TOWN OF WESTERN GROVE, ARKANSAS
WATER DEPARTMENT

AGREED-UPON PROCEDURES REPORT AND COMPILED FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

PRZYBYSZ
& ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

TOWN OF WESTERN GROVE, ARKANSAS WATER DEPARTMENT
DECEMBER 31, 2024 AND 2023

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PRZYBYSZ & ASSOCIATES
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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Honorable Mayor and Town Council
Town of Western Grove, Arkansas

We have performed the procedures enumerated below on the financial and billing records of the Town of Western Grove, Arkansas Water Department as of and for the year ended December 31, 2024. Town of Western Grove, Arkansas Water Department's management is responsible for the financial and billing records.

The Town of Western Grove, Arkansas Water Department has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose which is to comply with Arkansas Code Annotated 14-234-119 through 14-234-122 and *Guidelines for Conducting Agreed-Upon Procedures for Water and Sewer Service providers* as prepared by Arkansas Legislative Audit. 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 purpose.

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 balance. We concluded this procedure with for three bank accounts and had no findings.

B. Confirm with depository institutions the cash on deposit and investments. We concluded this procedure with the finding that one of the Department's CD balances are not updated during the year. One CD was found to be for the street fund thus auditor transferred out. CDs were overstatement by a total $68,655.

C. Agree the proof of cash ending balances to the book balances within 5% or $500, whichever is greater. The ending balances for all accounts were within these parameters.

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(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. We concluded this procedure and found the deposits were within the parameters for all three bank accounts.

B. Agree ten customer payments on the accounts receivable sub ledger to deposit, billing documents. We concluded this procedure with no findings.

C. For ten deposits, agree the cash/check composition of the deposit with receipt information. We found that deposits of cash and deposits of checks are separated in all deposits. Cash is deposited with cash in a deposit, and checks are deposited with checks in a separate deposit. We concluded this procedure with no findings.

(3) Accounts Receivable

A. Agree ten customer billings to the accounts receivable sub ledger. We concluded this procedure with no findings.

B. Determine that five customer adjustments were properly authorized. We concluded this procedure with no findings.

(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. We concluded this procedure and found the disbursements to be within the parameters.

B. Analyze all property, plant and equipment disbursements. In our analysis of the PP&E disbursements, we found no purchases of PP&E. We have no findings in this area.

C. Select all disbursements to employees other than payroll and ten other disbursements and determine if they were adequately documented. We concluded this procedure with no findings.

(5) Property, plant and equipment

A. Determine that additions and disposals were properly accounted for in the records. We concluded this procedure with no findings.

(6) Long-term debt

A. Schedule long-term debt and verify changes in all balances for the year. We concluded this procedure with no findings.

B. Confirm loans, bonds, notes, and contracts payable with lender/trustee/contractor. We concluded this procedure with no findings.

C. Determine that the appropriate debt service accounts have been established and maintained. The department is required to have $37,416 in debt service reserve. The department has a savings account with a balance of $41,926.39 to meet this requirement.

(7) General

A. Determine that any items of financial significance were approved and documented in the minutes of the Council meetings. The minutes were provided to us and were read. We found all financially significant items to be documented.

We were engaged by the Town of Western Grove, Arkansas Water Department to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 financial and billing records. 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 the Town of Western Grove, Arkansas Water Department 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 the Town of Western Grove, Arkansas Water Department and Legislative Joint Auditing Committee and is not intended to be and should not be used by anyone other than these specified parties.

Przybysz & Associates

Przybysz & Associates, CPAs, P.C.
Fort Smith, Arkansas
April 8, 2026

PRZYBYSZ & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

To the Mayor and Town Council
Town of Western Grove, Arkansas

Management is responsible for the accompanying financial statements of the Town of Western Grove, Arkansas Water Department, which comprise the statements of assets, liabilities, and equity – cash basis as of December 31, 2024 and 2023, and the related statements of cash receipts and cash disbursements – cash basis, for the years then ended in accordance with the cash basis of accounting. 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.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the department's financial position, results of operations, and cash flows. Accordingly, these financial statements are not for those who are not informed about such matters.

We draw attention to the fact that 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.

Przybysz & Associates

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Fayetteville, Arkansas
April 8, 2026

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TOWN OF WESTERN GROVE, ARKANSAS WATER DEPARTMENT

STATEMENTS OF ASSETS, LIABILITIES AND EQUITY - CASH BASIS

AS OF DECEMBER 31,	2024	2023
Assets		
Cash and cash equivalents	$ 295,618	$ 321,718
Total Assets	$ 295,618	$ 321,718
Liabilities and Equity		
Fund balance	$ 295,618	$ 321,718
Total Liabilities and Equity	$ 295,618	$ 321,718

See accountant's report.

TOWN OF WESTERN GROVE, ARKANSAS WATER DEPARTMENT

STATEMENTS OF CASH RECEIPTS AND CASH DISBURSEMENTS - CASH BASIS

FOR THE YEARS ENDED DECEMBER 31,	2024	2023
Cash Receipts		
Water revenue	$ 261,982	$ 251,100
Meter Receipts	2,170	4,850
Miscellaneous revenue	-	35
Interest Revenue	14,093	4,299
Total Cash Receipts	278,245	260,284
Cash Disbursements		
Water purchases	102,139	92,815
Meter refunds	3,086	1,221
Payroll and related disbursements	34,235	34,402
Rural development loan payments	37,416	37,416
Fees, licenses, & dues	11,411	10,856
Bank charges	437	233
Professional Fees	-	4,114
Insurance payments	-	3,135
Office Expense	7,765	8,062
Automobile Expense	448	385
Training	-	415
Equipment maintenance	4,323	9,859
Utilities	5,555	6,331
Sales tax payments	16,830	16,418
Transfer	80,700	-
Total Cash Disbursements	304,345	225,662
Total Cash Receipts In Excess Of Disbursements	(26,100)	34,622
Cash Balance - Beginning of year	321,718	287,096
Cash Balance - End of year	$ 295,618	$ 321,718

See accountant's report.