



**Yoakum, Lovell & Co., PLC**

CERTIFIED PUBLIC ACCOUNTANTS

Annual Financial Report

East End Water Improvement District #1

December 31, 2021 and 2020

## Table of Contents

Management's Discussion and Analysis	1-3
Independent Auditors' Report	4-5
Financial Statements	
Balance Sheets (Modified Cash Basis)	6
Statements of Revenue, Expenses, and Changes in Net Position (Modified Cash Basis)	7
Statements of Cash Flows (Modified Cash Basis)	8
Notes to Financial Statements	9-13

## Management's Discussion and Analysis

This section of East End Water Improvement District #1's annual financial report presents an analysis of the District's financial performance during 2021 and 2020. This information is presented in conjunction with the audited basic financial statements, which follow this section.

### Financial Highlights for 2021

- The District's unrestricted cash decreased by \$27,670 or 1.64% from \$1,691,434 to \$1,663,764.
- The District's total net position increased by \$80,852 or 1.59% from \$5,080,049 to \$5,160,901.

### Overview of the Financial Statements

The annual report consists of the management's discussion and analysis and the basic financial statements. The financial statements include notes which explain in detail some of the information included in the basic financial statements.

### Required Financial Statements

The financial statements of the District report information utilizing the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States. The balance sheets (modified cash basis) include information on the District's assets and liabilities and provide information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). The statements of revenues, expenses, and changes in net position (modified cash basis) identify the District's revenues and expenses for the years ended December 31, 2021 and 2020. This statement provides information on the District's operations over the past two years and can be used to determine whether the District has recovered all of its costs through user fees and other charges. The third financial statement is the statements of cash flows (modified cash basis). This statement provides information on the District's cash receipts, cash payments, and changes in cash resulting from operations, investments, and financing activities. From the statements of cash flows (modified cash basis), the reader can obtain comparative information on the source and use of cash and the change in the cash balance for each of the last two years.

### Financial Analysis of the District

The balance sheets (modified cash basis) and statements of revenues, expenses, and changes in net position (modified cash basis) provide an indication of the District's financial condition and also indicate that the financial condition of the District improved during the past year. The District's net position reflects the difference between assets and liabilities. An increase in net position over time typically indicates an improvement in financial condition. A summary of the District's balance sheets (modified cash basis) and statements of revenues, expenses, and changes in net position (modified cash basis) are presented below.

### Condensed Balance Sheets (Modified Cash Basis)

	2021	2020	2019
Current and Other Assets	\$ 2,025,145	\$ 1,978,213	\$ 1,906,656
Capital Assets, Net	3,723,654	3,672,038	3,693,873
Total Assets	<u>\$ 5,748,799</u>	<u>\$ 5,650,251</u>	<u>\$ 5,600,529</u>

Current Liabilities	\$ 32,724	\$ 57,752	\$ 55,738
Long-Term Liabilities	<u>555,174</u>	<u>512,450</u>	<u>550,403</u>
Total Liabilities	<u>587,898</u>	<u>570,202</u>	<u>606,141</u>
Net Investment in Capital Assets	3,266,406	3,229,198	3,210,741
Restricted for Debt Service	55,019	56,492	54,975
Restricted for Capital Assets Replacement	175,712	102,925	78,229
Unrestricted	<u>1,663,764</u>	<u>1,691,434</u>	<u>1,650,443</u>
Total Net Position	<u>5,160,901</u>	<u>5,080,049</u>	<u>4,994,388</u>
Total Liabilities and Net Position	<u>\$ 5,748,799</u>	<u>\$ 5,650,251</u>	<u>\$ 5,600,529</u>

As the above table indicates, total assets have increased \$148,270 or 2.65% over the past two years from \$5,600,529 to \$5,748,799. This is comprised primarily by the current and other assets which caused assets to increase by \$118,489 or 6.21% from \$1,906,656 to \$2,025,145.

Total liabilities have decreased \$18,243 or 3.01% over the past two years from \$606,141 to \$587,898. This decrease reflects the scheduled debt service payments by the District.

With an increase in assets and a decrease in liabilities, the net position has increased \$166,513 or 3.33% over the past two years from \$4,994,388 to \$5,160,901.

**Condensed Statements of Revenues, Expenses and  
Changes in Net Position (Modified Cash Basis)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating Revenues			
Water Revenue	\$ 875,883	\$ 785,388	\$ 761,966
Services Revenue	<u>33,948</u>	<u>37,801</u>	<u>42,133</u>
Total Operating Revenues	909,831	823,189	804,099
Interest	6,505	18,433	22,975
Gain on the Sale of Asset		<u>4,043</u>	
Total Revenue	<u>916,336</u>	<u>845,665</u>	<u>827,074</u>
Operating Expenses			
Personnel	293,031	298,595	299,484
Water System Operations	388,558	253,875	250,914
Depreciation	<u>171,664</u>	<u>219,138</u>	<u>231,288</u>
Total Operating Expenses	853,253	771,608	781,686
Interest	<u>15,209</u>	<u>17,951</u>	<u>19,319</u>
Total Expenses	<u>868,462</u>	<u>789,559</u>	<u>801,005</u>
Capital Contributions	<u>32,978</u>	<u>29,555</u>	<u>93,450</u>
Change in Net Position	80,852	85,661	119,519
Net Position at Beginning of Year	<u>5,080,049</u>	<u>4,994,388</u>	<u>4,874,869</u>
Net Position at End of Year	<u>\$ 5,160,901</u>	<u>\$ 5,080,049</u>	<u>\$ 4,994,388</u>

The statements of revenues, expenses, and changes in net position (modified cash basis) identify the various revenue and expense items which affect the change in net position. As the table above indicates, total operating revenues have increased \$105,732 or 13.15% over the past three years from \$804,099 to \$909,831.

## Analysis of Capital Assets and Long-Term Debt

A summary of the District's capital assets and long-term debt balances are below.

<b>Capital Assets</b>			
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Non-depreciable Assets			
Land	\$ 93,636	\$ 93,636	\$ 27,586
Construction in Progress	304,230	113,928	83,030
Depreciable Assets			
Building	101,547	101,547	111,552
Distribution System	7,609,557	7,576,579	7,509,242
Furniture and Fixtures	61,367	61,367	61,367
Vehicles	171,629	171,629	146,303
Less: Accumulated Depreciation	<u>(4,618,312)</u>	<u>(4,446,648)</u>	<u>(4,245,207)</u>
Total Capital Assets, Net	<u>\$ 3,723,654</u>	<u>\$ 3,672,038</u>	<u>\$ 3,693,873</u>

The District purchased capital assets of \$190,302, \$176,732 and \$86,283 in 2021, 2020 and 2019, respectively. In addition, the District received capital contributions to the distribution systems of \$32,978, \$29,555, and \$93,450 in 2021, 2020, and 2019, respectively.

The District is adding new well sites to the water distribution system. The District has spent \$103,446 on this project. No final cost has been determined for the completion of this project.

The District is adding a new water tower to the water distribution system. The District has spent \$200,783 on this project. No final cost has been determined for the completion of this project.

The capital assets, net of accumulated depreciation, increased slightly over the past three years due to the increase in accumulated depreciation being less than the additions to the distribution system. Capital assets, net accumulated depreciation includes depreciation of \$171,664, \$219,138 and \$231,288 in 2021, 2020, and 2019, respectively.

<b>Long-Term Debt</b>			
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenue Bonds	\$ 457,248	\$ 442,840	\$ 483,132
Total Long-Term Debt	<u>\$ 457,248</u>	<u>\$ 442,840</u>	<u>\$ 483,132</u>

The revenue bonds will fully mature in 2043.

During 2016, the district issued revenue bonds in the amount of \$405,879 to provide service to Natureland. These bonds are paid from additional charges collected from the customers or future customers that will be serviced on Natureland. The bonds carry an interest rate of 3.9% and fully mature December 1, 2036.

During 2021, the district issued revenue bonds up to the amount of \$2,650,000 to build a new water tank. The bonds carry an interest rate of 1.75% and fully mature April 15, 2043.





## **Yoakum, Lovell & Co., PLC**

CERTIFIED PUBLIC ACCOUNTANTS

### **Independent Auditors' Report**

Board of Directors  
East End Water Improvement District #1  
Little Rock, Arkansas

#### **Report on the Financial Statements**

##### **Opinions**

We have audited the accompanying financial statements of East End Water Improvement District #1, as of and for the years ended December 31, 2021 and 2020, 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 positions of East End Water Improvement District #1 as of December 31, 2021 and 2020, and the changes in its net positions and its cash flows for the years then ended in accordance with the modified cash basis of accounting described in Note 1(B).

##### **Basis for Opinions**

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 East End Water Improvement District #1 and to meet our 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1(B); this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 East End Water District Improvement District #1'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 misstatements, 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 will always detect a material misstatement when it exists. The risk of not detecting a material

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 East End Water Improvement District #1'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about East End Water Improvement District #1's ability to continue as a going concern for a reasonable period of time.

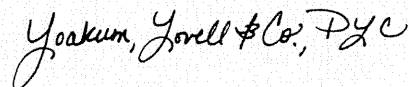
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Basis of Accounting**

We draw attention to Note 1(B) of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole that collectively comprise East End Water Improvement District #1's basic financial statements. The management's discussion and analysis on pages 1 through 3, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



Certified Public Accountants

Benton, Arkansas  
April 25, 2022

East End Water Improvement District #1  
Balance Sheets (Modified Cash Basis)  
December 31, 2021 and 2020

<b>Assets</b>			
		2021	2020
Current Assets			
Cash		\$ 1,663,764	\$ 1,691,434
Total Current Assets		<u>1,663,764</u>	<u>1,691,434</u>
Noncurrent Assets			
Restricted Funds		361,381	286,779
Capital Assets, Net		3,723,654	3,672,038
Total Noncurrent Assets		<u>4,085,035</u>	<u>3,958,817</u>
Total Assets		<u><u>\$ 5,748,799</u></u>	<u><u>\$ 5,650,251</u></u>
 <b>Liabilities and Net Position</b>			
Current Liabilities			
Current Portion of Long-Term Debt		\$ 32,724	\$ 57,752
Total Current Liabilities		<u>32,724</u>	<u>57,752</u>
Long-Term Liabilities			
Meter Deposits Held In Trust		130,650	127,362
Long-Term Debt, Net of Current Portion		424,524	385,088
Total Long-Term Liabilities		<u>555,174</u>	<u>512,450</u>
Net Position			
Net Investment in Capital Assets		3,266,406	3,229,198
Restricted for Debt Service		55,019	56,492
Restricted for Capital Assets Replacement		175,712	102,925
Unrestricted		1,663,764	1,691,434
Total Net Position		<u>5,160,901</u>	<u>5,080,049</u>
Total Liabilities and Net Position		<u><u>\$ 5,748,799</u></u>	<u><u>\$ 5,650,251</u></u>

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



East End Water Improvement District #1  
Statements of Revenue, Expenses, and  
Changes in Net Position (Modified Cash Basis)  
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating Revenue		
Water Revenue	\$ 875,883	\$ 785,388
Service Charges	2,101	5,232
Plumbing Permits	5,925	8,250
Assessments	3,426	
Rent	6,336	11,880
Miscellaneous	16,160	12,439
Total Operating Revenue	<u>909,831</u>	<u>823,189</u>
Operating Expenses		
Salaries	235,152	246,457
Payroll Taxes	16,034	16,847
Health Insurance	35,136	29,573
Retirement Plan	6,709	5,718
Telephone	13,534	9,240
Utilities	87,100	71,303
Insurance	24,335	22,070
Legal Fees	26,200	
Supplies	100,612	60,181
Postage	605	
Repairs	70,510	49,323
Professional Fees	8,200	8,100
Plumbing Inspections	4,650	6,250
Miscellaneous	52,812	27,408
Depreciation	171,664	219,138
Total Operating Expenses	<u>853,253</u>	<u>771,608</u>
Operating Income (Loss)	<u>56,578</u>	<u>51,581</u>
Nonoperating Revenues (Expenses)		
Interest Income	6,505	18,433
Gain on the Sale of Assets		4,043
Interest Expense	(15,209)	(17,951)
Total Nonoperating Revenues (Expenses)	<u>(8,704)</u>	<u>4,525</u>
Income (Loss) Before Capital Contributions	47,874	56,106
Capital Contributions	<u>32,978</u>	<u>29,555</u>
Change in Net Position	80,852	85,661
Net Position at Beginning of Year	<u>5,080,049</u>	<u>4,994,388</u>
Net Position at End of Year	<u><u>\$ 5,160,901</u></u>	<u><u>\$ 5,080,049</u></u>

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

East End Water Improvement District #1  
Statements of Cash Flows (Modified Cash Basis)  
For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Cash Receipts from Customers	\$ 909,831	\$ 823,189
Cash Payments to Suppliers for Goods and Services	(446,437)	(306,013)
Cash Payments to Employees for Services	(235,152)	(246,457)
Net Cash Provided by Operating Activities	<u>228,242</u>	<u>270,719</u>
Cash Flows from Capital and Related Financing Activities		
Purchases of Capital Assets	(190,302)	(176,732)
Proceeds from Sale of Capital Assets		13,027
Principal Paid on Debt	14,408	(40,292)
Interest Paid on Debt	(15,209)	(17,951)
Net Cash Used by Capital and Related Financing Activities	<u>(191,103)</u>	<u>(221,948)</u>
Cash Flows from Investing Activities		
Changes in Restricted Funds	(71,314)	(26,213)
Interest Received	6,505	18,433
Net Cash Used by Investing Activities	<u>(64,809)</u>	<u>(7,780)</u>
Net Increase (Decrease) in Cash	(27,670)	40,991
Cash at Beginning of Year	<u>1,691,434</u>	<u>1,650,443</u>
Cash at End of Year	<u><u>\$ 1,663,764</u></u>	<u><u>\$ 1,691,434</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ 56,578	\$ 51,581
Depreciation (Noncash Expense)	171,664	219,138
Net Cash Provided by Operating Activities	<u><u>\$ 228,242</u></u>	<u><u>\$ 270,719</u></u>

Supplemental Disclosure of Noncash Capital and Related  
Financing Activities:

Capital Contributions of Property	<u><u>\$ 32,978</u></u>	<u><u>\$ 29,555</u></u>
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The accompanying notes are an integral part of these financial statements.

East End Water Improvement District #1  
Notes to the Financial Statements

**Note 1: Summary of Significant Accounting Policies**

**A. Nature of Activities** – East End Water Improvement District #1 is a suburban improvement district established by court order to provide water to rural East End, Arkansas. Operating income includes revenues and expenses related to the primary, continuing operations of the District. The primary sources of operating revenues are charges from the sale of water and related services to its members. The primary operating expenses are the costs of providing services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

**B. Basis of Presentation and Accounting** – The District's basic financial statements are presented on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States (GAAP). Revenues are recognized when received rather than when earned, and expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred. Modifications to the cash basis of accounting include capitalization and depreciation of property and equipment. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

The accounts of the District are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the District's assets, liabilities, net position, revenues and expenses. Enterprise funds account for activities (1) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (2) 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 (3) 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 accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this focus, all assets and all liabilities associated with the operations are included on the balance sheets (modified cash basis). Net position is segregated into net investment in capital assets, restricted and unrestricted components.

**C. Cash** – Cash consists of all cash deposited in a bank and certificates of deposit.

**D. Capital Assets** – All capital asset accounts are stated at cost except for donated property which is recorded at fair market value. Depreciation has been provided for on the straight-line method. Estimated useful lives are 40 years for the buildings and the distribution systems and 3-10 years for furniture, fixtures, equipment, and vehicles. Land and construction in process are non-depreciable assets.

Maintenance and repairs are charged to expense as incurred. The cost of additions, renewals and betterments are capitalized.

**E. Capital Contributions** – Capital contributions consist of the cost of property donated by developers or customers from meter connections and line extensions required for new housing additions. After being connected to the District's distribution system, ownership and control of this property transfers to the District.

East End Water Improvement District #1  
Notes to the Financial Statements

**Note 1: Summary of Significant Accounting Policies (Cont'd)**

- F. Net Position** – The District must report its net position as either restricted, unrestricted, or net investment in capital assets. These components of net position are defined below:

Net Investment in Capital Assets – This component of net position consists of the historical costs of capital assets, less accumulated depreciation, and less any debt that remains outstanding that was used to finance those assets, plus deferred outflows of resources, less deferred inflows of resources related to those assets.

Restricted – This component of net position consists of constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of the remaining balance in net position that does not meet the definition of restricted or net investment in capital assets.

- G. Income Taxes** – No provision has been provided for income taxes since this organization is a suburban improvement District.
- H. Estimates** – The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Note 2: Restricted Funds**

Restricted funds consisted of the following at December 31:

	2021	2020
Meter Deposit Held in Trust	\$ 130,650	\$ 127,362
Depreciation Reserve Fund 2016	130,220	102,925
Depreciation Reserve Fund 2021	45,492	
Bond Fund	30,178	25,242
Natureland Project	24,841	31,250
Total Restricted Funds	<u>\$ 361,381</u>	<u>\$ 286,779</u>

Restricted funds are amounts set aside to meet certain requirements. These requirements are as follows:

Meter Deposits Held in Trust – Customers' meter deposits must be available to refund to any customer who leaves the District. A bank account and various certificates of deposits have been established to hold these funds.

Depreciation Reserve Fund – Under the terms of the bonds issued through the Arkansas Natural Resources Commission, these funds are reserved for the replacement of the distribution system. Any and all uses of this fund must be approved in writing by the commission. This fund shall not be used for ordinary maintenance.

Bond Fund - Under the terms of the bonds issued through the Arkansas Natural Resources Commission, these funds were established for the principal and interest payments on the bonds.

East End Water Improvement District #1  
Notes to the Financial Statements

**Note 2: Restricted Funds (Cont'd)**

Natureland Project – These funds were collected from customers on Natureland and have been reserved for the payment of the loan with Arkansas Natural Resources Commission. The District collected \$31,373 and \$31,150 that has been reserved for payment on this loan in 2021 and 2020, respectively.

**Note 3: Cash Deposits with Financial Institutions**

The District maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000 at December 31, 2021 and 2020.

**Note 4: Capital Assets**

The following is a summary of capital assets at December 31, 2021 and 2020:

	<u>12/31/20</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>12/31/21</u>
Land	\$ 93,636	\$	\$	\$ 93,636
Building	101,547			101,547
Distribution System	7,576,579	32,978		7,609,557
Furniture and Fixtures	61,367			61,367
Construction in Process	113,928	190,302		304,230
Vehicles	171,629			171,629
Total Capital Assets	8,118,686	223,280		8,341,966
Less: Accumulated Depreciation	(4,446,648)	(171,664)		(4,618,312)
Capital Assets, Net	<u>\$ 3,672,038</u>	<u>\$ 51,616</u>	<u>\$</u>	<u>\$ 3,723,654</u>

	<u>12/31/19</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>12/31/20</u>
Land	\$ 27,586	\$ 66,050	\$	\$ 93,636
Building	111,552		(10,005)	101,547
Distribution System	7,509,242	67,337		7,576,579
Furniture and Fixtures	61,367			61,367
Construction in Process	83,030	30,898		113,928
Vehicles	146,303	42,002	(16,676)	171,629
Total Capital Assets	7,939,080	206,287	(26,681)	8,118,686
Less: Accumulated Depreciation	(4,245,207)	(219,138)	17,697	(4,446,648)
Capital Assets, Net	<u>\$ 3,693,873</u>	<u>\$ (12,851)</u>	<u>\$ (8,984)</u>	<u>\$ 3,672,038</u>



East End Water Improvement District #1  
Notes to the Financial Statements

**Note 5: Long-Term Debt**

Long-term debt consists of the following at December 31:

	<u>Balance 12/31/20</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/21</u>	<u>Current Maturities</u>
Revenue Bonds	\$ 442,840	\$ 109,765	\$ 95,357	\$ 457,248	\$ 32,724
	<u>\$ 442,840</u>	<u>\$ 109,765</u>	<u>\$ 95,357</u>	<u>\$ 457,248</u>	<u>\$ 32,724</u>
	<u>Balance 12/31/19</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/20</u>	<u>Current Maturities</u>
Revenue Bonds	\$ 483,132	\$	\$ 40,292	\$ 442,840	\$ 57,752
	<u>\$ 483,132</u>	<u>\$</u>	<u>\$ 40,292</u>	<u>\$ 442,840</u>	<u>\$ 57,752</u>
				<u>2021</u>	<u>2020</u>

Series 2021 bonds, in an amount up to \$2,650,000, maturing in semi-annual installments in April and October, including interest at 1.75%, through April 15, 2043, secured by property and equipment, and all revenues and income received.

\$ 109,765 \$

Series 2016 bonds, maturing in annual installments of \$30,306 in December 2017 and \$29,601 thereafter, including interest at 3.9%, through December 1, 2036, secured by property and equipment, and all revenues and income received.

347,483 362,930

Series 2013 refunding bonds, maturing in semi-annual installments of \$14,321, including interest at 3.25% and maturing on December 1, 2023, secured by property and equipment and revenues derived from operation of the system. This bond was paid off early in 2021.

79,910  
457,248 442,840

Less: Current Portion

32,724 57,752

Long-Term Debt, Net of Current Portion

\$ 424,524 \$ 385,088

The scheduled future maturities of long-term debt and interest are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 32,724	\$ 26,478	\$ 59,202
2023	72,942	14,197	87,139
2024	72,149	12,548	84,697
2025	18,703	10,898	29,601
2026	19,433	10,168	29,601
2027-2031	109,139	38,866	148,005
2032-2036	132,158	15,858	148,016
Total	<u>\$ 457,248</u>	<u>\$ 129,013</u>	<u>\$ 586,261</u>

East End Water Improvement District #1  
Notes to the Financial Statements

**Note 6: Construction in Process**

The District has the following projects in process as of December 31, 2021 and 2020:

Well Sites – The District is adding new well sites to the water distribution system. The District has spent \$200,783 on this project. No final cost has been determined for completion of this project.

Water Tower – The District is adding a new water tower to the water distribution system. The District has spent \$103,447 on this project. No final cost has been determined for completion of this project.

**Note 7: Subsequent Events**

Subsequent events were evaluated through April 25, 2022, which is the date the financial statements were available to be issued.