

**CITY OF ST. CHARLES, ARKANSAS WATER AND SEWER DEPARTMENT  
AGREED -UPON PROCEDURES REPORT  
DECEMBER 31, 2022**

**V. Arlene Castleberry  
Certified Public Accountant**

**CITY OF ST. CHARLES, ARKANSAS WATER AND SEWER DEPARTMENT  
TABLE OF CONTENTS  
DECEMBER 31, 2022**

	<b><u>PAGES</u></b>
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES	1-2
ACCOUNTANTS' COMPILATION REPORT	3
FINANCIAL STATEMENTS	
Statements of Assets, Liabilities and Equity - Cash Basis	4
Statements of Cash Receipts and Cash Disbursements - Cash Basis	5
Statements of Composition of Cash	6

# *V. Arlene Castleberry*

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*5327 Highway 11 North*

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*(870) 256-4563*

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

The Mayor and City Council Members  
St. Charles, Arkansas

We have performed the procedures enumerated below, which were agreed to by the City of St. Charles, Arkansas Water & Sewer Department and the Arkansas Joint Legislative Audit Committee, solely to assist you in complying with their requirements with respect to the statement of assets and liabilities - cash basis, statement of cash receipts and cash disbursements-cash basis and the statement of composition of cash of the City of St. Charles, Arkansas Water & Sewer Department as of and for the year ended December 31, 2022. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of 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 purposes.

Our procedures and findings are as follows:

### (A) Cash and Investments

1. Perform a proof of cash for the year and reconcile year-end bank balances to book balance. We concluded this procedure with no findings.
2. Confirm with depository institutions the cash on deposit and investments. We concluded this procedure with no findings.
3. Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater. We concluded this procedure with no findings.

### (B) Receipts

1. 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 with no findings.
2. Agree 10 customer payments on the accounts receivable sub ledger to deposits and billing documents.

### (C) Accounts Receivable

1. Agree 10 customer billings to the accounts receivable sub ledger. We concluded this procedure with no findings.
2. Determine that five customer adjustments were properly authorized. We concluded this procedure with no findings.

(D) Disbursements

1. 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 found no exceptions as a result of the comparisons.
2. Analyze all property, plant and equipment disbursements. We found no exceptions as a result of the procedure.
3. Select ten (10) disbursements and trace them to invoices to determine if they were adequately documented and authorized for payment. We found no exceptions as a result of the procedure.

(E) Property, plant and equipments

1. Determine that the additions and disposals were properly accounted for in the records. We found no exceptions as a result of the procedure.

(F) Long-term debt

1. Schedule long-term debt and verified changes in all balances for the year. We found no exceptions as a result of the procedures.
2. Confirm loans, bond, notes and contracts payable with lender/trustee/contractor. We found no exceptions as a result of the procedure.
3. Determine that the appropriate debt service accounts have been established and are being maintained. We found no exceptions as a result of the procedure.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 specified users and is not intended to be and should not be used by anyone other than these specified parties.

Arlene Castleberry, CPA  
August 25, 2023

*V. Arlene Castleberry*

*Certified Public Accountant*

*5327 Highway 11 North*

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**ACCOUNTANT S' COMPILATION REPORT**

To the Mayor and City Council  
St. Charles, Arkansas

Management is responsible for the accompanying financial statements of the City of St. Charles, Arkansas Water and Sewer Department, which comprise statements of assets and liabilities, cash receipts and cash disbursements, and composition of cash for the year ended December 31, 2022, 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 of 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 elected to omit substantially all of the 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 cash receipts and disbursements. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Arlene Castleberry  
Certified Public Accountant  
Des Arc, Arkansas  
August 25, 2023

**CITY OF ST. CHARLES, ARKANSAS WATER AND SEWER DEPARTMENT  
STATEMENT OF ASSETS, LIABILITIES AND EQUITY - CASH BASIS  
AS OF DECEMBER 31, 2022**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash equivalents	\$ 49,413
<b>TOTAL CURRENT ASSETS</b>	<u>\$ 49,413</u>

<b>TOTAL ASSETS</b>	<u><u>\$ 49,413</u></u>
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**LIABILITIES AND EQUITY**

**EQUITY**

Fund Balance	\$ 49,413
<b>TOTAL EQUITY</b>	<u>\$ 49,413</u>

<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u>\$ 49,413</u></u>
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See Accountants' Report

**CITY OF ST. CHARLES, ARKANSAS WATER AND SEWER DEPARTMENT  
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS  
CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**CASH RECEIPTS**

Customer collections	\$ 109,445	
Meter deposits (refunds)	586	
Transfer from St. Charles General Fund	10,000	
Interest Income	50	
<b>TOTAL CASH RECEIPTS</b>		<b>\$ 120,081</b>

**CASH DISBURSEMENTS**

Transfer to St. Charles General Fund	\$ -	
Capital outlays	-	
Chemicals	3,227	
Debt service	29,498	
Insurance	535	
Office supplies	1,901	
Operating supplies	1,294	
Professional Fees	5,238	
Repairs and maintenance	9,282	
Returned Check	275	
Salaries and wages	25,836	
Sales tax remittance	6,447	
Utilities	4,713	
Waste management	26,847	
<b>TOTAL CASH DISBURSEMENTS</b>		<b>\$ 115,093</b>

**TOTAL CASH RECEIPTS IN EXCESS OF DISBURSEMENTS** **\$ 4,988**  
**(TOTAL CASH DISBURSEMENTS IN EXCESS OF RECEIPTS)**

**CASH BALANCE - Beginning of year** **\$ 44,425**

**CASH BALANCE - End of year** **\$ 49,413**

See Accountants' Report

**CITY OF ST. CHARLES, ARKANSAS WATER AND SEWER DEPARTMENT  
STATEMENT OF COMPOSITION OF CASH  
DECEMBER 31, 2022**

	<b>INTEREST RATE</b>	<b>BALANCE</b>
<b>SOUTHERN BANCORP BANK</b>		
Operations and Maintenance Fund Account Number 115847	0.00%	\$ 8,592
Operating and Maintenance Fund Account Number 14965	0.20%	21,543
Sewer Operations and Maintenance Fund Account Number 115863	0.00%	391
Garbage Account Account Number 115839	0.00%	2,526
Water Depreciation Account Account Number 85187	0.10%	3,932
Meter Fund Account Number 88567	0.10%	4,363
Meter Account Account Number 115897	0.00%	8,067
<b>TOTAL - SOUTHERN BANCORP BANK</b>		<b>\$ 49,413</b>
<b>TOTAL CASH</b>		<b>\$ 49,413</b>

See Accountants' Report