

**TOWN OF MAYNARD WATER & SEWER DEPARTMENT**  
**Maynard, Arkansas**  
**For the Year Ended December 31, 2023**

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



American Institute of CPAs

Arkansas Society of CPAs

Texas Society of CPAs

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**Members of the Town Council  
Town of Maynard Water & Sewer Department  
Maynard, Arkansas**

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

We have performed the procedures enumerated below on the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119 of Town of Maynard Water and Sewer Department for the year ended December 31, 2023. Town of Maynard Water and Sewer Department is responsible for the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119.

Town of Maynard Water and Sewer Department has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with Arkansas law and lender requirements. 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:

**CASH AND INVESTMENTS**

1. 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.

***Findings:** We found no exceptions as a result of the procedures.*

**RECEIPTS**

2. 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 subledger to deposit and billing documents.
- C. For ten deposits, agree the cash/check composition of the deposit with receipt information.

***Findings:** We found the following exception as a result of the procedures: We were unable to test deposit composition. We found no other exceptions as a result of the procedures.*

**Members of the Town Council  
Town of Maynard Water & Sewer Department**

**ACCOUNTS RECEIVABLE**

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

*Findings: We found the following exception as a result of the procedures: We were unable to find written evidence approving customer adjustments. We found no other exceptions as a result of the procedures.*

**DISBURSEMENTS**

4. 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: We found no exceptions as a result of the procedures.*

**PROPERTY, PLANT AND EQUIPMENT**

5. A. Determine that additions and disposals were properly accounted for in the records (materiality level – 5% of total equipment or \$500, whichever is greater).

*Findings: We found no exceptions as a result of the procedures.*

**LONG-TERM DEBT**

6. 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.

*Findings: We found no exceptions as a result of the procedures.*

**GENERAL**

7. A. Determine that any items of financial significance were approved and documented in the minutes of the governing body minutes

*Findings: We found no exceptions as a result of the procedures.*

We were engaged by Town of Maynard Water and Sewer Department 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 audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119. 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 Town of Maynard Water and Sewer Department and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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**Members of the Town Council  
Town of Maynard Water & Sewer Department**

This report is intended solely for the information and use of the Town of Maynard Water and Sewer Department, Arkansas Natural Resources Commission, USDA Rural Development, and the Legislative Joint Auditing Committee and is not intended to be and should not be used by anyone other than these specified parties.

*Berry & Associates*

Berry & Associates, PA  
Little Rock, Arkansas  
December 18, 2024

**TOWN OF MAYNARD WATER & SEWER DEPARTMENT  
FINANCIAL STATEMENTS  
For the Year Ended December 31, 2023  
and  
INDEPENDENT ACCOUNTANT'S  
COMPILATION REPORT**

**TOWN OF MAYNARD WATER & SEWER DEPARTMENT**  
**Maynard, Arkansas**  
**For the Year Ended December 31, 2023**

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**Members of the Town Council  
Town of Maynard Water & Sewer Department  
Maynard, Arkansas**

Management is responsible for the accompanying financial statements of Town of Maynard Water and Sewer Department, 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 that the modified-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 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 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 included 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 assets, liabilities, net position, cash receipts and cash disbursements. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Berry & Associates, P.A.  
Little Rock, Arkansas  
December 18, 2024

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**TOWN OF MAYNARD WATER & SEWER DEPARTMENT**  
**STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION-MODIFIED CASH BASIS**  
**December 31, 2023**

<u><b>ASSETS</b></u>	
<b>CURRENT ASSETS</b>	
Cash	\$ 83,221
<b>RESTRICTED ASSETS</b>	
Cash and cash equivalents	155,172
<b>FIXED ASSETS - AT COST</b>	
Water lines	1,525,141
Land	6,135
Equipment	803,920
	<u>2,335,196</u>
Less: accumulated depreciation	<u>(1,309,116)</u>
Net Fixed Assets	<u>1,026,080</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,264,473</u></u>
<u><b>LIABILITIES AND NET POSITION</b></u>	
<b>CURRENT LIABILITIES</b>	
Current maturities of long-term debt	\$ 15,300
<b>LONG-TERM DEBT, Net of Current Maturities</b>	
USDA Rural Development	182,696
Arkansas Natural Resources Commission	27,361
Total long-term debt, net of current maturities	<u>210,057</u>
<b>PAYABLES FROM RESTRICTED ASSETS</b>	
Customer water meter deposits	<u>20,321</u>
<b>TOTAL LIABILITIES</b>	<u>245,678</u>
<b>NET POSITION</b>	
Unrestricted	921,789
Restricted	<u>97,006</u>
<b>TOTAL NET POSITION</b>	<u>1,018,795</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 1,264,473</u></u>

**SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**



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

**CASH RECEIPTS**

Water revenue	\$ 71,088
Sewer revenue	44,544
Sanitation fees	43,715
Interest income	5,056
Meter deposits	2,760
Other income	182,454
Total Cash Receipts	<u>349,617</u>

**CASH DISBURSEMENTS**

Debt service	
Principal	14,727
Interest	8,147
Operating salaries	27,876
Contracted labor	35,922
Insurance	6,808
Supplies	14,144
Dues & licenses	4,130
Professional fees	4,425
Miscellaneous expense	13,324
Utilities	23,925
Meter refunds	1,850
Repairs & maintenance	6,983
Fuel & oil	1,936
Construction in progress	215,370
Lab testing	2,084
Total Cash Disbursements	<u>381,651</u>

**DECREASE IN CASH AND RESTRICTED CASH** (32,034)

**BEGINNING CASH AND RESTRICTED CASH, AT JANUARY 1, 2023** 270,427

**ENDING CASH AND RESTRICTED CASH, AT DECEMBER 31, 2023** \$ 238,393

**SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**