

**MENIFEE MUNICIPAL WATERWORKS
COMPONENT UNIT OF
THE TOWN OF MENIFEE, ARKANSAS
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

UNOFFICIAL
FINANCIAL STATEMENTS
SUPERINTENDENT'S REPORT

MENIFEE MUNICIPAL WATERWORKS
COMPONENT UNIT OF THE TOWN OF MENIFEE
DECEMBER 31, 2020

TABLE OF CONTENTS

	PAGE
Independent Auditor's Report	1
Statement of Net Position	4
Statement of Revenues, Expenses and Changes in Net Position	5
Statement of Cash Flows	6
Notes to Financial Statements	7
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	12
Supplemental Information	
Statement of Revenues and Expenses – Actual Versus Budget	14
Schedules of Revenue Bonds Principal and Interest Payments	15
Department Data	18

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Independent Auditor's Report

To the Mayor and City Council
Menifee Municipal Waterworks
Town of Menifee, Arkansas

Opinion

We have audited the financial statements of Menifee Municipal Waterworks, which comprise the statement of net position as of December 31, 2020, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Menifee Municipal Waterworks as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Menifee Municipal Waterworks, 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 opinion.

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 Menifee Municipal Waterworks' ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibility 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 opinion.

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 GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, 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 Menifee Municipal Waterworks' 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 Menifee Municipal Waterworks' 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.

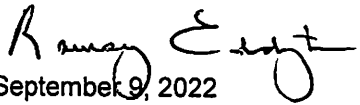
Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information on pages 14 through 18 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2022 on our consideration of Menifee Municipal Waterworks' 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 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 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 Menifee Municipal Waterworks' internal control over financial reporting and compliance.

 CPA PA
September 9, 2022
Ramsey Eddington, CPA PA

MENIFEE MUNICIPAL WATERWORKS
TOWN OF MENIFEE, ARKANSAS
Statements of Net Assets
December 31, 2020

ASSETS

Assets:	
Cash	\$ 29,983
Accounts receivable	15,775
Accrued utility revenue	3,177
Restricted cash	44,827
Capital assets, net of accumulated depreciation	<u>531,351</u>
Total Assets	<u><u>625,113</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable	2,835
Payroll taxes	1,068
Sales taxes payable	862
Accrued interest	1,403
Accrued expenses	3,400
Due to sewer department	5,586
Due to garbage fund	3,648
Customer meter deposits	10,100
Long-term debt	<u>236,026</u>
Total Liabilities	<u>264,928</u>
Net Assets:	
Investment in capital assets, net of related debt	293,922
Unrestricted	41,993
Temporarily restricted	<u>24,270</u>
Total Net Assets	<u>360,185</u>
Total Liabilities and Net Assets	<u><u>\$ 625,113</u></u>

See accompanying notes to financial statements.

MUNICIPAL MUNICIPAL WATERWORKS
TOWN OF MENIFEE, ARKANSAS
Statements of Revenues, Expenses and Changes In Net Assets
Year Ended December 31, 2020

Operating Revenues:	
Water sales	\$ 93,071
Late fees	4,713
Service charges and fees	2,687
Miscellaneous revenues	2,028
Total Operating Revenue	<u>102,499</u>
Operating Expenses:	
Advertising and printing	604
Audit	3,400
Dues and fees	1,675
Depreciation	25,654
Insurance	4,155
Office supplies	268
Other expense	382
Payroll taxes	2,594
Postage	781
Repairs and maintenance	574
Salaries and wages	33,905
Travel and transportation	1,074
Utilities and telephone	2,036
Water purchases	26,894
Water supplies	1,787
Total Operating Expenses	<u>105,783</u>
Operating (Loss)	(3,284)
Non-Operating Revenues (Expense):	
Interest income	3
Interest expense	(10,788)
Net Non-Operating Revenues (Expense)	<u>(10,785)</u>
Change In Net Assets	(14,069)
Net Assets - Beginning of Year	367,561
Contributions From General Fund	6,693
Net Assets - End of Year	<u><u>\$ 360,185</u></u>

See accompanying notes to financial statements.

MENIFEE MUNICIPAL WATERWORKS
TOWN OF MENIFEE, ARKANSAS
Statement of Cash Flows
Year Ended December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change In Net Assets	\$ (14,069)
Adjustments to Reconcile Change in Net Assets To	
Net Cash Provided By Operating Activities:	
Depreciation	25,654
(Increase) decrease in:	
Accounts receivable	(1,991)
Accrued utility revenue	335
Restricted assets	(2,367)
Increase (decrease) in:	
Accounts payable	699
Taxes payable	524
Accrued expenses	484
Due to other funds	(717)
Customer meter deposits	<u>2,100</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES	10,652
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CASH FLOWS FROM FINANCING ACTIVITIES

Payments on long term debt	(9,129)
Contribution from general fund	<u>6,693</u>

NET CASH FLOWS FROM FINANCING ACTIVITIES	(2,436)
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NET CHANGE IN CASH AND CASH EQUIVALENTS	8,216
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CASH AND CASH EQUIVALENTS, beginning of year	<u>21,767</u>
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CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 29,983</u></u>
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SUPPLEMENTAL CASH FLOWS DISCLOSURE

Cash paid during the year for interest	<u><u>\$ 10,805</u></u>
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See accompanying notes to financial statements.

MENIFEE MUNICIPAL WATERWORKS
COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
Notes to Financial Statements
December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and Reporting Entity

The Meniffee Municipal Waterworks (the Department) is a component unit of the Town of Meniffee, Arkansas. The Department is governed by and operates under the authority of the Meniffee City Council. The Department provides water service to approximately 205 customers of the Town of Meniffee and adjacent areas.

Basis of Presentation and Accounting

The accounts are organized on the basis of a proprietary fund type, specifically an enterprise fund and employ the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements are prepared on the basis of GASB Statement Number 34 "Basic Financial Statements, Management Discussion and Analysis for State and Local Governments" and related standards. In accordance with the provisions of GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting", and GASB No. 63 Codification of Accounting and Financial Reporting Guidance contained in FASB and AICPA Pronouncements. The Utility applies all Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, that do not conflict or contradict GASB pronouncements.

The principle operating revenues of the Department are charges to customers for water and associated taxes and fees. Operating expenses include the cost of pumping, treating and delivering water, administrative services, and depreciation.

Use of Estimates

Management of the Fund has made certain estimates and assumptions relating to the reporting of assets and liabilities and revenues and expenses to prepare these financial statements in conformity with generally accepted accounting principles. Actual results may differ from those estimates.

Cash and Cash Equivalents

The Fund considers all highly liquid investments (including restricted cash and investments) with maturities of six months or less when purchased to be cash equivalents. Certificate of deposits are presented at fair value. Short-term investments generally mature, or, are otherwise available for withdrawal in less than one year.

MENIFEE MUNICIPAL WATERWORKS
COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
Notes to Financial Statements
December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

The Department defines capital assets as assets with an initial, individual cost of more than \$1,000 and, an estimated useful life greater than one year. Cost includes direct labor, outside services, materials and transportation, employee fringe benefits, overhead, and interest on funds borrowed to finance construction. The Department did not capitalize interest during the fiscal year 2020. The cost and accumulated depreciation of property sold or retired is deducted from capital assets and any profit or loss resulting from the disposal is credited or charged in the nonoperating section of the statements of revenues, expenses and changes in net position. The cost of current repairs, maintenance, and minor replacements is charged to expense.

Depreciation has been provided over estimated useful lives of the assets using the straight-line method ranging from 5 to 40 years.

If it is determined that an asset is impaired and that impairment is other than temporary, impairment losses are recorded. There was no impairment losses recorded in the year ended December 31, 2020.

Long-Term Debt and Costs

Long-term obligations are reported net of any applicable premiums or discounts. Premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Debt issuance costs, including underwriter fees, are reported as period costs when incurred.

Income Taxes

As a municipal owned utility, the Department is exempt from federal and state income taxes under Section 115 of the Internal Revenue Code and a similar provision of state law.

Net Position

Net Position is classified into the following components:

Invested in capital asset – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or others external to the Department.

Unrestricted – This component of net position consists of the remaining assets less remaining liabilities that do not meet the definition of invested in capital assets or restricted.

MENIFEE MUNICIPAL WATERWORKS
COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
Notes to Financial Statements
December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. No provision for uncollectibles has been established for the year ended December 31, 2020.

NOTE 2 – RESTRICTED CASH

Under the terms of loan agreements, certain restricted funds must be maintained. Restricted funds at December 31, 2020 were as follows:

USDA-RD Reserve Funds:

Bond Fund	\$ 4,791
Depreciation Fund	8,169
Debt Service Fund	20,057

Other Restricted Assets:

Customer Meter Deposits	11,310
Total Restricted Funds	<u>\$ 44,827</u>

USDA-RD bond fund was created for the purpose of providing funds for the payment of the principal and interest on the USDA-RD loans if the required monthly principal and interest payments to USDA-RD are insufficient at any time. USDA-RD depreciation fund was created to provide funds for the cost of necessary replacement, repairs or extensions to the water system.

Customer deposits are deposits made by the customer when meters are installed for their use.

NOTE 3 – PUBLIC FUNDS: DEPOSITS WITH FINANCIAL INSTITUTIONS

As required by law, all funds are deposited in approved banks. The deposited funds are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2020 there were no unsecured deposits.

NOTE 4 – CREDIT RISK

The Department serves almost entirely residential customers, which in general tend to have small balances due at any given time. No single customer owes the Meniffee Municipal Waterworks a balance large enough that would be significant to the financial statements.

MENIFEE MUNICIPAL WATERWORKS
 COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
 Notes to Financial Statements
 December 31, 2020

NOTE 5 – LONG-TERM DEBT

A summary of long-term debt is as follows:

	<u>Balance 12/31/19</u>	<u>Decrease</u>	<u>Balance 12/31/20</u>
REVENUE BONDS:			
USDA 91-02	\$ 41,047	\$ 4,249	\$ 36,798
USDA 91-07	<u>171,495</u>	<u>3,618</u>	<u>167,877</u>
Total Revenue Bonds	212,542	7,867	204,675
NOTE PAYABLE			
ARNC 6-1-06	<u>32,613</u>	<u>1,262</u>	<u>31,351</u>
Total Bonds and Notes Payable	<u>\$ 245,155</u>	<u>\$ 9,129</u>	<u>\$ 236,026</u>

The 2006 note payable to Arkansas Natural Resource Commission is a twenty year deferred loan with both principal and interest payments commencing on June 1, 2017. The annual payment is \$2,893.

The USDA bonds are payable solely from net revenues. These issues also contain covenants that must be met prior to the issuance of any other revenue bonds on parity with those then outstanding. Interest rates and maturity dates are presented in the supplemental information.

The aggregate maturities of outstanding debt as of December 31, 2020, are as follows:

2021	\$ 9,564
2022	10,024
2023	10,503
2024	11,007
2025	11,515
Thereafter	<u>183,413</u>
	<u>\$ 236,026</u>

MENIFEE MUNICIPAL WATERWORKS
 COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
 Notes to Financial Statements
 December 31, 2020

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2020 was as follows:

	Balance at December 31, 2019	Additions	Deletions/ Transfers	Balance at December 31, 2020
Office Equipment	\$ 10,385	\$ -	-	\$ 10,385
Other Equipment	7,593	-	-	7,593
Vehicle	10,000	-	-	10,000
Water system	1,105,665	-	-	1,105,665
	1,133,643	-	-	1,133,643
Accumulated depreciation	(576,638)	(25,654)	-	(602,292)
Total capital assets, net of accumulated depreciation	\$ 557,005	\$ (25,654)	\$ -	\$ 531,351

NOTE 7 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 9, 2022, the date the financial statements were available to be issued.

NOTE 8 – DEPARTURE FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

Management has elected to omit the discussion and analysis of the financial performance of the Meniffee Municipal Waterworks which is required under generally accepted accounting principles.

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**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**

To the Mayor and City Council
Menifee Municipal Waterworks
Menifee, Arkansas

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 Menifee Municipal Waterworks, which comprise the statement of net position as of December 31, 2020, and the related statements of revenues, expenses and changes in net position, and cash flows, for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 9, 2022.

Internal Control over Financial Reporting

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

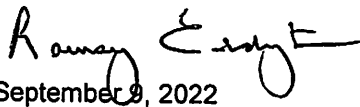
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Menifee Municipal Waterworks' 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 or other matters 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

 CPA PA
September 8, 2022

SUPPLEMENTAL INFORMATION

MENIFEE MUNICIPAL WATERWORKS
TOWN OF MENIFEE, ARKANSAS
Statement of Revenues and Expenses - Actual versus Budget
For The Year Ended December 31, 2020

	Actual	Budget
Operating Revenues:		
Water sales	\$ 93,071	\$ 88,000
Installation charges	1,140	2,500
Late fees	4,713	7,500
Other fees and charges	1,647	1,975
Miscellaneous revenues	1,928	2,800
Total Operating Revenue	<u>102,499</u>	<u>102,775</u>
Operating Expenses:		
Advertising and printing	604	650
Audit	3,400	3,500
Dues and fees	1,675	2,300
Depreciation	25,654	25,654
Insurance	4,155	4,350
Office and administrative expense	650	1,600
Payroll taxes	2,594	2,800
Postage	781	900
Repairs and maintenance	574	13,640
Salaries and wages	33,905	40,301
Telephone	929	1,500
Travel and lodging	1,074	1,900
Utilities	1,107	1,000
Water purchases	26,894	25,000
Water supplies	1,787	3,800
Total Operating Expenses	<u>105,783</u>	<u>128,895</u>
Operating (Loss)	(3,284)	(26,120)
Non-Operating Revenues (Expense):		
Interest income	3	-
Interest expense	(10,788)	(11,000)
Net Non-Operating Revenues (Expense)	<u>(10,785)</u>	<u>(11,000)</u>
Change In Net Assets	<u>\$ (14,069)</u>	<u>\$ (37,120)</u>

See auditors' report

MENIFEE MUNICIPAL WATERWORKS
 COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
 Schedule of Principal and Interest Payments
 Revenue Bonds, USDA 91-02
 December 31, 2020

	Principal	Interest	Total Payment
2021	\$ 4,465	\$ 1,739	\$ 6,204
2022	4,694	1,510	6,204
2023	4,934	1,270	6,204
2024	5,187	1,017	6,204
2025	5,452	752	6,204
2026	5,731	473	6,204
2027	6,024	180	6,204
2028	311	-	311
	<u>\$ 26,798</u>	<u>\$ 6,941</u>	<u>\$ 43,739</u>

Dated May 23, 1988
 Interest rate, 5.00%
 Monthly payments, \$517
 Payable to USDA

See independent auditors' report and notes to financial statements.

MENIFEE MUNICIPAL WATERWORKS
 COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
 Schedule of Principal and Interest Payments
 Revenue Bonds, USDA 91-07
 December 31, 2020

	Principal	Interest	Total Payment
2021	\$ 3,774	\$ 7,062	\$ 10,836
2022	3,938	6,898	10,836
2023	4,108	6,728	10,836
2024	4,286	6,550	10,836
2025	4,472	6,364	10,836
2026	4,666	6,170	10,836
2027	4,868	5,968	10,836
2028	5,079	5,757	10,836
2029	5,299	5,537	10,836
2030	5,529	5,307	10,836
2031	5,769	5,067	10,836
2032	6,019	4,817	10,836
2033	6,279	4,557	10,836
2034	6,551	4,285	10,836
2035	6,835	4,001	10,836
2036	7,132	3,704	10,836
2037	7,441	3,395	10,836
2038	7,763	3,073	10,836
2039	8,100	2,736	10,836
2040	8,451	2,385	10,836
2041	8,817	2,019	10,836
2042	9,199	1,637	10,836
2043	9,598	1,238	10,836
2044	10,014	822	10,836
2045	10,447	389	10,836
2046	3,442	34	3,476
	<u>\$ 167,877</u>	<u>\$ 106,500</u>	<u>\$ 274,377</u>

Dated May 3, 2006
 Interest rate, 4.25%
 Monthly payments, \$903
 Payable to USDA

See independent auditors' report and notes to financial statements.

MENIFEE MUNICIPAL WATERWORKS
 COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
 Schedule of Principal and Interest Payments
 Note Payable ANRC
 December 31, 2020

	Principal	Interest	Total Payment
2021	\$ 1,325	\$ 1,568	\$ 2,893
2022	1,392	1,501	2,893
2023	1,461	1,432	2,893
2024	1,534	1,359	2,893
2025	1,611	1,282	2,893
2026	1,692	1,201	2,893
2027	1,776	1,117	2,893
2028	1,865	1,028	2,893
2029	1,958	935	2,893
2030	2,056	837	2,893
2031	2,159	734	2,893
2032	2,267	626	2,893
2033	2,380	513	2,893
2034	2,499	394	2,893
2035	2,624	269	2,893
2036	2,752	138	2,890
	<u>\$ 31,350</u>	<u>\$ 14,938</u>	<u>\$ 46,288</u>

Dated June 01, 2006
 Interest rate, 5.0%
 Annual payments, \$2,893
 Payable to ANRC

See independent auditors' report and notes to financial statements.

MENIFEE MUNICIPAL WATERWORKS
 COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
 Department Data
 December 31, 2020

SCHEDULE OF RATES CHARGED:

	<u>City Limits</u>	<u>Outside City Limits</u>
<u>3/4 Inch or Smaller Meters</u>		
0 to 1,000 gallons	\$ 22.25 minimum	\$ 23.50 minimum
Next 4,000 gallons	3.00 per 1,000 gallons	3.00 per 1,000 gallons
All over 5,000 gallons	1.75 per 1,000 gallons	1.75 per 1,000 gallons
<u>1 Inch Water Meters</u>		
1 to 20,000 gallons	\$ 77.00 minimum	\$ 82.00 minimum
Next 10,000 gallons	3.75 per 1,000 gallons	3.75 per 1,000 gallons
All over 30,000 gallons	2.50 per 1,000 gallons	2.50 per 1,000 gallons
<u>2 Inch Water Meters or Larger</u>		
0 to 25,000 gallons	\$ 92.00 minimum	\$ 102.00 minimum
Next 10,000 gallons	3.75 per 1,000 gallons	3.75 per 1,000 gallons
All over 35,000 gallons	2.50 per 1,000 gallons	2.50 per 1,000 gallons
<u>Special Rate - Small Business with 3/4 Inch Water Meters</u>		
1 to 1,000 gallons	\$ 26.50 minimum	\$ 27.50 minimum
Next 4,000 gallons	3.50 per 1,000 gallons	3.50 per 1,000 gallons
All over 5,000 gallons	2.25 per 1,000 gallons	2.25 per 1,000 gallons

GROSS REVENUE RECEIVED:

Gross Water Revenue	<u>\$ 93,707</u>
Number of Connections	<u>200</u>
Number of Gallons Bought	<u>17,926,000</u>
Number of Gallons Sold	<u>15,705,800</u>

MENIFEE MUNICIPAL WATERWORKS
COMPONENT UNIT OF THE TOWN OF MENIFEE, ARKANSAS
Department Data
December 31, 2020

NAMES AND TITLES OF DIRECTORS:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Gary L. Green	Mayor	12-31-22
Pamela Coleman	Recorder/Treasurer	12-31-22
Ronnie Williams	Alderman	12-31-22
Derrick Hammond	Alderman	12-31-22
Rita Davis	Alderman	12-31-22
Terry Coleman	Alderman	12-31-22
Stanley Morris	Alderman	12-31-22

INSURANCE COVERAGE:

1. Commercial Package

Waterworks operation - \$1,160,000

Insurer – Arkansas Municipal League
Expiration date: 02-07-2021

2. Bonding for elected, appointed or hired

Municipal officials and employees - \$300,000 Per Occurrence

Insurer – Arkansas Fidelity Bond Trust Fund Coverage
Expiration date: 06-30-2021

3. Municipal Vehicle Program

1997 Ford Ranger - \$9,000

Insurer – Arkansas Municipal League
Expiration date 02-17-2021