

**WATER AND SEWER DISTRICT OF THE
CITY OF SWIFTON, ARKANSAS**

**AUDITED FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

**As of and For The Years Ended
June 30, 2024 and 2023**

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-2
Statements of Net Position	3-4
Statements of Revenues, Expenses and Changes in Net Position	5
Statements of Cash Flows	6
Notes to Financial Statements	7-14
Supplemental Information:	
Schedules of Revenues and Expenses by Department	15-16

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of the City Council
Water and Sewer District
City of Swifton, Arkansas

Opinion

We have audited the accompanying financial statements of the Water and Sewer District of the City of Swifton, Arkansas, as of and for the years ended June 30, 2024 and 2023, and the related notes to the 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 financial position of the Water and Sewer District of the City of Swifton, Arkansas, as of June 30, 2024 and 2023, and the changes in its financial position and cash flows for the years 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. 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 Water and Sewer District of the City of Swifton, Arkansas, 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 opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Water and Sewer District of the City of Swifton, Arkansas and do not purport to, and do not, present fairly the financial position of the City of Swifton, Arkansas, as of June 30, 2024 and 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance 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.

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 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 generally accepted 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, 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 Water and Sewer District of the City of Swifton, Arkansas' 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.

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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 15 and 16 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. This information is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Information

The Water and Sewer District of the City of Swifton, Arkansas, has not presented the 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 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. Our opinion on the basic financial statements is not affected by the missing information.

Bonds & Company, P.A.

Sherwood, Arkansas
October 10, 2024

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
STATEMENTS OF NET POSITION
JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 65,967	\$ 103,063
Accounts Receivable, net doubtful account	32,502	32,756
Inventory	<u>12,098</u>	<u>10,928</u>
TOTAL CURRENT ASSETS	<u>110,567</u>	<u>146,747</u>
RESTRICTED ASSETS		
Cash in Bank - Loan Payment Fund	3,652	3,652
- Short Lived Fixed Assets Reserve	181,909	181,738
- Meter Deposit Fund	44,628	44,619
- Debt Service Reserve	<u>56,120</u>	<u>56,104</u>
TOTAL RESTRICTED ASSETS	<u>286,309</u>	<u>286,113</u>
PROPERTY, PLANT AND EQUIPMENT		
Water System Plant and Equipment	4,109,496	4,109,496
Sewer System and Equipment	731,982	731,982
Water and Sewer System Addition	359,369	354,815
Other Equipment	<u>77,100</u>	<u>77,100</u>
	5,277,947	5,273,393
Less: Accumulated depreciation	<u>(1,553,163)</u>	<u>(1,433,324)</u>
NET PROPERTY, PLANT AND EQUIPMENT	<u>3,724,784</u>	<u>3,840,069</u>
TOTAL ASSETS	<u>\$ 4,121,660</u>	<u>\$ 4,272,929</u>

The accompanying notes are an integral part of these financial statements

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Payroll and Other Taxes Payable	\$ <u>0</u>	\$ <u>0</u>
TOTAL CURRENT LIABILITIES	<u>0</u>	<u>0</u>
 PAYABLE FROM RESTRICTED ASSETS		
Current maturities - Long-Term Debt	29,733	29,056
Customers' Meter Deposits	<u>25,475</u>	<u>25,527</u>
TOTAL PAYABLE FROM RESTRICTED ASSETS	<u>55,208</u>	<u>54,583</u>
 LONG-TERM DEBT, LESS CURRENT MATURITIES	<u>1,204,988</u>	<u>1,234,722</u>
 TOTAL LIABILITIES	<u>1,260,196</u>	<u>1,289,305</u>
 NET POSITION		
Net Investments in Capital Assets	2,519,796	2,605,347
Restricted	231,100	231,530
Unrestricted	<u>110,568</u>	<u>146,747</u>
	<u>2,861,464</u>	<u>2,983,624</u>
 TOTAL LIABILITIES AND NET POSITION	<u>\$ 4,121,660</u>	<u>\$ 4,272,929</u>

The accompanying notes are an integral part of these financial statements

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 20, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
Water Service	\$ 186,285	\$ 189,388
Sewer Service	67,680	67,908
Other Income	<u>11,093</u>	<u>12,144</u>
TOTAL OPERATING REVENUES	<u>265,058</u>	<u>269,440</u>
OPERATING EXPENSES		
Wages	62,547	59,002
Repairs	41,205	46,536
Utilities	12,139	11,882
Professional Fees	17,024	13,428
Office	990	1,204
Supplies and Materials	69,945	59,042
Payroll Taxes	4,387	4,555
Postage	1,807	1,524
Insurance	13,205	9,234
Equipment Rental	114	102
Miscellaneous Expense	12,841	12,269
Depreciation	119,839	119,187
Amortization	0	636
Bad Debt Expense	0	4,074
License and Fees	<u>4,478</u>	<u>3,957</u>
TOTAL OPERATING EXPENSES	<u>360,521</u>	<u>346,632</u>
OPERATING INCOME	<u>(95,463)</u>	<u>(77,192)</u>
NON-OPERATING REVENUE (EXPENSES)		
Grants	-0-	93,275
Interest Income	321	156
Interest Expense	<u>(27,018)</u>	<u>(27,931)</u>
TOTAL NON-OPERATING REVENUE (EXPENSES)	<u>(26,697)</u>	<u>65,500</u>
INCREASE (DECREASE) IN NET POSITION	(122,160)	(11,692)
NET POSITION, BEGINNING OF YEAR	<u>2,983,624</u>	<u>2,995,316</u>
NET POSITION, END OF YEAR	<u>\$ 2,861,464</u>	<u>\$ 2,983,624</u>

The accompanying notes are an integral part of these financial statements

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 20, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 265,260	\$ 273,080
Cash Paid to Employees	(62,547)	(59,002)
Cash Paid to Suppliers	<u>(179,305)</u>	<u>(173,622)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>23,408</u>	<u>40,456</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts of Interest	<u>321</u>	<u>156</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>321</u>	<u>156</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Grants Received	-0-	93,275
Payments for Capital Acquisitions	(4,554)	(74,397)
Interest Paid	(27,018)	(27,931)
Payments on Borrowings	<u>(29,057)</u>	<u>(28,395)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(60,629)</u>	<u>(37,448)</u>
NET INCREASE (DECREASE)	(36,900)	3,164
CASH BEGINNING OF YEAR	<u>389,176</u>	<u>386,012</u>
CASH END OF YEAR	<u><u>\$ 352,276</u></u>	<u><u>\$ 389,176</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME	\$ (95,463)	\$ (77,192)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation and Amortization	119,839	119,824
(Increase) Decrease in Accounts Receivable	251	4,704
(Increase) Decrease in Inventory	(1,170)	(5,816)
Increase (Decrease) in Accounts Payable	-0-	-0-
Increase (Decrease) in Other Liabilities	<u>(49)</u>	<u>(1,064)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 23,408</u></u>	<u><u>\$ 40,456</u></u>

The accompanying notes are an integral part of these financial statements

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The entity is a component unit of local government organized to provide utility services. The system serves approximately 400 customers and grants credit on terms which are customary for water utilities.

FINANCIAL REPORTING ENTITY

These financial statements reflect only the activity of the Water Department Enterprise Fund of the City of Swifton, Arkansas, and, accordingly, do not reflect other activities, funds and account groups of the City.

BASIS OF ACCOUNTING

This Swifton Water and Sewer District is a proprietary enterprise fund. All proprietary funds maintain their accounts on the accrual basis of accounting and, accordingly, income is recognized when earned and expenses are recorded when incurred, regardless of when cash is received or paid.

USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and cash certificates of deposit held in various unrestricted and restricted reserve accounts.

For purposes of the statement of cash flows, the District considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents.

ACCOUNTS RECEIVABLE

Water revenue is recorded based upon customer billings and no provision has been made for the accrual of revenue from water used but not billed. The collectibility of the District's receivables is dependent upon the customer's ability to honor their obligations. However, each customer has a deposit with the District which is held as security for their unpaid balance.

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost and include expenditures for improvements and betterments which substantially increase the useful lives of existing property and equipment. Maintenance, repairs and minor renewals are expensed as incurred. Depreciation is provided for by the straight line method in amounts sufficient to relate the cost of the water and sewer system and other depreciable assets to operations, over the estimated useful lives of the assets, ranging from 5 years for equipment to 50 years for the plant facility. Depreciation expense totaled \$119,839 for 2024 and \$119,187 for 2023.

INCOME TAXES

The entity is not subject to federal or state income taxes.

INVENTORY

Inventory is at the lower of cost or market on the first-in, first-out method.

RESTRICTED ASSETS

Certain assets of the system are restricted for debt service, capital improvements and operations and maintenance of the system.

OPERATING REVENUES AND EXPENSES

The Water District's statements of revenues, expenses and changes in net position distinguishes between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing water utility services. Operating expenses are all expenses incurred to provide water utility services, other than financing costs.

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION

Equity is presented as net position and is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provisions or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 2: RESTRICTED CASH

The restricted funds are established for the purpose of meeting the requirements of loan agreements and city management for the purpose of insuring the Department's capability of meeting long-term debt obligations. The balances in the restricted accounts at June 30, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Meter Deposits	\$ 44,628	\$ 44,619
Depreciative Reserve	3,652	3,652
Short Lived Assets Reserve	181,909	181,738
Debt Service Reserve	<u>56,120</u>	<u>56,104</u>
Total Restricted Funds	<u>\$ 286,309</u>	<u>\$ 286,113</u>

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 3: LONG-TERM DEBT

The long-term debt at June 30, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
2.0% Note Payable to USDA Rural Development, due in monthly installments of \$3,652, including interest. This obligation is collateralized by the Plant Facility and Revenue Bond.	\$ 1,081,691	\$ 1,103,642
3.25% Note Payable to USDA Rural Development, due in monthly installments of \$1,017, including interest. This obligation is collateralized by the Plant Facility and Revenue Bond.	<u>153,031</u>	<u>160,136</u>
	1,234,722	1,263,778
Less Current Maturities	<u>(29,734)</u>	<u>(29,056)</u>
Total Long-Term Debt, Less Current Maturities	<u><u>\$ 1,204,988</u></u>	<u><u>\$ 1,234,722</u></u>

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 3: LONG-TERM DEBT (CONTINUED)

The obligations have aggregate annual maturities as follows:

<u>Year Ending June 30</u>	<u>Principal Amount</u>	<u>Interest</u>	<u>Total Paid</u>
2025	\$ 29,734	\$ 26,294	\$ 56,028
2026	30,428	25,600	56,028
2027	31,139	24,889	56,028
2028	31,868	24,160	56,028
2029	32,615	23,413	56,028
2030-2034	174,941	105,199	280,140
2035-2039	196,602	83,538	280,140
2040-2044	170,836	62,051	232,887
2045-2049	173,868	45,252	219,120
2050-2054	192,138	26,982	219,120
2055-2059	<u>173,553</u>	<u>10,474</u>	<u>184,027</u>
TOTAL	<u><u>\$ 1,237,722</u></u>	<u><u>\$ 457,852</u></u>	<u><u>\$ 1,695,574</u></u>

Changes in long-term debt for the year ended June 30, 2024:

	<u>7/1/23 Balance</u>	<u>Loan Proceeds</u>	<u>Payments on Principal</u>	<u>6/30/24 Balance</u>	<u>Current Portion</u>
USDA Rural Developmnt 91-05	160,135	-0-	(7,104)	153,031	7,339
USDA Rural Developmnt 91-08	<u>1,103,643</u>	<u>-0-</u>	<u>(21,952)</u>	<u>1,081,691</u>	<u>22,395</u>
	<u><u>1,263,778</u></u>	<u><u>-0-</u></u>	<u><u>(29,056)</u></u>	<u><u>1,234,772</u></u>	<u><u>29,734</u></u>

Changes in long-term debt for the year ended June 30, 2023:

	<u>7/1/22 Balance</u>	<u>Loan Proceeds</u>	<u>Payments on Principal</u>	<u>6/30/23 Balance</u>	<u>Current Portion</u>
USDA Rural Developmnt 91-05	167,013	-0-	(6,878)	160,135	7,104
USDA Rural Developmnt 91-08	<u>1,125,160</u>	<u>-0-</u>	<u>(21,517)</u>	<u>1,103,643</u>	<u>21,952</u>
	<u><u>1,292,173</u></u>	<u><u>-0-</u></u>	<u><u>(28,395)</u></u>	<u><u>1,263,778</u></u>	<u><u>29,056</u></u>

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 4: SIGNIFICANT CONCENTRATION OF CREDIT RISK

Credit risk for trade accounts receivable is concentrated because substantially all of the balances are receivable from individuals located within the same geographic region. The Department grants unsecured credit to its customers, subject to a meter deposit.

NOTE 5: DEPOSITS

At June 30, 2024, the Department's carrying amount of bank deposits was \$348,623 and the bank balance was \$352,033. The City has collateral in the form of a security agreement held by the pledging financial institution's correspondent bank in the name of the City of Swifton. There were no uninsured or uncollateralized deposits as of June 30, 2024.

NOTE 6: RISK MANAGEMENT

The District is exposed to a number of risks such as losses from natural disasters, fire, accidents, other causes and torts. Management of the City of Swifton believes it has immunity under state law from losses from torts. For material risks or losses due to other property and liability claims, the Department has transferred the risk to a third party by purchasing commercial insurance. Some insurance premiums are paid on behalf of the District by funds of the City of Swifton.

NOTE 7: ACCRUED COMPENSATED ABSENCES

It is the District's policy to recognize compensated absences when paid. Management does not consider compensated absences to be material to the financial statements. Accordingly, no liability has been accrued for the years ended June 30, 2024 and 2023.

NOTE 8: CUSTOMER DEPOSITS

Active customer deposits are held by the City of Swifton Water and Sewer District. Interest earned on deposit funds is considered to be the property of the City of Swifton Water and Sewer District. As of June 30, 2024 and 2023, respectively, the customer deposit fund totaled \$44,628 and \$44,619. At June 30, 2024 water company meter deposit funds on hand exceeded meter deposits payable by \$19,153.

NOTE 9: SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 10, 2024, the date the financial statements were available to be issued.

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

Below is a schedule of changes of property, plant and equipment for the year ended June 30, 2024:

	<u>7/1/2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>6/30/2024</u>
Capital assets, being depreciated:				
Water System Plant and Equipment	4,109,496	-0-	-0-	4,109,496
Sewer System and Equipment	731,982	-0-	-0-	731,982
Water and Sewer System Additions	354,815	4,554	-0-	359,369
Other Equipment	<u>77,100</u>	<u>-0-</u>	<u>-0-</u>	<u>77,100</u>
	<u>5,273,393</u>	<u>4,554</u>	<u>-0-</u>	<u>5,277,947</u>
Less accumulated depreciation for:				
Water System Plant and Equipment	(667,891)	(95,835)	-0-	(763,726)
Sewer System and Equipment	(453,918)	(11,083)	-0-	(465,001)
Water and Sewer System Additions	(268,289)	(7,516)	-0-	(275,805)
Other Equipment	<u>(43,226)</u>	<u>(5,405)</u>	<u>-0-</u>	<u>(48,631)</u>
	<u>(1,433,324)</u>	<u>(119,839)</u>	<u>-0-</u>	<u>(1,553,163)</u>
Total capital assets being depreciated, net	<u>3,840,069</u>	<u>(115,285)</u>	<u>-0-</u>	<u>3,724,784</u>
Total capital assets, net	<u>3,884,860</u>	<u>3,234,424</u>	<u>-0-</u>	<u>3,840,069</u>

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Changes in property, plant and equipment for the year ended June 30, 2023 are as follows:

	<u>7/1/2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>6/30/2023</u>
Capital assets, being depreciated:				
Water System Plant and Equipment	4,109,496	-0-	-0-	4,109,496
Sewer System and Equipment	658,910	73,072	-0-	731,982
Water and Sewer System Additions	354,815	-0-	-0-	354,815
Other Equipment	<u>75,775</u>	<u>1,325</u>	<u>-0-</u>	<u>77,100</u>
	<u>5,198,996</u>	<u>74,397</u>	<u>-0-</u>	<u>5,273,393</u>
Less accumulated depreciation for:				
Water System Plant and Equipment	(572,056)	(95,835)	-0-	(667,891)
Sewer System and Equipment	(442,987)	(10,931)	-0-	(453,918)
Water and Sewer System Additions	(261,229)	(7,060)	-0-	(268,289)
Other Equipment	<u>(37,865)</u>	<u>(5,361)</u>	<u>-0-</u>	<u>(43,226)</u>
	<u>(1,314,137)</u>	<u>(119,187)</u>	<u>-0-</u>	<u>(1,433,324)</u>
Total capital assets being depreciated, net	<u>3,884,859</u>	<u>(44,790)</u>	<u>-0 -</u>	<u>3,840,069</u>
Total capital assets, net	<u><u>3,884,859</u></u>	<u><u>(44,790)</u></u>	<u><u>-0-</u></u>	<u><u>3,840,069</u></u>

SUPPLEMENTAL INFORMATION

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
SCHEDULE OF REVENUES
AND EXPENSES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2024

June 30, 2024

OPERATING REVENUES	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
User Fees	186,285	67,680	253,965
Other Income	<u>8,098</u>	<u>2,995</u>	<u>11,093</u>
Total Operating Revenues	<u>194,383</u>	<u>70,675</u>	<u>265,058</u>
OPERATING EXPENSES			
Wages	45,659	16,888	62,547
Repairs	30,079	11,126	41,205
Utilities	8,861	3,278	12,139
Professional fees	12,428	4,596	17,024
Office Expense and Supplies	723	267	990
Supplies and Materials	51,059	18,886	69,945
Payroll Taxes	3,203	1,184	4,387
Postage	1,319	488	1,807
Insurance	9,639	3,566	13,205
Equipment Rental	83	31	114
Miscellaneous Expense	9,374	3,467	12,841
Depreciation	87,482	32,357	119,839
Bad Debt Expense	-0-	-0-	-0-
Amortization	-0-	-0-	-0-
License and Fees	<u>3,269</u>	<u>1,209</u>	<u>4,478</u>
Total Operating Expenses	<u>263,178</u>	<u>97,343</u>	<u>360,521</u>
NET OPERATING INCOME	<u>(68,795)</u>	<u>(26,668)</u>	<u>(95,463)</u>
NON-OPERATING REVENUE (EXPENSE)			
Grant Income	-0-	-0-	-0-
Interest Income	234	87	321
Interest Expense	<u>(19,723)</u>	<u>(7,295)</u>	<u>(27,018)</u>
Total Non-Operating Revenue (Expense)	<u>(19,489)</u>	<u>(7,208)</u>	<u>(26,697)</u>
NET INCOME	<u>(88,284)</u>	<u>(33,876)</u>	<u>(122,160)</u>

WATER AND SEWER DISTRICT OF THE CITY OF SWIFTON, ARKANSAS
SCHEDULE OF REVENUES
AND EXPENSES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2023

June 30, 2023

OPERATING REVENUES	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
User Fees	189,388	67,908	257,296
Other Income	<u>8,939</u>	<u>3,205</u>	<u>12,144</u>
Total Operating Revenues	<u>198,327</u>	<u>71,113</u>	<u>269,440</u>
OPERATING EXPENSES			
Wages	43,430	15,572	59,002
Repairs	34,254	12,282	46,536
Utilities	8,746	3,136	11,182
Professional fees	9,884	3,544	13,428
Office Expense and Supplies	886	318	1,204
Supplies and Materials	43,459	15,583	59,042
Payroll Taxes	3,353	1,202	4,555
Postage	1,122	402	1,524
Insurance	6,797	2,437	9,234
Equipment Rental	75	27	102
Miscellaneous Expense	9,031	3,238	12,269
Depreciation	108,669	10,518	119,187
Amortization	468	168	636
Bad Debt Expense	2,299	1,075	4,074
License and Fees	<u>2,913</u>	<u>1,044</u>	<u>3,957</u>
Total Operating Expenses	<u>276,086</u>	<u>70,546</u>	<u>346,632</u>
NET OPERATING INCOME	<u>(77,759)</u>	<u>567</u>	<u>(77,192)</u>
NON-OPERATING REVENUE (EXPENSE)			
Grant Income	-0-	93,275	93,275
Interest Income	115	41	156
Interest Expense	<u>(20,559)</u>	<u>(7,372)</u>	<u>(27,931)</u>
Total Non-Operating Revenue (Expense)	<u>(20,444)</u>	<u>85,944</u>	<u>65,500</u>
NET INCOME	<u>(98,203)</u>	<u>86,511</u>	<u>(11,692)</u>