

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

September 2019

ASSETS

CURRENT ASSETS

Regions Operating	4,165.89
Petty Cash	850.00
Beach Bank - Operating	1,267,175.48
Centennial Bank - Cash Account	312,482.65
Ameris Bank - Operating	382,537.10
Ameris Bank - Water Deposits	428,014.43
Ameris Bank - Sewer Deposits	253,059.32
Ameris Bank - Impact Fees	6,126,337.21
Hancock Bank - HNWS14 Bond Fund	176,195.13
Accounts Receivable	597,677.74
Unbilled Accounts Receivable	472,935.63
Accounts Receivable - Taps	111,153.68
Notes Receivable - FRUS	104,934.57
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	29,589.96
Allowance for Bad Debt	(25,000.00)
Materials Inventory	330,937.24
Deposits	11,048.50
Prepaid Insurance	138,748.16
Prepaid Expenses	50,840.48

TOTAL CURRENT ASSETS

11,034,383.40

OTHER ASSETS

Land	2,201,266.83
Water Distribution System	24,817,660.89
Sewer Facility	47,453,411.43
Office and Storage Buildings	698,788.14
Improvements O/T Buildings	298,400.60
Office Equipment	227,607.52
Equipment	2,168,720.62
Telemetry	233,043.04
Trucks	1,598,285.41
Investment in THE CLUB AT HIDDEN CREEK	2,651,003.23
Investment in MESI	466,333.00
Investment in JV FRUS	3,174,816.00
CIP - 2020 Water Master Plan	34,320.00
CIP - 2020 Wastewater Master Plan	18,254.50
CIP - BPS/GST Waterline Upgrades	2,410.00
CIP - Hwy 87 L-S Upgrade	21,379.75
CIP - Well 4 Generator	1,875.00
CIP - Building Security	8,356.69
CIP - Warehouse #2 Storage	48,856.33
CIP - Main Office Expansion	14,555.84
CIP - 2015 W Master Plan	26,360.00
CIP - 2015 WW Master Plan	2,290.00
CIP - 2015 W Model Project	26,502.00
CIP - 2015 WW Model Project	103,190.00

CIP - Navarre Beach	24,390.28	
CIP - Highway 399 Connection	11,268.54	
CIP - Reuse Capacity	46,409.95	
CIP - Inflow & Infiltration	112,507.95	
CIP - SR 87 Booster Station & GST	163,938.30	
CIP - Eglin Reuse/RIBS	111,819.08	
CIP - Gulf Breeze Reuse	85,297.53	
CIP - General Lift Station Upgrades	103,022.83	
CIP - General Water Line Upgrades	14,419.97	
CIP - General Sewer Line Upgrades	9,135.50	
CIP - FDOT Hwy 98 Widening -Water	524.35	
CIP - FDOT Hwy 98 Widening -Sewer	524.35	
CIP - General WWTP Upgrades	1,419,232.37	
Debt Issue Costs	223,977.37	
Loan Discount	81,344.25	
Bond Issue Costs	0.46	
Accum Amort - Bond Issue Costs	(38,403.33)	
Accum Amort - Bond Discount	(13,851.52)	
Accumulated Depreciation	(31,205,996.67)	
Pension Liability - Current Portion	(375,000.00)	
TOTAL OTHER ASSETS		<u>57,072,248.38</u>
TOTAL ASSETS		<u>68,106,631.78</u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	425,651.96
Accrued Taxes	39,631.84
Accrued Compensated Absences	203,038.25
Employee Deduction - Life Insurance	6.75
Employee Deduction - Prepaid Legal	(0.04)
Accrued Interest Payable	121,714.46

TOTAL CURRENT LIABILITIES

790,043.22

LONG-TERM LIABILITIES

Water Deposits	359,938.00
Sewer Deposits	205,824.04
Net Pension Obligation	7,061,413.04
Lease Payable - Regions Bank	1,312,192.30
Loan Payable - CTA	6,255,000.00

TOTAL LONG-TERM LIABILITIES

15,194,367.38

TOTAL LIABILITIES

15,984,410.60

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	22,215,663.65
Contri-aid-Construction Sewer	38,750,165.58
Accum Amort - Construction	(22,072,904.71)
Membership Certificates	290,270.00
Contributed Capital	27,200.00
Capital Federal Grant	532,765.65
Unfunded Pension Liability	(6,889,349.92)
Retained Earnings	18,309,559.82
Year-to-Date Earnings	958,851.11

TOTAL CONTRIB/PROPRIETARY CAPITAL

52,122,221.18

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

68,106,631.78

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month-to-Date Only, September 2019 - current month, Consolidated by account

	<i>1 Month Ended September 30, 2019</i>	
REVENUE		
Taps - Water	18,574.80	1.9 %
Water Sales	466,425.44	47.5 %
Penalties	5,706.30	0.6 %
Disconnect Fees	2,186.48	0.2 %
NSF Fees	1,100.00	0.1 %
Service Charge - Water	7,020.00	0.7 %
Handling Fees	11.59	0.0 %
Recovery of Bad Debt	261.43	0.0 %
Interest Income	5,478.74	0.6 %
Misc Revenue - Water	125.00	0.0 %
Misc Revenue - Cash Rebates	2,604.89	0.3 %
Reimbursement From FRUS	28,681.33	2.9 %
Taps - Sewer	22,609.43	2.3 %
Wastewater Sales	421,090.32	42.9 %
Misc Revenue - Wastewater	(900.14)	-0.1 %
TOTAL REVENUE	980,975.61	100.0 %
***** TOTAL REVENUE	980,975.61	100.0 %
***** GROSS PROFIT	980,975.61	100.0 %
EXPENSES		
GENERAL & ADMINISTRATIVE EXPENSE		
Wages	218,956.90	22.3 %
Capitalized Labor	(10,589.74)	-1.1 %
Payroll Taxes	16,020.22	1.6 %
Contract Labor	10,274.72	1.0 %
Group Insurance	79,981.80	8.2 %
Pension - Professional Fees	1,176.00	0.1 %
401K - Professional Fees	353.34	0.0 %
Other Taxes/License/Dues	477.65	0.0 %
Computer Expense	1,604.90	0.2 %
Software Services/Licenses	14,655.28	1.5 %
Supplies	2,415.51	0.2 %
Utilities	2,911.23	0.3 %
Vehicle Expense	393.39	0.0 %
Education & Training	2,421.04	0.2 %

1 Month Ended
September 30, 2019

Travel Expense	2,950.63	0.3 %
Mileage	10.44	0.0 %
Office Equipment	1,056.27	0.1 %
Office Expense	14,736.67	1.5 %
Postage	4,320.77	0.4 %
Insurance Expense	(7,547.64)	-0.8 %
Legal Expense	820.00	0.1 %
Engineering Expense	3,135.00	0.3 %
Advertising Expense	308.58	0.0 %
Bad Debt	945.86	0.1 %
Bank Charges	2,947.30	0.3 %
Bond Issue-Administrative Fees	1,000.00	0.1 %
Professional Services	3,095.50	0.3 %
Landrum HR/Payroll Services	4,864.97	0.5 %
Interest Expense	26,109.22	2.7 %
Misc Expense	451.99	0.0 %
Uniform Expense	60.00	0.0 %
Charitable Contribution	600.00	0.1 %
CASH OVER/SHORT	1.02	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	400,918.82	40.9 %
DEPRECIATION & AMORTIZATION EXPENSE		
Amortization Expense	(111,859.58)	-11.4 %
Depreciation Expense	177,867.30	18.1 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	66,007.72	6.7 %
WATER EXPENSE		
Supplies	3,309.82	0.3 %
Utilities	8,593.74	0.9 %
Chemicals	827.68	0.1 %
Repairs & Maintenance	10,510.66	1.1 %
Vehicle Expense	2,253.60	0.2 %
Vehicle/Equipment Gas Expense	897.21	0.1 %
Water Testing	1,755.00	0.2 %
Water Purchases	113,925.00	11.6 %
Water Operations Expense	1,357.51	0.1 %
Engineering - MESI	330.00	0.0 %
Engineering - System	1,765.50	0.2 %
Misc Expense	703.00	0.1 %
TOTAL WATER EXPENSE	146,228.72	14.9 %
WASTEWATER EXPENSE		
Supplies	2,926.71	0.3 %
Tools	1,432.85	0.1 %
Utilities	30,162.97	3.1 %
Chemicals - HBTS	1,994.42	0.2 %
Chemicals - HWWTP	206.90	0.0 %
Polymers	2,453.09	0.3 %
Sewer Lab Equip/Supplies - HBTS	2,687.06	0.3 %

*1 Month Ended
September 30, 2019*

	<u>42,878.29</u>	4.4 %
Repairs & Maintenance		
Sludge Removal Expense - HBTS	7,500.00	0.8 %
Vehicle Expense	11,700.00	1.2 %
Vehicle/Equipment Gas Expense	1,103.33	0.1 %
Wastewater Testing - HBTS	2,095.00	0.2 %
Wastewater Testing - HWWTP	945.50	0.1 %
Plant Operations Expense - HBTS	152.02	0.0 %
Engineering - MESI	530.00	0.1 %
Engineering - System	2,590.50	0.3 %
Misc Expense	672.00	0.1 %
Uniform Expense	35.99	0.0 %
TOTAL WASTEWATER EXPENSE	<u>112,066.63</u>	11.4 %
TOTAL EXPENSES	<u>725,221.89</u>	73.9 %
***** OPERATING INCOME/LOSS	<u>255,753.72</u>	26.1 %
*****	<u>255,753.72</u>	26.1 %
***** NET INCOME/LOSS	<u>255,753.72</u>	26.1 %