

TOWN OF DYESS WATER AND SEWER DEPARTMENT

Dyess, Arkansas

December 31, 2023

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES
AND COMPILATION REPORT**

S. DON RAY

CERTIFIED PUBLIC ACCOUNTANT

**TOWN OF DYESS WATER AND SEWER DEPARTMENT
DYESS, ARKANSAS
DECEMBER 31, 2023**

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S. DON RAY
CERTIFIED PUBLIC ACCOUNTANT

**To the Mayor, Town Council and Management
of the Town of Dyess, Arkansas Water and Sewer Department
Dyess, Arkansas**

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

I have performed the procedures enumerated below, which were agreed to by the Mayor, Town Council and management on the procedures specified by the Arkansas Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119 for the Town of Dyess, Arkansas, Water and Sewer Department (the Department), for the year ended December 31, 2023. The Department's management is responsible for the Department's accounting records. The sufficiency of these procedures is solely the responsibility of the Arkansas Legislative Joint Auditing Committee. Consequently, I 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.

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.

Findings: I found no exceptions as a result of the above 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 subsidiary ledger to deposit and billing documents.
- C. For one deposit, agree the cash/check composition of the deposit with receipt information.

Findings: I found no exceptions as a result of the above procedures.

3. Accounts Receivable

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

Findings: I found no exceptions as a result of the above 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.

Findings: I found no exceptions as a result of the above procedures.

5. Property, Plant & Equipment

- A. Determine that additions and disposals were properly accounted for in the records.

Findings: I found no exceptions as a result of the above 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 the lender/trustee/contractor.
- C. Determine that the appropriate debt service accounts have been established and maintained.

Findings: I found no exceptions as a result of the above procedures.

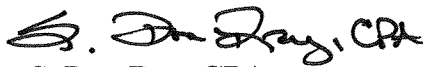
7. General

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

Findings: I found no exceptions as a result of the above procedures.

This engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. I was not engaged to, and did not, conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the procedures specified by the Arkansas Code Ann. 14-234-119. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, USDA Rural Development and the Department and is not intended to be and should not be used by anyone other than those specified parties.



S. Don Ray, CPA
Jonesboro, Arkansas
February 28, 2024

S. DON RAY
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

**To the Mayor, Town Council and Management
of the Town of Dyess, Arkansas Water and Sewer Department
Dyess, Arkansas**

Management is responsible for the accompanying financial statements of the Town of Dyess Water and Sewer Department (the "Department") business-type activities, which comprise the statement of assets, liabilities, and net position – modified cash basis as of December 31, 2023 and the related statement of cash receipts and cash disbursements for the year then ended, and for determining the modified-cash basis of accounting is an acceptable financial reporting framework. I 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. I did not audit or review the financial statements, nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I 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 of the disclosures ordinarily required in financial statements prepared in accordance with the modified 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, the financial statements are not designed for those who are not informed about such matters.



**S. Don Ray, CPA
Jonesboro, Arkansas
February 28, 2024**

TOWN OF DYESS WATER AND SEWER DEPARTMENT
STATEMENT OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2023

ASSETS

CURRENT ASSETS

Cash	\$ 4,387
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RESTRICTED ASSETS

Cash	50,198
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Certificate of deposits	48,665
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TOTAL RESTRICTED ASSETS	<u>98,863</u>
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CAPITAL ASSETS

Capital assets, net of accumulated depreciation	463,822
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TOTAL ASSETS

<u><u>\$ 567,072</u></u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Customer deposits	\$ 16,565
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Current maturities of long-term debt	12,784
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TOTAL CURRENT LIABILITIES	<u>29,349</u>
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LONG-TERM LIABILITIES

Long-term debt, net of current maturities	423,124
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TOTAL LIABILITIES

<u>452,473</u>

NET POSITION

Net investment in capital assets	27,914
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Restricted	82,298
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Unrestricted	4,387
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TOTAL NET POSITION	<u>114,599</u>
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TOTAL LIABILITIES AND NET POSITION

<u><u>\$ 567,072</u></u>

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

TOWN OF DYESS WATER AND SEWER DEPARTMENT
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
For the Year Ended December 31, 2023

CASH IN BANK, JANUARY 1

Operations and Maintenance Account	\$ 862
Water and Sewer Deposit Account	1,923
Water and Sewer Deposit Account - CD	14,412
Water and Sewer Debt Service - CD	33,651
Waste Water Short Lived Assets Account	41,820
TOTAL CASH IN BANK, JANUARY 1	\$ 92,668

ADD: CASH RECEIPTS

Service Fees	\$ 116,393
Sewer Deposits	50
Other Revenue	60
Contribution from Town Government	15,396
Interest	613
TOTAL CASH RECEIPTS	\$ 132,512

LESS: CASH DISBURSEMENTS

Contract Labor	\$ 20,646
Supplies and Software	831
Maintenance	27,943
Chemicals	6,330
Utilities	11,731
Professional Services	3,575
Miscellaneous	659
Fuel	1,872
Sanitation Expense	11,960
Dumping Fees	5,422
Sales Tax	5,305
Debt Service - Principle	10,067
- Interest	15,589
TOTAL CASH DISBURSEMENTS	\$ 121,930

CASH IN BANK, DECEMBER 31

Operations and Maintenance Account	\$ 4,387
Water and Sewer Deposit Account	1,973
Water and Sewer Deposit Account - CD	14,592
Water and Sewer Debt Service - CD	34,073
Waste Water Short Lived Assets Account	48,225
TOTAL CASH IN BANK, DECEMBER 31	\$ 103,250

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT