

Town of Greenway, Arkansas

Water and Sewer Fund

Agreed-Upon Procedures Report

For the Year Ended December 31, 2021

Thomas, Speight & Noble
Certified Public Accountants

2210 Fowler Avenue
Jonesboro, AR 72401
(870) 932-5858



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor, Town Council and Management of the
Town of Greenway, Arkansas Water and Sewer Fund
Greenway, Arkansas

We have performed the procedures enumerated below, which were agreed to by Town of Greenway, Arkansas Water and Sewer Fund and the State of Arkansas Division of Legislative Audit for the year ended December 31, 2021. The water association board of directors is responsible for the company's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the 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
- B. Confirm with depository institutions the cash on deposits and investments
- C. Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater

We noted no exceptions as a result of these procedures.

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
- B. Agree 10 customer payments in the accounts receivable sub ledger to deposit and billing documents
- C. For one deposit, agree the cash/check composition of the deposit with receipt information

We noted no exceptions as a result of these procedures.

3. Accounts Receivable

- A. Agree 10 customer billings to the accounts receivable sub ledger
- B. Determine that five customer adjustments were properly authorized

We noted no exceptions as a result of these procedures.

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
- 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

We noted no exceptions as a result of these procedures.

5. Property, Plant and Equipment

- A. Determine the additions and disposals were properly accounted for in the records (Materiality level – 5% of the equipment or \$500, whichever is greater)

We noted no exceptions as a result of these procedures.

6. Long-term debt

- 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

We noted no exceptions as a result of these procedures.

7. General

- A. Determine that any items of financial significance were approved and documented in the minutes of the governing body's meetings

We noted no exceptions as a result of these procedures.

We were not engaged to, and did not, conduct an audit or examination, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Division of Legislative Audit for the State of Arkansas and the Mayor, Town Council, and Management of Town of Greenway, Arkansas Water and Sewer Fund and is not intended to be and should not be used by anyone other than those specified parties.

Respectfully,

Thomas, Speight and Noble, CPAs

Thomas, Speight and Noble, CPAs
Jonesboro, Arkansas
December 31, 2022

**Town of Greenway, Arkansas
Water and Sewer Fund**

Compiled Financial Statements

For the Year Ended December 31, 2021

**Thomas, Speight & Noble
Certified Public Accountants**

2210 Fowler Avenue
Jonesboro, AR 72401
(870) 932-5858

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ACCOUNTANTS' COMPILATION REPORT

To the Mayor, Town Council and Management of the
Town of Greenway, Arkansas Water and Sewer Fund
Greenway, Arkansas

Management is responsible for the accompanying financial statement of the Town of Greenway, Arkansas Water and Sewer Fund (the Department), which comprise the statement of assets, liabilities, and net position- cash basis as of December 31, 2021 and the related statement of cash receipts & disbursements for the year then ended. Management is also responsible for determining the modified-cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with the Statements of Standards for 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 disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Department's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Respectfully,

Thomas, Speight & Noble, CPAs

Thomas, Speight & Noble, CPAs
Jonesboro, Arkansas
December 31, 2022

**Town of Greenway, Arkansas Water and Sewer Fund
Statement of Assets, Liabilities, and Net Position - Cash Basis
For the Year Ended December 31, 2021**

Assets

Current assets	
Cash in bank	\$ 14,545
Total current assets	14,545
Total assets arising from cash transactions	\$ 14,545

Liabilities and Net Position

Current liabilities	
Current maturities of long-term debt	\$ -
Total current liabilities	-
Long term liabilities	-
Long term debt, net of current maturities	-
Total liabilities	-
Net position	
Net investment in capital assets	
Unrestricted	14,545
Total net position	14,545
Total net position arising from cash transactions	\$ 14,545

See accountants' compilation report.

Town of Greenway, Arkansas Water and Sewer Fund
Statement of Cash Receipts and Disbursements
For the Year Ended December 31, 2021

Cash receipts:	
Water and Sewer services	\$ 66,145
Contributions from city	9,310
Refunds	3,820
Water Deposits	1,100
Total cash receipts	<u>80,375</u>
Cash disbursements:	
Debt service	2,542
Payroll	25,503
Licenses	1,759
Dues and subscriptions	1,979
Postage and supplies	2,157
Taxes	15,686
Utilities	9,158
Repairs	22,104
Deposit Refunds	255
Professional Fees	300
NSF Checks	340
Workers Compensation	46
Total cash disbursements	<u>81,829</u>
Increase/(decrease) in cash	(1,454)
Beginning cash, at January 1, 2021	<u>15,999</u>
Ending cash, at December 31, 2021	<u><u>\$ 14,545</u></u>

See accountants' compilation report.