

BLYTHEVILLE SEWER  
(A COMPONENT UNIT OF  
THE CITY OF BLYTHEVILLE, AR)  
FINANCIAL STATEMENTS (AUDITED)  
DECEMBER 31, 2022

MEYER & WARD, P.A.  
CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 1045  
WYNNE, AR 72396

BLYTHEVILLE SEWER

TABLE OF CONTENTS

Independent Auditor's Report	1 - 3
Financial Statements	
Statement of Net Position	4 - 5
Statement of Revenues, Expenses, and Changes in Net Position	6 - 7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 13
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	14 - 15
Budgetary Comparison Schedule	16 - 17

**Meyer & Ward, P.A.**  
**Certified Public Accountants**  
**P.O. Box 1045**  
**Wynne, AR 72396**

**INDEPENDENT AUDITOR'S REPORT**

Mayor and City Council  
Blytheville Sewer  
Blytheville, AR 72315

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the business-type activities of the Blytheville Sewer Utility as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise of the Utility's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Blytheville Sewer Utility as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Blytheville Sewer Utility and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter***

As discussed in Note A, the accompanying financial statements of the Blytheville Sewer Utility are intended to present the financial position, and the changes in financial position and the cash flows of the City that are attributable to the transactions of the Blytheville Sewer Utility. They do not purport to, and do not, present fairly the financial position of the City of Blytheville, Arkansas, as of December 31, 2022, the changes in its financial position or its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Blytheville Sewer Utility's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Blytheville Sewer Utility's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Blytheville Sewer Utility's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Management has omitted the required management discussion and analysis information 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 part of the basic financial statements, is required by the Governmental Accounting and Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 16 - 17 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2023, on our consideration of the Blytheville Sewer Utility's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Blytheville Sewer Utility's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Blytheville Sewer Utility's internal control over financial reporting and compliance.

Meyer & Ward

Meyer & Ward, P.A.  
Certified Public Accountants  
Wynne, Arkansas 72396  
May 19, 2023

BLYTHEVILLE SEWER  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022

**ASSETS**

CURRENT ASSETS

Cash and cash equivalents	\$ 1,131,809
Accounts receivable	134,041
Prepaid Expenses	5,906
Total Current Assets	<u>1,271,756</u>

RESTRICTED ASSETS

Cash in bank	112,450
Investments - US Securities	893,848
Total Restricted Assets	<u>1,006,298</u>

CAPITAL ASSETS, NET	<u>15,658,164</u>
---------------------	-------------------

TOTAL ASSETS	<u><u>\$ 17,936,218</u></u>
--------------	-----------------------------

The accompanying notes are an integral part of the financial statements.

BLYTHEVILLE SEWER  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022

**LIABILITIES**

Current Liabilities

Accounts Payable	\$ 50,330
Total Current Liabilities	<u>50,330</u>

Liabilities Payable from Restricted Assets

Current portion of long-term debt	220,000
Accrued Interest	88,821
Total Payable from Restricted Assets	<u>308,821</u>

Long Term Liabilities

Bonds Payable	8,510,000
Bond Discount	(4,533)
Total Long Term Liabilities	<u>8,505,467</u>

Net Position

Invested in Capital Assets, Net of related debt	6,932,697
Restricted	1,006,298
Unrestricted	1,132,605
Total Net Position	<u>9,071,600</u>

TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 17,936,218</u></u>
------------------------------------	-----------------------------

The accompanying notes are an integral part of the financial statements.

BLYTHEVILLE SEWER  
STATEMENT OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED  
DECEMBER 31, 2022

OPERATING REVENUES

Sewer Fees	\$ 1,705,538
Arkansas Dept. of Transportation	50,210
American Rescue Plan Grant	224,254
Miscellaneous	22,589
Total Operating Revenue	<u>2,002,591</u>

OPERATING EXPENSES:

Salaries and Wages	437,682
Payroll Taxes	33,043
Retirement	20,156
Workers Compensation	11,789
Grounds Maintenance	7,100
Repairs	161,369
Utilities	309,543
Telephone	9,263
Insurance	34,635
Office expense	1,098
General Supplies	33,833
Dues and Subscriptions	2,738
Professional fees	39,557
Fuel	38,708
Group Insurance	46,502
Chemicals	8,129
Uniforms	10,969
Permits and Inspections	26,493
Postage and Freight	226
Laboratory testing	31,580
Depreciation	434,384
Advertising and publications	436
Miscellaneous	8,140
Total Operating Expenses	<u>1,707,373</u>
OPERATING INCOME (LOSS)	<u>\$ 295,218</u>

The accompanying notes are an integral part of the financial statements.



BLYTHEVILLE SEWER  
STATEMENT OF REVENUES AND EXPENSES -cont'd  
FOR THE YEAR ENDED  
DECEMBER 31, 2022

NONOPERATING REVENUES (EXPENSES)	
Interest income	\$ 15,793
Trustee Fees	(3,231)
Interest expense	<u>(232,172)</u>
Nonoperating revenues (expenses)	<u>(219,610)</u>
INCREASE (DECREASE) IN NET POSITION	75,608
Net Position at beginning of year	<u>8,995,992</u>
Net Position at end of year	<u><u>\$ 9,071,600</u></u>

The accompanying notes are an integral part of the financial statements.

BLYTHEVILLE SEWER  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED  
DECEMBER 31, 2022

Cash Flows From Operating Activities:

Receipts from customers	\$ 1,737,023
Payments to suppliers	(814,092)
Payments to employees	(437,682)
Other Finance Sources	274,464
Net cash provided by operating activities	<u>759,713</u>

Cash flows from capital and related financing activities

(Increase) decrease in restricted assets	3,382,172
Trustee Fees paid	(3,231)
Interest paid on capital debt	(216,396)
Principal reduction on Long Term Debt	(215,000)
Purchase of property and equipment	(3,709,328)
Net cash provided (used) by capital and related activities	<u>(761,783)</u>

Cash flows from investing activities

Interest income	15,793
Transfers to other City Funds	-
Net cash provided (used) by investing activities	<u>15,793</u>

Increase (decrease) in cash and cash equivalents

	13,723
Cash and cash equivalents, beginning of year	1,118,086
Cash and cash equivalents, end of year	<u>\$ 1,131,809</u>

Reconciliation of Operating Income to Net Cash Provided by  
Operating Activities

Operating Income	\$ 295,218
Depreciation	434,384
(Increase) Decrease in:	
Accounts receivable	8,896
Prepaid Expenses	2,693
Increase (Decrease) in :	
Accounts Payable	18,522
	<u>\$ 759,713</u>

The accompanying notes are an integral part of the financial statements.

BLYTHEVILLE SEWER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE A – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

Blytheville Sewer (the Department) is a component unit of the City of Blytheville, AR. The financial statements present only the Blytheville Sewer, and do not include any other funds of the City of Blytheville, AR, and are not intended to be government wide financial statements for the City of Blytheville, AR.

BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenses are recognized in the accounts and reported in the financial statements. The accompanying financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

ACCOUNTS RECEIVABLE

Accounts Receivable are presented at estimated net realizable value. Revenues are reported net of all discounts and allowances, including bad debts.

PROPERTY AND EQUIPMENT

Property and equipment is stated at cost. Expenditures for major renewals and betterments are capitalized while minor replacements, maintenance, and repairs, which do not improve or extend the life of such assets, are charged to operations as incurred. Depreciation is provided by the straight- line method over the estimated useful lives of the assets. Estimated useful lives range are 5 – 10 years for office furniture and equipment to 40 years for sewer system .

CASH AND CASH EQUIVALENTS

The Blytheville Sewer Department considers all cash, and certificates of deposits purchased with a maturity of three months or less to be cash equivalents. Deposits restricted pursuant to loan agreements or for other purposes are not considered cash equivalents.

ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that could affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BLYTHEVILLE SEWER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE A – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – (cont'd)

CREDIT RISK

Financial instruments which potentially subject the Department to concentrations of credit risk consist principally of temporary cash investments. The Department places its temporary cash investments with financial institutions, and its policy is to limit the amount of credit exposure to any one financial institution. The Department's policy is to limit such investments to amounts covered by FDIC coverage, and securities pledged to collateralize deposits.

ADVERTISING

Advertising costs are expensed when incurred.

NET POSITION

Net Position is divided into three components:

- Investments in capital assets, net of related debt – consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted – amounts that are restricted by the Department's creditors, (for example, debt covenants), by laws and regulations of other governments, or by other contributors.
- Unrestricted – all other net position is reported in this category.

OPERATING REVENUES AND EXPENSES

Operating revenues and expenses of the Department consist of charges for services, and the costs of providing those services, excluding interest costs.

RESTRICTED RESOURCES

When an expense is incurred that could be paid by using either restricted or unrestricted resources, the Department's policy is to first apply the expenditure toward restricted resources.

BLYTHEVILLE SEWER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE B – Restricted Assets

Debt agreements mandate certain funds be set aside for debt retirement, and emergency (depreciation) reserves. At December 31, 2022 restricted funds were as follows:

	<u>Cash</u>	<u>U.S Treasury Notes</u>
Depreciation Reserve	\$ 112,450	
Bond - Debt Service		\$ 221,947
Bond - Construction Account		339,747
Bond - Bond Service		332,154
	<u>\$ 112,450</u>	<u>\$ 893,848</u>

NOTE C – CONTINGENCIES

The Blytheville Sewer Department is subject to governmental regulations regarding water quality and waste disposal. Fines may result from noncompliance.

NOTE D – CONCENTRATION OF CREDIT RISKS:

The entity's policy is for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation Insurance. The entity's deposits are categorized to give an indication of the level of risk assumed by the entity at December 31, 2022. The categories of risk are described as follows:

Category 1 - Insured or collateralized by the entity or by the entity of its agent in the entity's name.

Category 2 – Collateralized with securities held by the pledging financial institutions trust department or by its agent in the entity's name.

Category 3 - Uncollateralized

At December 31, 2022, Deposits are categorized as follows:

BLYTHEVILLE SEWER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE D – CONCENTRATION OF CREDIT RISKS: - (cont'd)

	Carrying amount	Category		
		1	2	3
Deposits with Financial Institutions	\$ 1,244,009	<u>\$ 279,144</u>	<u>\$ 964,865</u>	
Petty Cash	250			
Cash	<u>\$ 1,244,259</u>			

Sales – All of the Blytheville Sewer revenues are earned from sewer services provided to local area residents.

NOTE E – PROPERTY AND EQUIPMENT

A Summary of activity for property plant and equipment accounts is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Assets not subject to depreciation:				
Land	\$ 472,369			\$ 472,369
Construction In Progress	<u>5,274,156</u>	<u>3,612,387</u>		<u>8,886,543</u>
Assets subject to depreciation				
Equipment	1,123,865			1,123,865
Trucks	640,686			640,686
Distribution System	13,715,317	96,941		13,812,258
Annexation	<u>3,985,688</u>			<u>3,985,688</u>
	<u>19,465,556</u>	<u>96,941</u>	<u>-</u>	<u>19,562,497</u>
Total	25,212,081	3,709,328	-	28,921,409
Less Accumulated Depreciation	<u>(12,828,861)</u>	<u>(434,384)</u>	<u>-</u>	<u>(13,263,245)</u>
Net Property and Equipment	<u>\$ 12,383,220</u>	<u>\$ 3,274,944</u>	<u>\$ -</u>	<u>\$ 15,658,164</u>

Construction in progress consists of \$8,886,543 for a new sewer treatment plant with an estimated completion date of fiscal year 2023. The total costs expected for this project is \$8,945,000.

BLYTHEVILLE SEWER  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

NOTE F – LONG TERM DEBT:

Long-Term debt includes special obligation bonds payable from revenues generated by operation of the water system. These bonds are to be retired through the year 2050, with interest ranging from 2.7% to 3.0%. The following is a summary of debt service requirements as of December 31, 2022:

For years ending December 31,	Principal	Interest	Total
2023	220,000	209,871	429,871
2024	230,000	203,121	433,121
2025	235,000	196,146	431,146
2026	245,000	188,946	433,946
2027	250,000	182,771	432,771
For five years ending			
2032	1,325,000	836,106	2,161,106
2037	1,465,000	693,725	2,158,725
2042	1,645,000	512,434	2,157,434
2047	1,870,000	293,540	2,163,540
2052	1,245,000	50,963	1,295,963
	<u>\$ 8,730,000</u>	<u>\$ 3,367,623</u>	<u>\$ 12,097,623</u>

A summary of notes payable activity is as follows:

Balance 12/31/2021	Additions	Reductions	Balance 12/31/2022
<u>\$ 8,945,000</u>		<u>\$ 215,000</u>	<u>\$ 8,730,000</u>

NOTE G – RETIREMENT PLAN:

All Sewer Department employees are covered under the City of Blytheville Pension Plan. All full time employees 21 or older are eligible to participate after one year's service. The Sewer Department contributes 6% of each participating employee's covered payroll. Contributions are fully vested after 5 years of service. Total employer contributions for 2022 was \$20,156.

NOTE H – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report. No events were noted which would require disclosure.

MEYER & WARD, P.A.  
CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 1045  
WYNNE, ARKANSAS 72396

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT  
AUDITING STANDARDS*

Mayor and City Council  
Blytheville Sewer  
Blytheville, AR 72432

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Blytheville Sewer as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Blytheville Sewer's basic financial statements and have issued our report thereon dated May 19, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Blytheville Sewer's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Blytheville Sewers' internal control. Accordingly, we do not express an opinion on the effectiveness of the Blytheville Sewers' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Department's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Blytheville Sewers' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Department's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Meyer & Ward

Meyer & Ward, P.A.  
Certified Public Accountants  
Wynne, Arkansas 72396

May 19, 2023

**BLYTHEVILLE SEWER  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>OPERATING REVENUES</b>			
Sewer Fees	\$ 1,705,538	\$ 2,293,838	\$ 588,300
Arkansas Dept. of Transportation	50,210	266,890	216,680
American Rescue Plan Grant	224,254	353,000	128,746
Miscellaneous	22,589		(22,589)
Total Operating Revenue	<u>2,002,591</u>	<u>2,913,728</u>	<u>911,137</u>
<b>OPERATING EXPENSES:</b>			
Salaries and Wages	437,682	530,000	92,318
Payroll Taxes	33,043	40,545	7,502
Retirement	20,156	24,000	3,844
Travel & Meetings		500	500
Workers Compensation	11,789	5,000	(6,789)
Equipment Replacement		50,500	50,500
Engineering		235,000	235,000
Grounds Maintenance	7,100	1,500	(5,600)
Repairs	161,369	163,000	1,631
Utilities	309,543	302,000	(7,543)
Telephone	9,263	10,000	737
Insurance	34,635	34,000	(635)
Office expense	1,098	4,000	2,902
General Supplies	33,833	26,000	(7,833)
Dues and Subscriptions	2,738	3,000	262
Professional fees	39,557	30,000	(9,557)
Fuel	38,708	26,000	(12,708)
Group Insurance	46,502	63,500	16,998
Unemployment		1,500	1,500
Chemicals	8,129	5,500	(2,629)
Uniforms	10,969	13,000	2,031
Permits and Inspections	26,493	25,000	(1,493)
Postage and Freight	226	400	174
Laboratory testing	31,580	30,000	(1,580)
Industry testing		1,800	1,800
Depreciation	434,384		(434,384)
Advertising and publications	436	500	64
License Fees		200	200
Miscellaneous	8,140	80,500	72,360
Total Operating Expenses	<u>1,707,373</u>	<u>1,706,945</u>	<u>(428)</u>
OPERATING INCOME (LOSS)	<u>\$ 295,218</u>	<u>\$ 1,206,783</u>	<u>\$ 911,565</u>

BLYTHEVILLE SEWER  
BUDGETARY COMPARISON SCHEDULE- cont'd  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
NONOPERATING REVENUES (EXPENSES)			
Interest income	15,793		(15,793)
Bond Payments		(434,000)	(434,000)
I & I Rehab		(352,962)	(352,962)
Sewer Bond Revenue		5,490,386	5,490,386
New Treatment Plant		(5,714,999)	(5,714,999)
Arkansas DOT sewer relocation		(267,342)	(267,342)
Trustee Fees	(3,231)		3,231
Interest Expense	(232,172)		232,172
Nonoperating revenues (expenses)	<u>(219,610)</u>	<u>(1,278,917)</u>	<u>(1,059,307)</u>
INCREASE (DECREASE) IN NET POSITION	<u>\$ 75,608</u>	<u>\$ (72,134)</u>	<u>\$ (147,742)</u>