

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month- and Year-to-Date, February 2022 - current month, Consolidated
by account

	<i>1 Month Ended</i>		<i>2 Months Ended</i>	
	<i>February 28, 2022</i>		<i>February 28, 2022</i>	
REVENUE				
Taps - Water	13,326.97	1.3 %	23,649.97	1.2 %
Water Sales	418,826.53	42.2 %	860,674.47	43.9 %
Penalties	4,617.51	0.5 %	9,946.71	0.5 %
Disconnect Fees	1,650.00	0.2 %	4,150.00	0.2 %
NSF Fees	1,300.00	0.1 %	2,450.00	0.1 %
Service Charge - Water	7,195.00	0.7 %	13,130.00	0.7 %
Handling Fees	4,219.03	0.4 %	8,703.42	0.4 %
Hydrant Meter Non-Refundable Setup Fee	150.00	0.0 %	150.00	0.0 %
Recovery of Bad Debt	233.72	0.0 %	233.72	0.0 %
Interest Income	668.11	0.1 %	1,398.17	0.1 %
Misc Revenue - Water	250.00	0.0 %	250.00	0.0 %
Misc Revenue - Cash Rebates	1,442.79	0.1 %	2,706.53	0.1 %
Reimbursement From FRUS	52,307.51	5.3 %	85,041.63	4.3 %
Taps - Sewer	23,264.64	2.3 %	35,814.24	1.8 %
Wastewater Sales	437,004.08	44.0 %	885,304.18	45.2 %
Misc Revenue - Wastewater	27,020.00	2.7 %	27,020.00	1.4 %
TOTAL REVENUE	993,475.89	100.0 %	1,960,623.04	100.0 %
***** TOTAL REVENUE	993,475.89	100.0 %	1,960,623.04	100.0 %
***** GROSS PROFIT	993,475.89	100.0 %	1,960,623.04	100.0 %
EXPENSES				
GENERAL & ADMINISTRATIVE EXPENSE				
Wages	293,651.96	29.6 %	600,479.10	30.6 %
Capitalized Labor	0.00	0.0 %	(17,194.06)	-0.9 %
Payroll Taxes	26,133.97	2.6 %	58,465.23	3.0 %
Group Insurance	105,798.38	10.6 %	205,550.00	10.5 %
Other Taxes/License/Dues	70.00	0.0 %	40,962.77	2.1 %
Computer Expense	2,678.75	0.3 %	3,143.83	0.2 %
Software Services/Licenses	12,921.68	1.3 %	34,674.56	1.8 %
SCADA/Radio Services	4,957.38	0.5 %	9,914.76	0.5 %
Supplies	199.88	0.0 %	3,276.82	0.2 %
Utilities	4,142.92	0.4 %	8,520.73	0.4 %
Repairs & Maintenance	0.00	0.0 %	510.00	0.0 %
Vehicle/Gas Expense	265.95	0.0 %	466.08	0.0 %

	<i>1 Month Ended</i> <i>February 28, 2022</i>		<i>2 Months Ended</i> <i>February 28, 2022</i>	
Education & Training	660.00	0.1 %	6,068.00	0.3 %
Travel Expense	0.00	0.0 %	7.50	0.0 %
Mileage	0.00	0.0 %	35.10	0.0 %
Office Equipment	29.65	0.0 %	805.57	0.0 %
Office Expense	16,375.58	1.6 %	27,179.58	1.4 %
BOD Related Expense	3,220.40	0.3 %	7,917.72	0.4 %
Postage	1,854.79	0.2 %	6,259.40	0.3 %
Insurance Expense	16,494.46	1.7 %	32,988.92	1.7 %
Legal Expense	10,568.63	1.1 %	17,988.63	0.9 %
Engineering Expense	3,219.25	0.3 %	6,063.25	0.3 %
Advertising Expense	859.00	0.1 %	1,810.96	0.1 %
Bad Debt	2,653.85	0.3 %	3,938.23	0.2 %
Bank Charges	2,094.94	0.2 %	4,036.78	0.2 %
Bond Issue-Administrative Fees	1,000.00	0.1 %	2,000.00	0.1 %
Professional Services	3,361.14	0.3 %	3,475.22	0.2 %
Landrum HR/Payroll Services	2,704.00	0.3 %	2,704.00	0.1 %
Payroll Services	1,821.75	0.2 %	3,096.50	0.2 %
Interest Expense	24,807.50	2.5 %	49,660.07	2.5 %
Uniform Expense	836.51	0.1 %	926.50	0.0 %
Charitable Contribution	1,000.00	0.1 %	1,000.00	0.1 %
CASH OVER/SHORT	0.00	0.0 %	72.00	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	544,382.32	54.8 %	1,126,803.75	57.5 %
DEPRECIATION & AMORTIZATION EXPENSE				
Amortization Expense	(111,859.58)	-11.3 %	(223,719.16)	-11.4 %
Depreciation Expense	206,561.24	20.8 %	408,808.60	20.9 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	94,701.66	9.5 %	185,089.44	9.4 %
WATER EXPENSE				
Supplies	531.47	0.1 %	1,961.85	0.1 %
Tools	204.55	0.0 %	322.51	0.0 %
Utilities	5,656.21	0.6 %	11,656.36	0.6 %
Chemicals	855.00	0.1 %	1,965.00	0.1 %
Repairs & Maintenance	14,479.14	1.5 %	28,533.16	1.5 %
Safety Supplies/Equipment	0.00	0.0 %	9,035.39	0.5 %
Vehicle Expense	1,862.62	0.2 %	3,044.91	0.2 %
Vehicle/Equipment Gas Expense	1,743.39	0.2 %	4,939.38	0.3 %
Water Testing	2,805.00	0.3 %	2,805.00	0.1 %
Water Purchases	252,657.64	25.4 %	252,657.64	12.9 %
Water Operations Expense	1,639.95	0.2 %	3,197.23	0.2 %
Engineering - MESI	1,026.00	0.1 %	1,026.00	0.1 %
Engineering - System	4,271.43	0.4 %	7,391.93	0.4 %
TOTAL WATER EXPENSE	287,732.40	29.0 %	328,536.36	16.8 %
WASTEWATER EXPENSE				
Computer Related Expense	318.34	0.0 %	318.34	0.0 %
Supplies	933.51	0.1 %	1,303.63	0.1 %
Supplies-Grinders	0.00	0.0 %	6.59	0.0 %

	<i>1 Month Ended</i> <i>February 28, 2022</i>		<i>2 Months Ended</i> <i>February 28, 2022</i>	
Tools	1,288.88	0.1 %	4,402.76	0.2 %
Utilities	51,247.84	5.2 %	90,361.35	4.6 %
Chemicals - Navarre Plant	2,137.50	0.2 %	6,997.50	0.4 %
Chemicals - Holley Plant	142.50	0.0 %	142.50	0.0 %
Polymers	3,461.93	0.3 %	7,055.80	0.4 %
Sewer Lab Equip/Supplies - Navarre Plant	702.74	0.1 %	1,626.60	0.1 %
Sewer Lab Equip/Supplies - Holley Plant	704.52	0.1 %	1,628.38	0.1 %
Repairs & Maintenance	18,259.74	1.8 %	38,798.40	2.0 %
Safety Supplies/Equipment	0.00	0.0 %	107.40	0.0 %
Sludge Removal Expense - Navarre Plant	7,150.00	0.7 %	12,650.00	0.6 %
Vehicle Expense	2,212.46	0.2 %	3,032.02	0.2 %
Vehicle/Equipment Gas Expense	4,435.89	0.4 %	8,429.98	0.4 %
Wastewater Testing - Navarre Plant	6,893.00	0.7 %	6,893.00	0.4 %
Wastewater Testing - Holley Plant	2,585.50	0.3 %	2,585.50	0.1 %
Plant Operations Expense - Navarre Plant	7,688.43	0.8 %	14,746.73	0.8 %
Engineering - MESI	1,839.00	0.2 %	1,839.00	0.1 %
Engineering - System	2,372.69	0.2 %	5,513.44	0.3 %
Uniform Expense	105.00	0.0 %	105.00	0.0 %
TOTAL WASTEWATER EXPENSE	114,479.47	11.5 %	208,543.92	10.6 %
TOTAL EXPENSES	1,041,295.85	104.8 %	1,848,973.47	94.3 %
***** OPERATING INCOME/LOSS	(47,819.96)	-4.8 %	111,649.57	5.7 %
*****	(47,819.96)	-4.8 %	111,649.57	5.7 %
***** NET INCOME/LOSS	(47,819.96)	-4.8 %	111,649.57	5.7 %

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

February 2022

ASSETS

CURRENT ASSETS

Petty Cash	600.00
Centennial Bank - Cash Account	275,777.96
Ameris Bank - Operating	2,685,826.83
Ameris Bank - Water Deposits	426,020.52
Ameris Bank - Sewer Deposits	257,152.14
Ameris Bank - Impact Fees	7,788,314.73
Hancock Bank - HNWS14 Bond Fund	225,420.75
Accounts Receivable	627,708.45
Unbilled Accounts Receivable	893,541.82
Accounts Receivable - Taps	38,292.21
Notes Receivable - FRUS	45,180.39
Current Portion - Note Receivable	17,489.00
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	53,573.91
Due From The Club At Hidden Creek	2,937.05
Due From Municipal Engineering Services	1,460.62
Allowance for Bad Debt	(25,000.00)
Materials Inventory	307,928.70
Deposits	11,048.50
Prepaid Insurance	68,546.15
Prepaid Expenses	67,760.96

TOTAL CURRENT ASSETS

14,030,280.92

OTHER ASSETS

Land	2,201,266.83
Water Distribution System	25,674,002.79
Sewer Facility	51,642,501.54
CIP - VT SCADA	61,000.00
Office and Storage -Main Office Building	951,020.34
Improvements O/T -Main Office	330,190.20
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	2,743,460.23
Investment in MESI	767,333.00
Investment in JV FRUS	4,320,665.00
CIP - 2020 Water Master Plan	94,085.00
CIP - 2020 Wastewater Master Plan	41,578.76
CIP - Standby Generator Well 1	6,924.00
CIP - Standby Generator Well 3	6,924.00
CIP - BPS/GST Waterline Updgrades	11,313.50
CIP - Standby Generator Well 4&5	6,924.00
CIP - Hwy 87 L-S Upgrade	67,318.10
CIP - Well 4 Generator	21,249.92

CIP - Building Security	8,356.69	
CIP - Field Ops Warehouse 2	165,831.32	
CIP - Field Ops Office Building	205,657.80	
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	74,827.14	
CIP - SR 87 Booster Station & GST	201,484.10	
CIP - Eglin Reuse/RIBS	1,096,760.52	
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	94,774.86	
CIP - General Water Line Upgrades	18,830.04	
CIP - General Sewer Line Upgrades	31,904.61	
CIP - General WWTP Upgrades	64,930.96	
Bond Discounts	17,240.32	
Accum Amort - Bond Issue Costs	(8,768.62)	
Accum Amort - Bond Discount	(19,273.60)	
Accumulated Depreciation	(36,687,204.03)	
TOTAL OTHER ASSETS		<u>59,184,478.89</u>
TOTAL ASSETS		<u><u>73,214,759.81</u></u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	347,488.31
Accrued Accounts Payable	40,981.12
Bonds Payable - Current Portion	160,000.00
Regions Note Payable - Current Portion	151,690.00
Accrued Taxes	58,075.84
Accrued Compensated Absences	16,419.89
Employee Deduction - Child Support	21.75
Employee Deduction - 401K	5,865.30
Employee Deduction - Prepaid Legal	1,987.62
Employee Deduction - Supplemental Ins.	1,957.32
Accrued Interest Payable	135,106.31
Accrued Pension Contribution	705,328.12

TOTAL CURRENT LIABILITIES

1,624,921.58

LONG-TERM LIABILITIES

Water Deposits	361,104.09
Sewer Deposits	210,756.86
Net Pension Obligation	12,793,176.84
Lease Payable - Regions Bank	786,672.91
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

19,686,427.22

TOTAL LIABILITIES

21,311,348.80

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	24,285,222.62
Contri-aid-Construction Sewer	42,389,722.19
Accum Amort - Construction	(25,780,733.78)
Membership Certificates	315,735.00
Contributed Capital	27,200.00
Capital Federal Grant	532,765.65
Unfunded Pension Liability	(12,241,654.92)
Retained Earnings	22,263,504.68
Year-to-Date Earnings	111,649.57

TOTAL CONTRIB/PROPRIETARY CAPITAL

51,903,411.01

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

73,214,759.81