

BUCKNER WATER WORKS



BUCKNER, ARKANSAS

DECEMBER 31, 2024

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BUCKNER, ARKANSAS

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

To the Mayor and City Council
Buckner, Arkansas

We have performed the procedures enumerated below on the accounting records of Buckner Water Works as of and for the year ended December 31, 2024. Buckner Water Works' management is responsible for the accounting records.

Buckner Water Works has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of satisfying annual reporting requirements of the Arkansas Division of Legislative Audit. Additionally, the Arkansas Legislative Joint Auditing Committee has agreed to and acknowledged that the procedures performed are appropriate for their purposes. 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 purposes.

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 balances.
- 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 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 ten customer payments on the accounts receivable sub ledger 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 procedures.

3. Accounts Receivable

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

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

5. Property, Plant, and Equipment

- 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 procedure.

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 found no exceptions as a result of the 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 found no exceptions as a result of the procedure.

We were engaged by Buckner Water Works to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. 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 accounting records of Buckner Water Works. 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 Buckner Water Works 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 Buckner Water Works and the Arkansas Legislative Joint Auditing Committee, and is not intended to be and should not be used by anyone other than those specified parties.

Turner, Rodgers, Manning & Plyler, PLLC

Arkadelphia, Arkansas
June 30, 2026

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Buckner Water Works
Buckner, AR

Management is responsible for the accompanying financial statements of Buckner Water Works, which comprise the statements of assets, liabilities, and net position – cash basis as of December 31, 2024 and 2023, and the related statements of cash receipts and cash disbursements for the years then ended, 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 for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement 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 the 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 Buckner Water Works' cash position, and results of operations – cash basis. Accordingly, these financial statements are not for those who are not informed about such matters.

Management has omitted the management's discussion and analysis and budgetary comparison schedule that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

Turner, Rodgers, Manning & Plyler, PLLC

Arkadelphia, Arkansas
June 30, 2026

BUCKNER WATER WORKS
STATEMENTS OF ASSETS, LIABILITIES, AND
NET POSITION - CASH BASIS
DECEMBER 31, 2024 AND 2023

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ASSETS

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 2,613	\$ 1,255
RESTRICTED ASSETS:		
Cash - Meter Deposit Fund	12,114	11,394
Cash - Depreciation Fund	1,290	2,468
Certificate of Deposit - Meter Deposit Fund	1,778	1,769
Certificate of Deposit - Debt Service Reserve Fund	14,435	14,363
TOTAL RESTRICTED ASSETS	<u>29,617</u>	<u>29,994</u>
TOTAL ASSETS	<u>\$ 32,230</u>	<u>\$ 31,249</u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES:		
Current Portion of Long-Term Debt	\$ 13,011	\$ 12,286
Bank Overdraft	7,871	-
TOTAL CURRENT LIABILITIES	<u>20,882</u>	<u>12,286</u>
LIABILITIES PAYABLE FROM RESTRICTED ASSETS:		
Meter Deposits Payable	12,335	12,178
LONG-TERM LIABILITIES:		
Note Payable	3,482	16,493
TOTAL LIABILITIES	<u>36,699</u>	<u>40,957</u>
NET POSITION:		
Restricted Net Position	17,282	17,816
Unrestricted Net Position	(21,751)	(27,524)
TOTAL NET POSITION	<u>(4,469)</u>	<u>(9,708)</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 32,230</u>	<u>\$ 31,249</u>

See Independent Accountants' Compilation Report.

BUCKNER WATER WORKS
STATEMENTS OF CASH RECEIPTS AND
CASH DISBURSEMENTS
FOR YEARS ENDED DECEMBER 31, 2024 AND 2023

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	<u>2024</u>	<u>2023</u>
CASH RECEIPTS:		
Customer Collections	\$ 96,415	\$ 97,277
Meter Deposits Received (Net)	157	139
Transfer from General Fund	-	5,000
Grant Revenue	165,765	-
Interest Received	1,219	1,291
TOTAL CASH RECEIPTS	<u>263,556</u>	<u>103,707</u>
CASH DISBURSEMENTS:		
Capital Expenditures	165,765	-
Payments to General Fund for Trash Fees	6,440	7,130
Salaries, Wages, and Payroll Taxes	53,697	51,444
Sales Tax Remittance	6,986	6,924
Truck Expense	1,299	1,299
Insurance	3,785	3,805
Utilities	5,630	5,193
Repairs and Supplies	2,640	5,764
Chemicals	8,329	7,343
Debt Service - Interest	1,334	2,019
Debt Service - Principal	12,286	11,601
Purchase of Certificate of Deposit	81	60
Dues & Subscriptions	1,542	1,423
Miscellaneous	713	928
TOTAL CASH DISBURSEMENTS	<u>270,527</u>	<u>104,933</u>
NET CHANGE IN CASH	<u>(6,971)</u>	<u>(1,226)</u>
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	15,117	16,343
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,146</u>	<u>\$ 15,117</u>

See Independent Accountants' Compilation Report.