

**WEINER WATER WORKS
& SEWER SYSTEM
AGREED-UPON PROCEDURES
FOR YEAR ENDED JUNE 30, 2023**

WHITMIRE, ROBINSON & CO., CPA, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Weiner Water Works & Sewer System
123 West 2nd Street
Weiner, AR 72479

We have performed the procedures enumerated below on the Weiner Water Works & Sewer System (the Department)'s financial statements for the fiscal year ended June 30, 2023. The Mayor, City Council, and Weiner's management are responsible for the financial statements and these procedures.

The Mayor of the City of Weiner and City Council have agreed to acknowledge that the procedures performed are appropriate to meet the intended purpose of complying with Arkansas Code Annotated 14-234-119 through 14-234-122 and *Guidelines for Conducting Agreed-Upon Procedure for Water and Sewer Service Providers* prepared by the Arkansas Legislative Joint Audit Committee. The City of Weiner's management is responsible for maintaining the financial records and complying with state law. The procedures enumerated below were performed only for the Water Works & Sewer System. 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 purposes.

Our procedures and findings are as follows:

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 deposit and investments.
- c) Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater.

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

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 ten (10) customer payments on the accounts receivable sub-ledger to deposit and billing documents.
- c) For one deposit, agree the cash/check composition of the deposit with the receipt information.

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

ACCOUNTS RECEIVABLE

- a) Agree ten (10) customer billings to the accounts receivable sub-ledger.
- b) Determine that five (5) customer adjustments were properly authorized.

We found no exceptions on customer billing procedure.

We found 2 customers adjustments were not properly authorized.

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 (10) disbursements and determine if they were adequately documented.

We found no exception as a result of the above procedure.

PROPERTY, PLANT AND EQUIPMENT

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

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

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 found no exceptions as a result of the above procedures.

GENERAL

- 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 engaged by the Mayor of the City of Weiner 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 on the accounting 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 Weiner and to meet our 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 Mayor and City Council of the City of Weiner and is not intended to be, and should not be, used by anyone other than those specified parties.

Whitmire, Robinson & Co., CPA
Batesville, AR
August 23, 2023

**WEINER WATER WORKS
& SEWER SYSTEM
COMPILATION
FOR YEAR ENDED JUNE 30, 2023**

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Weiner Water Works & Sewer System
123 West 2nd. Street
Weiner, Arkansas 72479

Management is responsible for the accompanying financial statements of the business-type activities of the Weiner Water Works & Sewer System (the Department) which comprise the statement of net position as of June 30, 2023, and the related statement of revenue, expenses and net position 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 of Accounting and Review Services promulgated by 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 assurance on these financial statements.

Management has elected to omit substantially all 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 statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Entity's assets, liabilities, net position, revenue and expenses. Accordingly, the financial statements are not designed for those who are informed about such things.

Whitmire, Robinson & Co., CPA
Batesville, Arkansas
August 23, 2023

WEINER WATER WORKS & SEWER SYSTEM
STATEMENT OF NET POSITION
JUNE 30, 2023

Assets

Current Assets

Cash in banks and on hand	\$36,510
Accounts receivable	30,032
Unbilled revenue	10,690
Prepaid insurance	<u>4,223</u>
Total Current Assets	<u><u>81,455</u></u>

Noncurrent Assets

Restricted Assets (Notes 2 and 5)	
Cash - meter deposit account	28,141
Cash - USDA	<u>8,334</u>
Total Restricted Assets	<u><u>36,475</u></u>

Capital Assets (Note 3)

Land	12,733
Other capital assets, net accumulated depreciation	<u>454,676</u>
Total Capital Assets	<u><u>467,409</u></u>

Total Noncurrent Assets	<u><u>503,884</u></u>
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Total Assets	<u><u><u>\$585,339</u></u></u>
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See Accountants' Compilation Report.

WEINER WATER WORKS & SEWER SYSTEM
STATEMENT OF NET POSITION (Cont.)
JUNE 30, 2023

Liabilities and Net Position

Current Liabilities

Accounts payable	\$25,127
Payroll and other taxes payable	3,114
Accrued interest	149
Compensated absences	<u>2,928</u>

Total Current Liabilities	<u>31,318</u>
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Meter Deposit	<u>28,141</u>
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Long-term Debt, Bond Payable	<u>85,098</u>
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Total Liabilities	<u>144,557</u>
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Net Position

Invested in capital assets	382,311
Unrestricted	<u>58,471</u>

Total Net Position	<u>440,782</u>
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Total Liabilities and Net Position	<u><u>\$585,339</u></u>
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See Accountants' Compilation Report.

**WEINER WATER WORKS & SEWER SYSTEM
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Operating Income

Water sales	\$184,787
Sewer fees	60,900
Late payment penalties	4,495
Miscellaneous income	11,142
Total Operating Income	<u>261,324</u>

Operating Expenses

Salaries	86,876
Utilities	30,421
Chemicals	67,496
Operating supplies	27,259
Repairs	57,840
Automobile and truck expense	6,713
Office supplies and postage	4,160
Insurance	9,203
Legal and accounting	8,250
Payroll taxes	6,231
Employee benefits	7,981
Permits	3,560
Bad debts and returned checks	22
Miscellaneous	14,299
Depreciation and amortization	44,834
Total Operating Expenses	<u>375,145</u>

See Accountants' Compilation Report.

**WEINER WATER WORKS & SEWER SYSTEM
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION (Cont.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Net Income From Operations	<u>(113,821)</u>
Nonoperating Revenue (Expense)	
Other Income - Interest	34
Interest expense	(3,535)
APP Grant transfer from City	27,650
Transfer from City - sales tax	46,060
Transfer from City - general fund	35,000
Gain on sale of asset	475
Total Nonoperating Revenue (Expense)	<u>105,684</u>
 Changes in Net Assets	 (8,137)
 Net Position - Beginning of Year	 <u>448,919</u>
 Net Position - End of Year	 <u><u>\$440,782</u></u>

See Accountants' Compilation Report.