

TOWN OF DYESS WATER AND SEWER DEPARTMENT

Dyess, Arkansas

December 31, 2024

**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, 2024**

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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, 2024. 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.

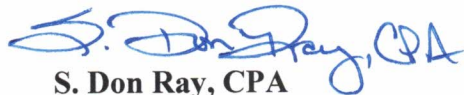
7. General

- 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.

A handwritten signature in blue ink that reads "S. Don Ray, CPA". The signature is stylized and cursive.

S. Don Ray, CPA
Jonesboro, Arkansas
February 28, 2025

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, 2024 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.

Supplementary Information

The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the modified cash financial statements. I did not audit or review the supplementary information nor was I required to perform any procedures to verify the accuracy or completeness of the supplementary information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on this supplementary information.



**S. Don Ray, CPA
Jonesboro, Arkansas
February 28, 2025**

TOWN OF DYESS WATER AND SEWER DEPARTMENT
STATEMENT OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2024

ASSETS

CURRENT ASSETS	
Cash	\$ 6,811
RESTRICTED ASSETS	
Cash	56,454
Certificate of deposits	49,275
TOTAL RESTRICTED ASSETS	105,729
CAPITAL ASSETS	
Capital assets, net of accumulated depreciation	448,556
TOTAL ASSETS	\$ 561,096

LIABILITIES AND NET POSITION

CURRENT LIABILITIES	
Customer deposits	\$ 16,598
Current maturities of long-term debt	13,083
TOTAL CURRENT LIABILITIES	29,681
LONG-TERM LIABILITIES	
Long-term debt, net of current maturities	413,223
TOTAL LIABILITIES	442,904
NET POSITION	
Net investment in capital assets	22,250
Restricted	89,131
Unrestricted	6,811
TOTAL NET POSITION	118,192
TOTAL LIABILITIES AND NET POSITION	\$ 561,096

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, 2024

CASH IN BANK, JANUARY 1

Operations and Maintenance Account	\$	4,327
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, JANUARY 1	\$	103,190

ADD: CASH RECEIPTS

Service Fees	\$	127,150
Interest		623
Contribution from Town Government		37,500
Proceeds from Mississippi County Grant		112,500
Service Deposits		150
Transfer In		6,396
TOTAL CASH RECEIPTS	\$	284,319

LESS: CASH DISBURSEMENTS

Chemicals	\$	3,121
Contract Labor		20,623
Dumping Fees		5,491
Professional Services		2,700
Meter Deposit Refunds		300
Supplies and Software		657
Miscellaneous		3,112
Sales Tax		5,663
Debt Service - Principle		10,067
- Interest		15,589
Sanitation/Garbage Truck/Maintenance		15,344
Utilities		11,171
Repairs and Maintenance		174,735
Transfer Out		6,396
TOTAL CASH DISBURSEMENTS	\$	274,969

CASH IN BANK, DECEMBER 31

Operations and Maintenance Account	\$	6,811
Water and Sewer Deposit Account		1,823
Water and Sewer Deposit Account - CD		14,775
Water and Sewer Debt Service - CD		34,500
Waste Water Short Lived Assets Account		54,631
TOTAL CASH IN BANK, DECEMBER 31	\$	112,540

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

SUPPLEMENTARY
INFORMATION

**TOWN OF DYESS WATER AND SEWER DEPARTMENT
 SCHEDULE OF WATER AND SEWER RATES
 SUPPLEMENTARY INFORMATION
 December 31, 2024**

As of December 31, 2024, the Dyess Water and Sewer Department had 104 service connections.

WATER RATE		
	Minimum Rate	Usage
Water - Flat Rate	\$ 19.00	For the first 1,000 gallons
Water - Additional Rate	\$ 3.50	Per 1,000 gallons up to 5,000 gallons
Water - Additional Rate	\$ 2.50	Per 1,000 gallons after 5,000 gallons
Water - Rural Water Rate	\$ 1.25	Per 1,000 gallons

SEWER RATE		
	Minimum Rate	Usage
Sewer - Flat Rate	\$ 9.50	For the first 1,000 gallons
Sewer - Additional Rate	\$ 1.75	Per 1,000 gallons up to 5,000 gallons
Sewer	\$ 1.25	Per 1,000 gallons after 5,000 gallons

TOWN OF DYESS WATER AND SEWER DEPARTMENT
STATEMENT OF ASSETS, LIABILITIES AND NET POSITION - MODIFIED CASH BASIS - SEPARATED BY FUND
SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024

	OPERATIONS AND MAINTENANCE FUND	WATER AND SEWER DEPOSIT FUND	WASTE WATER SHORT LIVED ASSET FUND	WATER AND SEWER DEBT SERVICE FUND	TOTAL ALL FUNDS COMBINED
<u>ASSETS</u>					
CURRENT ASSETS					
Cash	\$ 6,811	-	-	-	\$ 6,811
RESTRICTED ASSETS					
Cash	-	\$ 1,823	\$ 54,631	-	56,454
Certificate of Deposit	-	14,775	-	\$ 34,500.00	49,275
CAPITAL ASSETS					
Capital assets, net of accumulated depreciation	448,556	-	-	-	448,556
TOTAL ASSETS	\$ 455,367	\$ 16,598	\$ 54,631	\$ 34,500	\$ 561,096
<u>LIABILITIES</u>					
CURRENT LIABILITIES					
Customer deposits	-	\$ 16,598	-	-	\$ 16,598
Current maturities of long-term debt - USDA	\$ 13,083	-	-	-	13,083
TOTAL CURRENT LIABILITIES	\$ 13,083	\$ 16,598	\$ -	\$ -	\$ 29,681
LONG-TERM LIABILITIES					
Long-term debt - USDA	\$ 413,223	-	-	-	\$ 413,223
TOTAL LONG-TERM LIABILITIES	\$ 413,223	\$ -	\$ -	\$ -	\$ 413,223
TOTAL LIABILITIES	\$ 426,306	\$ 16,598	\$ -	\$ -	\$ 442,904
<u>NET POSITION</u>					
Net investment in capital assets	\$ 22,250	-	-	-	\$ 22,250
Restricted	-	-	\$ 54,631	\$ 34,500	\$ 89,131
Unrestricted	6,811	-	-	-	\$ 6,811
TOTAL NET POSITION	\$ 29,061	\$ -	\$ 54,631	\$ 34,500	\$ 118,192
TOTAL LIABILITIES AND NET POSITION	\$ 455,367	\$ 16,598	\$ 54,631	\$ 34,500	\$ 561,096

**TOWN OF DYESS WATER AND SEWER DEPARTMENT
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS - SEPARATED BY FUND
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024**

	OPERATIONS AND MAINTENANCE FUND	WATER AND SEWER DEPOSIT FUND	WASTE WATER SHORT LIVED ASSET FUND	WATER AND SEWER DEBT SERVICE FUND	TOTAL ALL FUNDS COMBINED
TOTAL CASH IN BANK, JANUARY 1	\$ 4,327	\$ 16,565	\$ 48,225	\$ 34,073	\$ 103,190
<u>CASH RECEIPTS</u>					
Service Fees	\$ 127,150	-	-	-	\$ 127,150
Interest	3	\$ 183	\$ 10	\$ 427	623
Contribution from Town Government	37,500	-	-	-	37,500
Proceeds from Mississippi County Grant	112,500	-	-	-	112,500
Service Deposits	-	150.00	-	-	150
Transfer In	-	-	6,396	-	6,396
TOTAL CASH RECEIPTS	\$ 277,153	\$ 333	\$ 6,406	\$ 427	\$ 284,319
<u>CASH DISBURSEMENTS</u>					
Chemicals	\$ 3,121	-	-	-	\$ 3,121
Contract Labor	20,623	-	-	-	20,623
Dumping Fees	5,491	-	-	-	5,491
Professional Services	2,700	-	-	-	2,700
Meter Deposit Refunds	-	300	-	-	300
Supplies and Software	657	-	-	-	657
Miscellaneous	3,112	-	-	-	3,112
Sales Tax	5,663	-	-	-	5,663
Debt Service - Principle	10,067	-	-	-	10,067
- Interest	15,589	-	-	-	15,589
Sanitation/Garbage Truck/Maintenance	15,344	-	-	-	15,344
Utilities	11,171	-	-	-	11,171
Repairs and Maintenance	174,735	-	-	-	174,735
Transfer Out	6,396	-	-	-	6,396
TOTAL CASH DISBURSEMENTS	\$ 274,669	\$ 300	\$ -	\$ -	\$ 274,969
TOTAL CASH IN BANK, DECEMBER 31	\$ 6,811	\$ 16,598	\$ 54,631	\$ 34,500	\$ 112,540

**TOWN OF DYESS WATER AND SEWER DEPARTMENT
SCHEDULE OF COMMITMENTS
SUPPLEMENTARY INFORMATION
December 31, 2024**

Loan Number	Amount Authorized and Issued	Total Debt Outstanding	2024 Principal Payments	2024 Interest Payments	2024 Total Payments	Interest Rate
USDA Loan 91-03	\$ 90,700	\$ 63,344	\$ 1,953	\$ 2,907	\$ 4,860.00	4.375%
USDA Loan 91-05	450,000	362,962	8,114	12,682	20,796	3.375%
Total	\$ 540,700	\$ 426,306	\$ 10,067	\$ 15,589	\$ 25,656	