

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month- and Year-to-Date, December 2021

	<i>1 Month Ended</i>		<i>12 Months Ended</i>	
	<i>December 31, 2021</i>		<i>December 31, 2021</i>	
REVENUE				
Taps - Water	15,234.63	1.6 %	236,643.14	2.0 %
Water Sales	425,133.59	44.1 %	5,334,982.74	44.4 %
Penalties	5,860.33	0.6 %	62,153.60	0.5 %
Disconnect Fees	3,300.00	0.3 %	25,557.12	0.2 %
NSF Fees	1,506.34	0.2 %	12,518.42	0.1 %
Service Charge - Water	7,130.00	0.7 %	98,047.64	0.8 %
Handling Fees	4,568.04	0.5 %	40,432.81	0.3 %
Hydrant Meter Non-Refundable Setup Fee	300.00	0.0 %	750.00	0.0 %
Recovery of Bad Debt	72.07	0.0 %	2,304.61	0.0 %
Interest Income	774.27	0.1 %	10,084.37	0.1 %
REIMBURSEMENT FROM THE CLUB	0.00	0.0 %	418.96	0.0 %
Misc Revenue - Water	125.00	0.0 %	26,271.28	0.2 %
Misc Revenue - Cash Rebates	1,123.43	0.1 %	16,207.85	0.1 %
Reimbursement From FRUS	30,756.29	3.2 %	404,464.15	3.4 %
Taps - Sewer	30,760.80	3.2 %	396,078.90	3.3 %
Wastewater Sales	437,922.09	45.4 %	5,313,246.94	44.2 %
Misc Revenue - Wastewater	125.00	0.0 %	24,005.05	0.2 %
Gain/Loss on Sale of Assets	0.00	0.0 %	5,265.00	0.0 %
TOTAL REVENUE	964,691.88	100.0 %	12,009,432.58	100.0 %
***** TOTAL REVENUE	964,691.88	100.0 %	12,009,432.58	100.0 %
***** GROSS PROFIT	964,691.88	100.0 %	12,009,432.58	100.0 %
EXPENSES				
GENERAL & ADMINISTRATIVE EXPENSE				
Wages	329,973.35	34.2 %	3,342,761.76	27.8 %
Capitalized Labor	(533.31)	-0.1 %	(18,574.87)	-0.2 %
Payroll Taxes	32,221.25	3.3 %	285,901.14	2.4 %
Contract Labor	0.00	0.0 %	113,350.30	0.9 %
Group Insurance	239,063.87	24.8 %	1,142,212.21	9.5 %
Net Periodic Pension Cost	100,761.16	10.4 %	1,278,371.74	10.6 %
Pension - Professional Fees	1,576.00	0.2 %	48,712.00	0.4 %
401K - Professional Fees	(3,676.77)	-0.4 %	1,017.51	0.0 %
Other Taxes/License/Dues	0.00	0.0 %	9,465.37	0.1 %
Computer Expense	1,178.61	0.1 %	39,241.75	0.3 %

*1 Month Ended
December 31, 2021*

*12 Months Ended
December 31, 2021*

Software Services/Licenses	13,270.63	1.4 %	133,513.29	1.1 %
Supplies	966.08	0.1 %	14,185.65	0.1 %
Utilities	7,300.56	0.8 %	61,680.80	0.5 %
Repairs & Maintenance	0.00	0.0 %	34,276.06	0.3 %
Safety Supplies/Equipment	0.00	0.0 %	322.68	0.0 %
Vehicle/Gas Expense	147.88	0.0 %	5,495.08	0.0 %
Education & Training	913.96	0.1 %	15,734.04	0.1 %
Travel Expense	0.00	0.0 %	4,931.16	0.0 %
Mileage	0.00	0.0 %	32.11	0.0 %
Office Equipment	1,986.00	0.2 %	16,486.06	0.1 %
Office Expense	13,020.13	1.3 %	166,573.74	1.4 %
Postage	12,197.94	1.3 %	60,089.63	0.5 %
Insurance Expense	16,389.46	1.7 %	192,578.19	1.6 %
Legal Expense	8,203.75	0.9 %	96,249.37	0.8 %
Accounting/Auditing Expense	0.00	0.0 %	28,350.00	0.2 %
Engineering Expense	3,614.25	0.4 %	54,925.95	0.5 %
Advertising Expense	749.00	0.1 %	12,246.99	0.1 %
Bad Debt	534.24	0.1 %	9,846.30	0.1 %
Bank Charges	2,169.93	0.2 %	33,605.54	0.3 %
Bond Issue-Administrative Fees	1,000.00	0.1 %	15,300.00	0.1 %
Loan Fees	0.00	0.0 %	25,000.00	0.2 %
Professional Services	0.00	0.0 %	32,431.72	0.3 %
Landrum HR/Payroll Services	0.00	0.0 %	47,509.61	0.4 %
Payroll Services	1,206.75	0.1 %	8,109.25	0.1 %
Interest Expense	24,899.60	2.6 %	302,032.62	2.5 %
Misc Expense	256.00	0.0 %	23,544.65	0.2 %
Uniform Expense	862.47	0.1 %	6,676.31	0.1 %
Charitable Contribution	500.00	0.1 %	11,869.58	0.1 %
CASH OVER/SHORT	0.20	0.0 %	(51.42)	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	810,752.99	84.0 %	7,656,003.87	63.7 %
DEPRECIATION & AMORTIZATION EXPENSE				
Amortization Expense	(111,859.58)	-11.6 %	(1,343,444.56)	-11.2 %
Depreciation Expense	202,247.36	21.0 %	2,401,454.01	20.0 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	90,387.78	9.4 %	1,058,009.45	8.8 %
WATER EXPENSE				
Computer Related Expense	0.00	0.0 %	2,553.27	0.0 %
Supplies	1,673.86	0.2 %	22,366.58	0.2 %
Tools	0.00	0.0 %	6,443.36	0.1 %
Utilities	5,706.05	0.6 %	76,680.20	0.6 %
Chemicals	0.00	0.0 %	12,670.25	0.1 %
Repairs & Maintenance	17,778.22	1.8 %	213,858.06	1.8 %
Safety Supplies/Equipment	980.00	0.1 %	3,720.27	0.0 %
Vehicle Expense	7,169.15	0.7 %	40,780.67	0.3 %
Vehicle/Equipment Gas Expense	3,278.68	0.3 %	35,051.53	0.3 %
Water Testing	1,075.50	0.1 %	18,103.68	0.2 %
Water Purchases	127,472.58	13.2 %	1,501,002.43	12.5 %

	<i>1 Month Ended</i>		<i>12 Months Ended</i>	
	<i>December 31, 2021</i>		<i>December 31, 2021</i>	
Water Operations Expense	1,675.57	0.2 %	19,938.83	0.2 %
Engineering - MESI	0.00	0.0 %	12,737.00	0.1 %
Engineering - System	3,164.19	0.3 %	32,506.25	0.3 %
Misc Expense	(742.50)	-0.1 %	9,258.27	0.1 %
Uniform Expense	0.00	0.0 %	3,473.73	0.0 %
TOTAL WATER EXPENSE	169,231.30	17.5 %	2,011,144.38	16.7 %
WASTEWATER EXPENSE				
Computer Related Expense	146.84	0.0 %	6,732.29	0.1 %
Supplies	1,735.59	0.2 %	25,243.60	0.2 %
Supplies-Grinders	0.00	0.0 %	552.06	0.0 %
Tools	84.47	0.0 %	17,230.50	0.1 %
Utilities	38,559.42	4.0 %	430,493.22	3.6 %
Chemicals - Navarre Plant	0.00	0.0 %	44,785.10	0.4 %
Chemicals - Holley Plant	0.00	0.0 %	2,491.01	0.0 %
Chemicals - Collection System	0.00	0.0 %	11,338.00	0.1 %
Polymers	0.00	0.0 %	13,192.04	0.1 %
Sewer Lab Equip/Supplies - Navarre Plant	0.00	0.0 %	6,216.48	0.1 %
Sewer Lab Equip/Supplies - Holley Plant	0.00	0.0 %	1,805.15	0.0 %
Repairs & Maintenance	10,517.63	1.1 %	302,974.73	2.5 %
General Equipment - Collection System	0.00	0.0 %	4,294.78	0.0 %
Safety Supplies/Equipment	0.00	0.0 %	3,764.51	0.0 %
Sludge Removal Expense - Navarre Plant	0.00	0.0 %	81,345.45	0.7 %
Vehicle Expense	4,301.13	0.4 %	53,574.61	0.4 %
Vehicle/Equipment Gas Expense	6,077.07	0.6 %	58,325.15	0.5 %
Wastewater Testing - Navarre Plant	2,271.00	0.2 %	37,816.00	0.3 %
Wastewater Testing - Holley Plant	1,067.00	0.1 %	13,773.00	0.1 %
Plant Operations Expense - Navarre Plant	7,220.58	0.7 %	44,900.78	0.4 %
Engineering - MESI	0.00	0.0 %	15,231.50	0.1 %
Engineering - System	2,142.88	0.2 %	62,745.72	0.5 %
Misc Expense	(775.50)	-0.1 %	26,664.93	0.2 %
Uniform Expense	0.00	0.0 %	4,408.81	0.0 %
TOTAL WASTEWATER EXPENSE	73,348.11	7.6 %	1,269,899.42	10.6 %
TOTAL EXPENSES	1,143,720.18	118.6 %	11,995,057.12	99.9 %
***** OPERATING INCOME/LOSS	(179,028.30)	-18.6 %	14,375.46	0.1 %
*****	(179,028.30)	-18.6 %	14,375.46	0.1 %
***** NET INCOME/LOSS	(179,028.30)	-18.6 %	14,375.46	0.1 %

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

December 2021

ASSETS

CURRENT ASSETS

Petty Cash	600.00
Centennial Bank - Cash Account	220,995.30
Ameris Bank - Operating	2,548,453.70
Ameris Bank - Water Deposits	429,582.76
Ameris Bank - Sewer Deposits	257,276.91
Ameris Bank - Impact Fees	7,927,404.41
Hancock Bank - HNWS14 Bond Fund	158,144.01
Accounts Receivable	588,864.40
Unbilled Accounts Receivable	811,031.30
Accounts Receivable - Taps	43,752.17
Notes Receivable - FRUS	49,552.65
Current Portion - Note Receivable	17,489.00
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	53,670.48
Due From The Club At Hidden Creek	25,509.59
Due From Municipal Engineering Services	15,811.58
Allowance for Bad Debt	(25,000.00)
Materials Inventory	334,259.26
Deposits	11,048.50
Prepaid Insurance	101,535.07
Prepaid Expenses	31,729.10

TOTAL CURRENT ASSETS

13,862,410.42

OTHER ASSETS

Land	2,201,266.83
Water Distribution System	25,547,437.99
Sewer Facility	50,839,255.37
CIP - VT SCADA	31,875.00
Office and Storage -Main Office Building	801,040.08
Improvements O/T -Main Office	322,805.07
Office Equipment	246,490.63
Equipment	2,373,825.50
Telemetry	233,043.04
Trucks	1,761,504.75
Water Master Plan	26,360.00
Wastewater Master Plan	2,290.00
Investment in THE CLUB AT HIDDEN CREEK	2,769,282.74
Investment in MESI	767,333.00
Investment in JV FRUS	4,320,665.00
CIP - 2020 Water Master Plan	86,504.00
CIP - 2020 Wastewater Master Plan	38,443.76
CIP - Standby Generator Well 1	6,924.00
CIP - Standby Generator Well 3	6,924.00
CIP - BPS/GST Waterline Updgrades	10,629.50
CIP - Standby Generator Well 4&5	6,924.00
CIP - Hwy 87 L-S Upgrade	66,064.10
CIP - Well 4 Generator	19,791.60

CIP - Building Security	8,356.69	
CIP - Field Ops Warehouse 2	155,720.82	
CIP - Field Ops Office Building	195,547.31	
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	76,059.85	
CIP - Inflow & Infiltration	193,739.77	
CIP - SR 87 Booster Station & GST	195,565.10	
CIP - Eglin Reuse/RIBS	1,064,805.92	
CIP - Gulf Breeze Reuse	85,297.53	
CIP- SR30 Widening-Water Ortega-Okaloosa	573.72	
CIP- SR30 Widening-Sewer Ortega-Okaloosa	573.73	
CIP - General Lift Station Upgrades	216,804.13	
CIP - General Water Line Upgrades	12,612.57	
CIP - General Sewer Line Upgrades	15,943.11	
CIP - General WWTP Upgrades	42,933.17	
Bond Discounts	17,240.32	
Accum Amort - Bond Issue Costs	(7,515.96)	
Accum Amort - Bond Discount	(18,821.76)	
Accumulated Depreciation	(36,278,395.43)	
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TOTAL OTHER ASSETS		58,629,071.37
TOTAL ASSETS		<hr/> <hr/> 72,491,481.79

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	280,126.04
Accrued Accounts Payable	15,591.01
Bonds Payable - Current Portion	160,000.00
Regions Note Payable - Current Portion	151,690.00
Accrued Taxes	39,821.40
Accrued Compensated Absences	16,419.89
Federal W/H Taxes	8,000.00
Employee Deduction - Life Insurance	(53.34)
Employee Deduction - Child Support	17.25
Employee Deduction - 401K	278.38
Employee Deduction - Prepaid Legal	797.61
Employee Deduction - Supplemental Ins.	242.90
Accrued Interest Payable	92,158.81
Accrued Pension Contribution	705,328.12

TOTAL CURRENT LIABILITIES

1,470,418.07

LONG-TERM LIABILITIES

Water Deposits	361,940.28
Sewer Deposits	210,775.77
Net Pension Obligation	12,793,176.84
Lease Payable - Regions Bank	813,687.92
Loan Payable - CTA	5,775,000.00
Debt Issue Costs	(223,977.37)
Loan Discount	(81,344.25)
Bond Issue Costs	(0.46)
Accum Amort - Bond Issue Costs	47,798.28
Accum Amort - Bond Discount	17,240.32

TOTAL LONG-TERM LIABILITIES

19,714,297.33

TOTAL LIABILITIES

21,184,715.40

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	24,118,381.84
Contri-aid-Construction Sewer	41,899,642.22
Accum Amort - Construction	(25,555,310.12)
Membership Certificates	314,235.00
Contributed Capital	27,200.00
Capital Federal Grant	532,765.65
Unfunded Pension Liability	(12,241,654.92)
Retained Earnings	22,197,131.26
Year-to-Date Earnings	14,375.46

TOTAL CONTRIB/PROPRIETARY CAPITAL

51,306,766.39

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

72,491,481.79