038	66,440
Prepaid expenses	2,186	2,050
Total Current Assets	977,881	1,004,133
Noncurrent Assets		
Capital Assets		
Water distribution system	3,967,350	3,960,970
Office building	30,640	30,640
Office furniture and equipment	18,692	17,672
Total	4,016,682	4,009,282
Less: accumulated depreciation	2,773,252	2,635,743
Net Capital Assets	1,243,430	1,373,539
Total Assets	\$ 2,221,311	\$ 2,377,672
Liabilities and Net Position		
Current Liabilities		
Trade accounts payable	\$ 29,608	\$ 20,996
Sales tax payable	3,765	3,935
Accrued interest	2,262	3,052
Customer meter deposits	93,175	92,293
Current maturity of long-term debt	23,623	15,749
Total Current Liabilities	152,433	136,025
Long-Term Debt	341,825	365,109
Total Liabilities	494,258	501,134
Net Position		
Net investment in capital assets	877,982	992,681
Restricted	475,616	451,822
Unrestricted	373,455	432,035
Total Net Position	1,727,053	1,876,538
Total Liabilities and Net Position	\$ 2,221,311	\$ 2,377,672

See accountant's compilation report.

EAST LOGAN COUNTY PUBLIC WATER FACILITY BOARD

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31,	2023	2022
Operating Revenue		
Metered water sales, less bad debts	\$ 606,266	\$ 628,883
Connection fees	8,070	9,409
Turn on fees	140	1,245
Other income	-	90
Total Operating Revenue	614,476	639,627
Operating Expenses		
Outside labor	130,113	136,095
Water purchases	297,661	283,121
Office supplies	6,146	7,370
Operating supplies	67,750	57,557
Licenses and fees	1,102	4,083
Utilities	34,874	29,726
Telephone	4,055	5,807
Insurance	6,144	5,705
Advertising	-	160
Memberships and dues	7,420	3,974
Legal and accounting	35,159	37,065
Repairs and maintenance	12,273	10,177
Miscellaneous	12,377	17,072
Vehicle expense	4,406	3,079
Depreciation	137,509	136,190
Total Operating Expenses	756,989	737,181
Net Loss From Operations	(142,513)	(97,554)
Other Income (Expenses)		
Interest income	8,390	2,937
Interest expense	(15,362)	(16,508)
Total Net Other Income (Expenses)	(6,972)	(13,571)
Change in Net Position	(149,485)	(111,125)
Beginning of Year Net Position	1,876,538	1,987,663
End of Year Net Position	\$ 1,727,053	\$ 1,876,538

See accountant's compilation report.