ARKANSAS CITY WATER & SEWER DEPARTMENT
ARKANSAS CITY, ARKANSAS
INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED JUNE 30, 2024

MEYER AND WARD, P.A.
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and Members of the City Council
Arkansas City Water and Sewer Department
Arkansas City, Arkansas 71630

We have performed the procedures enumerated below in compliance with Ark. Code Ann. 14-234-119 to 122, of the Arkansas City Water and Sewer Department as of June 30, 2024, and for the year then ended. The Arkansas City Water and Sewer Department's management is responsible for the Entity's accounting records.

The management of the Arkansas City Water and Sewer Department has agreed to and acknowledged that the procedures performed are appropriate to meet the intended compliance with Ark. Code Ann. 14-234-119 to 122. Additionally, the Mayor and Council of the City of Arkansas City have agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest of a user of this report and may not meet the needs of all users of the 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:

Cash and Investments

1. A) We performed a proof of cash for the year and reconciled year-end bank balances to book balances.

   B) We obtained confirmation of the cash on deposit with depository institutions

   C) We agreed the proof of cash ending balances to the book balances.

Cash and Investments (cont'd)

McGehee Bank

Cash - Operating & Maintenance	$	50,695
Cash - Meter Deposits		14,163
Cash - Depreciation		44,233
	$	109,091

We found no exceptions as a result of the procedures.

Cash Receipts

2. A) We agreed the deposits per the proof of cash for the year with the deposits per the cash receipts journal.

   B) We agreed ten customer payments on the accounts receivable subledger to deposit and billing documents.

We found no exceptions as a result of these procedures.

Accounts Receivable

3. A) We agreed the ten customer billings to the accounts receivable subledger.

   B) We reviewed five customer adjustments for proper authorization.

We found no exceptions as a result of the procedures.

Cash Disbursements

4. A) We agreed the disbursements per the proof of cash for the year with the disbursements per the cash disbursements journal within 5%.

   B) We analyzed all property, plant and equipment disbursements.

   C) We selected ten disbursements and determined that they were adequately documented.

We found no exceptions as a result of these procedures.

Property, Plant, and Equipment

5. A) We determined that all additions and disposals were properly accounted for in the records.

We found no exceptions as a result of the procedures.

Long-Term Debt

6. A) We determined there was no long-term debt.

We were engaged by the Arkansas City Water and Sewer Department to perform this agreed upon procedure 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 audit, examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on the specified elements, accounts or items. 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 Arkansas City Water and Sewer Department 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 Arkansas City Water and Sewer Department and is not intended to be and should not be used by anyone other than the specified party.

Meyer & Ward

Meyer & Ward, P.A.
Certified Public Accountants
Wynne, Arkansas 72396

December 1, 2025

ARKANSAS CITY WATER AND SEWER DEPARTMENT
FINANCIAL STATEMENTS – CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2024
AND
INDEPENDENT ACCOUNTANT'S
COMPILATION REPORT

MEYER AND WARD, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
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ARKANSAS CITY WATER AND SEWER DEPARTMENT
ARKANSAS CITY, ARKANSAS
FOR THE YEAR ENDED JUNE 30, 2024

Table of Contents

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CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 1045
WYNNE, AR 72396

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Mayor and Members of the City Council
Arkansas City Water and Sewer Department
Arkansas City, Arkansas 71630

Management is responsible for the accompanying financial statements of Arkansas City Water and Sewer Department, which comprise the statement of assets, liabilities, and net position – cash basis and the related statement of revenues, expenses and changes in net position- cash basis as of June 30, 2024 and for the year then ended in accordance with the cash basis of accounting and for determining that the 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 cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has omitted the management's discussion and analysis that the cash basis of accounting requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of the financial reporting and for placing the basic financial statements in an appropriate operational, economic or historical context.

Management has elected to omit substantially all of the disclosures required by the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Arkansas City Water and Sewer Department's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Meyer & Ward

Meyer and Ward, P.A.
Certified Public Accountants
Wynne, AR 72396

December 1, 2025

ARKANSAS CITY WATER AND SEWER DEPARTMENT
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION - CASH BASIS
JUNE 30, 2024

ASSETS

Current Assets	
Cash - Operating and Maintenance	$ 50,695
Total Current Assets	50,695
Restricted Assets	
Cash - Meter Deposits	14,163
Cash - Depreciation	44,233
Total Restricted Assets	58,396
Property Plant and Equipment	
Buildings	47,000
Equipment	407,051
Less Accumulated Depreciation	(405,625)
Net Property Plant and Equipment	48,426
Total Assets	$ 157,517

ARKANSAS CITY WATER AND SEWER DEPARTMENT
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION - CASH BASIS
JUNE 30, 2024

LIABILITIES

Current Liabilities	
Payroll Taxes Withheld	$ 881
Total Current Liabilities	881
Liabilities Payable From Restricted Assets	
Meter Deposits	20,109
Total Liabilities Payable From Restricted Assets	20,109
Total Liabilities	20,990
Net Position	
Net Investment in Capital Assets	48,426
Unrestricted	88,101
Total Net Position	136,527
Total Liabilities and Net Postion	$ 157,517

ARKANSAS CITY WATER AND SEWER DEPARTMENT
STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET POSITION - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2024

Operating Revenues	
Water Revenue	$ 69,592
Sewer Revenue	31,868
Other Revenue	7,244
Total Operating Revenue	108,704
Operating Expenses	
Salaries	24,196
Contract Labor	25,160
Depreciation	4,111
License and Permits	2,107
Miscellaneous	727
Office	7,421
Payroll Taxes	1,851
Postage	1,103
Repairs and Maintenance	7,956
Retirement	2,440
Supplies	18,553
Utilities	17,523
Total Operating Expenses	113,148
Operating Income (Loss)	(4,444)
Other Revenues (Expenses)	
Interest Income (Expense)	215
Total Other Revenues (Expenses)	215
Change in Net Position	(4,229)
Beginning Net Position	140,756
Ending Net Position	$ 136,527