

**TOWN OF RAVENDEN  
WATER AND SEWER DEPARTMENT**

**AGREED-UPON PROCEDURES AND COMPILATION REPORT**

**Year Ended December 31, 2024**

# Williams & Morris, Accounting & Tax Service, LLC

Sheila Williams, CPA

Jodi Morris

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor and Town Council  
Town of Ravenden Water and Sewer Department  
PO Box 139  
Ravenden, AR 72459-0139

We have performed the procedures enumerated below, which were agreed to by the management of the Town of Ravenden Water and Sewer Department, solely to assist you with respect to the accounting records of management as of and for the year ended December 31, 2024. This report is prepared in accordance with Ark. Code Ann. 14-234-119 through 122. The Town of Ravenden Water and Sewer Department's management 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.

Our procedures and 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. Determine the ending book balance is within 5% or \$500, whichever is greater, of the proof of cash.  
C. Confirm with depository institutions the cash on deposit and investments.

We found no exceptions as a result of the above procedures.

### Receipts

2. A. Determine total receipts per journal are within 5% or \$500, whichever is greater, of deposits per proof of cash  
B. Agree ten (10) customer payments on the accounts receivable subledger to deposit and billing documents.  
C. For ten deposits, agree the cash/check composition of the deposit with receipt information.

We found no exceptions as a result of the above procedures.

### Accounts Receivable

3. A. Agree ten (10) customer billings to the accounts receivable subledger.  
B. Determine that five (5) customer adjustments were properly authorized.

We found no exceptions as a result of the above procedures.

### Disbursements

4. A. Determine total disbursements per journal are within 5% or \$500, whichever is greater, of deposits per proof of cash.  
B. Analyze all property, plant, and equipment disbursements.

- C. Determine all disbursements paid to employees other than payroll and ten (10) other disbursements were adequately documented. (Materiality level – 5% of total dollars of selected disbursements or \$500, whichever is greater.)

We found no exceptions as a result of the above 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.)

We found no exceptions as a result of the above 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.

We found no exceptions as a result of the above procedures.

#### General

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

We found no exceptions as a result of the above procedures.

We were not engaged to, and did not conduct an audit, 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 Town of Ravenden, United States Department of Agricultural Rural Development, Arkansas Natural Resources Commission, and the Division of Legislative Audit, and is not intended to be and should not be used by anyone other than those specified parties. However, pursuant to Arkansas Code Annotated §10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

*Sheila Williams, CPA*

Williams & Morris Accounting & Tax Service, LLC

September 9, 2025

# **Williams & Morris, Accounting & Tax Service, LLC**

Sheila Williams, CPA

Jodi Morris

---

## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Honorable Mayor and Town Council  
Town of Ravenden Water and Sewer Department  
PO Box 139  
Ravenden, AR 72459

Management is responsible for the accompanying financial statements of the Town of Ravenden Water and Sewer Department, which comprise the statement of net position as of December 31, 2024, and the related statements of revenues, expenses, and changes in net position and cash flows for the year 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. 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 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 Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

*Sheila Williams, CPA*

Williams & Morris Accounting & Tax Service, LLC  
Imboden, Arkansas

September 9, 2025

TOWN OF RAVENDEN, WATER & SEWER DEPARTMENT

Statement of Net Position

December 31, 2024

**Assets**

**Current Assets**

Cash and cash equivalents	\$ 104,567
Accounts receivable	17,361
<b>Total Current Assets</b>	<u>121,928</u>

<b>Capital Assets, Net of Accumulated Depreciation</b>	<u>1,330,149</u>
--	------------------

<b>Total Assets</b>	<u><u>\$ 1,452,077</u></u>
---------------------	----------------------------

**Liabilities and Net Position**

**Current Liabilities**

Current portion of notes payable	<u>7,944</u>
<b>Total Current Liabilities</b>	<u>7,944</u>

<b>Notes Payable, Net of Current Portion</b>	<u>346,762</u>
--	----------------

<b>Total Liabilities</b>	<u>354,706</u>
--------------------------	----------------

**Net Position**

Net invested in capital assets	975,443
Restricted	85,263
Unrestricted	36,665
<b>Total Net Position</b>	<u>1,097,371</u>

<b>Total Liabilities and Net Position</b>	<u><u>\$ 1,452,077</u></u>
---	----------------------------

TOWN OF RAVENDEN, WATER & SEWER DEPARTMENT

Statement of Revenues, Expenses, and Changes in Net Position  
For Year Ended December 31, 2024

<b>Operating Revenues</b>	
Water sales	\$ 107,987
Sewer sales	38,231
Connection fees	1,250
Maintenance Fee Fund	28,363
Meter deposit fees	2,427
Miscellaneous	3,754
Penalties	6,394
<b>Total Operating Revenues</b>	<b>188,406</b>
<b>Operating Expenses</b>	
Arkansas Testing Labs	3,341
Auto expense	2,437
Contract labor	1,000
Depreciation expense	51,132
Dues & Fees	769
Employee retirement	8,510
Employee Insurance	6,270
Insurance	7,292
Miscellaneous	1,500
Office supplies/expense	2,777
Payroll expense/taxes	5,767
Permit	620
Postage	1,358
Professional fees	7,200
Public Water System Payment	1,276
Rate Study	1,513
Repair & maintenance	37,905
Salaries	56,198
Sales tax	1,758
Sludge Hauling	2,800
Utilities	27,827
Glisson Waste	413
<b>Total Operating Expenses</b>	<b>229,663</b>
<b>Operating Income (Loss)</b>	<b>(41,257)</b>
<b>Other Income</b>	
Contribution from town	16,467
Interest Income	17
Interest Expense	(4,967)
<b>Total Other Income</b>	<b>11,517</b>
<b>Change in Net Position</b>	<b>(29,740)</b>
<b>Net Position, Beginning of Year</b>	<b>1,127,111</b>
<b>Net Position, End of Year</b>	<b>\$ 1,097,371</b>

See Accountant's Compilation Report

TOWN OF RAVENDEN, WATER & SEWER DEPARTMENT

Statement of Cash Flows  
For Year Ended December 31, 2024

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in Net Position	\$ (29,740)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	51,132
Decrease (increase) in receivables	(1,928)
Increase (decrease) in payables	<u>(774)</u>
<b>Net Cash Provided by Operating Activities</b>	<b>18,690</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Capital asset expenditures	-
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Repayment of long-term borrowings	<u>(12,635)</u>
 <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>6,055</b>
 <b>Cash and Cash Equivalents - Beginning of Year</b>	<u>98,512</u>
 <b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$ 104,567</u></u>
 <b>SUPPLEMENTAL DISCLOSURES:</b>	
 Interest paid:	<u><u>\$ 4,967</u></u>

See Accountant's Compilation Report