

**CITY OF AUSTIN WATER &  
SEWER DEPARTMENT**

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

**DECEMBER 31, 2023 AND 2022**



**CITY OF AUSTIN WATER & SEWER DEPARTMENT**  
**DECEMBER 31, 2023 AND 2022**

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## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

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To the Honorable Mayor and City Council  
Austin, Arkansas

We have performed the procedures enumerated below on the financial and billing records of the City of Austin, Arkansas Water & Sewer Department as of and for the year ended December 31, 2023. The City of Austin, Arkansas Water & Sewer Department's management is responsible for the financial and billing records.

The City of Austin, Arkansas Water & Sewer Department 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 made multiple attempts to confirm bank balances with the financial institutions and all attempts failed. We relied on year-end bank statements.
- 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. Agree 10 billings to the meter readings and the validated deposit. 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, bonds, 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 Council meetings. The minutes were provided to us and were read. We found all financially significant items to be documented.

We were engaged by the City of Austin, Arkansas Water & Sewer Department 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 City of Austin, Arkansas Water & 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 City of Austin, Arkansas Water & Sewer Department and Legislative Joint Auditing Committee 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, 2025**



To the Honorable Mayor and City Council  
Austin, Arkansas

Management is responsible for the accompanying financial statements of the City of Austin, Arkansas Water & Sewer Department, which comprise the statements of assets, liabilities, and equity – cash basis as of December 31, 2023 and 2022, and the related statements of cash receipts and cash disbursements – cash basis for the year then ended in accordance with the cash basis of accounting. 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.

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

We draw attention to the fact that 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.

**Przybysz & Associates, CPAs, P.C.**  
**Fort Smith, Arkansas**  
**August 5, 2025**

# CITY OF AUSTIN WATER & SEWER DEPARTMENT

## STATEMENTS OF ASSETS, LIABILITIES AND EQUITY - CASH BASIS

AS OF DECEMBER 31,	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 1,894,064	\$ 1,878,775
Certificates of deposit	10,386	6,986
<b>Total Assets</b>	<b>\$ 1,904,450</b>	<b>\$ 1,885,761</b>
<b>Liabilities and Equity</b>		
Fund balance	\$ 1,904,450	\$ 1,885,761
<b>Total Liabilities and Equity</b>	<b>\$ 1,904,450</b>	<b>\$ 1,885,761</b>

See accountant's compilation report.

# CITY OF AUSTIN WATER & SEWER DEPARTMENT

## STATEMENTS OF CASH RECEIPTS AND CASH DISBURSEMENTS - CASH BASIS

FOR THE YEARS ENDED DECEMBER 31,	2023	2022
<b>Cash Receipts</b>		
Water revenue	\$ 593,334	\$ 596,069
Sewer revenue	544,896	550,461
Penalties	14,598	7,527
Service charges	14,840	7,753
Meter deposits	441,320	2,180,946
Connection Fees	8,625	8,225
LWPWA	78,750	80,997
Other revenue	123,449	116,484
Sanitation	217,219	209,221
Interest income	3,657	153
<b>Total Cash Receipts</b>	<b>2,040,688</b>	<b>3,757,836</b>
<b>Cash Disbursements</b>		
Water purchases	144,934	172,525
Sanitation	258,429	227,242
Repairs and maintenance	920,360	2,199,281
Salaries	186,054	142,948
Consulting and legal fees	53,526	128,350
Utilities	48,306	51,130
Sales tax payments	78,050	85,221
Loan payments	341,536	165,780
Capital outlays and other operating expenses	318,648	109,058
Transfers	4,984	(15,673)
<b>Total Cash Disbursements</b>	<b>2,354,827</b>	<b>3,265,862</b>
<b>Total Cash Receipts in Excess of Disbursements</b>	<b>(314,139)</b>	<b>491,974</b>
<b>Cash Balance - beginning of year</b>	<b>1,885,761</b>	<b>1,393,787</b>
<b>Prior period adjustment</b>	<b>332,828</b>	<b>-</b>
<b>Cash Balance - end of year</b>	<b>\$ 1,904,450</b>	<b>\$ 1,885,761</b>

See accountant's compilation report

# CITY OF AUSTIN WATER & SEWER DEPARTMENT

## STATEMENTS OF COMPOSITION OF CASH

AS OF DECEMBER 31,	2023	2022
<b>First Arkansas Bank</b>		
Revenue Fund Account Number XXXXX246	\$ 535,832	\$ 496,257
Sewer System Account Number XXXXX254	806,377	927,590
Meter Deposit Account Number XXXXX921	62,813	63,006
Soil & Water Reserve Account Number XXXXX963	199,193	158,296
Depreciation Fund Account Number XXXXX955	149,355	96,298
LWPWA Account Number XXXXX861	14,391	21,124
Consumption Account Number XXXXX861	110,383	109,128
Sewer Bond Account Number XXXXX861	39	49
Lonoke County ARPA Account Number XXXXX1390	8,654	-
<b>Centennial Bank</b>		
Sewer System Account Number XXX541	4,532	4,532
Sewer Construction Account Number XXX175	2,495	2,495
Certificate of Deposit - Meter Deposit	-	6,986
<b>Charles Schwab</b>		
Certificates of Deposit	10,386	-
<b>Total Cash and Certificates of Deposit</b>	<b>\$ 1,904,450</b>	<b>\$ 1,885,761</b>

See accountant's compilation report