

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

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

	<i>1 Month Ended</i> <i>March 31, 2022</i>		<i>3 Months Ended</i> <i>March 31, 2022</i>	
REVENUE				
Taps - Water	6,683.40	0.7 %	30,333.37	1.1 %
Water Sales	395,666.13	43.1 %	1,256,340.60	43.6 %
Penalties	5,684.89	0.6 %	15,631.60	0.5 %
Disconnect Fees	2,025.00	0.2 %	6,175.00	0.2 %
NSF Fees	1,100.00	0.1 %	3,550.00	0.1 %
Service Charge - Water	8,565.00	0.9 %	21,695.00	0.8 %
Handling Fees	4,827.60	0.5 %	13,531.02	0.5 %
Hydrant Meter Non-Refundable Setup Fee	300.00	0.0 %	450.00	0.0 %
Recovery of Bad Debt	165.84	0.0 %	399.56	0.0 %
Interest Income	723.71	0.1 %	2,121.88	0.1 %
Misc Revenue - Water	125.00	0.0 %	375.00	0.0 %
Misc Revenue - Cash Rebates	1,089.90	0.1 %	3,796.43	0.1 %
Reimbursement From FRUS	37,172.80	4.0 %	122,214.43	4.2 %
Taps - Sewer	21,551.46	2.3 %	57,365.70	2.0 %
Wastewater Sales	428,804.12	46.7 %	1,314,108.30	45.6 %
Misc Revenue - Wastewater	3,915.00	0.4 %	30,935.00	1.1 %
TOTAL REVENUE	<u>918,399.85</u>	100.0 %	<u>2,879,022.89</u>	100.0 %
***** TOTAL REVENUE	<u>918,399.85</u>	100.0 %	<u>2,879,022.89</u>	100.0 %
***** GROSS PROFIT	<u>918,399.85</u>	100.0 %	<u>2,879,022.89</u>	100.0 %
EXPENSES				
GENERAL & ADMINISTRATIVE EXPENSE				
Wages	342,747.29	37.3 %	943,226.39	32.8 %
Capitalized Labor	(5,737.81)	-0.6 %	(22,931.87)	-0.8 %
Payroll Taxes	23,683.09	2.6 %	82,148.32	2.9 %
Group Insurance	110,445.05	12.0 %	315,995.05	11.0 %
Net Periodic Pension Cost	40,427.48	4.4 %	40,427.48	1.4 %
401K - Professional Fees	300.00	0.0 %	300.00	0.0 %
Other Taxes/License/Dues	848.00	0.1 %	41,810.77	1.5 %
Computer Expense	1,293.84	0.1 %	4,437.67	0.2 %
Software Services/Licenses	13,350.92	1.5 %	48,025.48	1.7 %
SCADA/Radio Services	4,957.38	0.5 %	14,872.14	0.5 %
Supplies	2,368.82	0.3 %	5,645.64	0.2 %
Utilities	4,912.76	0.5 %	13,433.49	0.5 %

	<i>1 Month Ended</i> <i>March 31, 2022</i>		<i>3 Months Ended</i> <i>March 31, 2022</i>	
Repairs & Maintenance	395.00	0.0 %	905.00	0.0 %
Safety Supplies/Equipment	445.23	0.0 %	445.23	0.0 %
Vehicle/Gas Expense	894.61	0.1 %	1,360.69	0.0 %
Education & Training	527.48	0.1 %	6,595.48	0.2 %
Travel Expense	63.50	0.0 %	71.00	0.0 %
Mileage	17.55	0.0 %	52.65	0.0 %
Office Equipment	1,061.89	0.1 %	1,867.46	0.1 %
Office Expense	7,474.46	0.8 %	34,654.04	1.2 %
BOD Related Expense	715.71	0.1 %	8,633.43	0.3 %
Postage	450.95	0.0 %	6,710.35	0.2 %
Insurance Expense	16,494.46	1.8 %	49,483.38	1.7 %
Legal Expense	13,067.50	1.4 %	31,056.13	1.1 %
Accounting/Auditing Expense	31,500.00	3.4 %	31,500.00	1.1 %
Engineering Expense	4,917.75	0.5 %	10,981.00	0.4 %
Advertising Expense	1,226.10	0.1 %	3,037.06	0.1 %
Bad Debt	725.77	0.1 %	4,664.00	0.2 %
Bank Charges	2,556.79	0.3 %	6,593.57	0.2 %
Bond Issue-Administrative Fees	1,000.00	0.1 %	3,000.00	0.1 %
Professional Services	2,157.10	0.2 %	5,632.32	0.2 %
Landrum HR/Payroll Services	0.00	0.0 %	2,704.00	0.1 %
Payroll Services	1,279.75	0.1 %	4,376.25	0.2 %
Interest Expense	26,067.02	2.8 %	75,727.09	2.6 %
Uniform Expense	510.85	0.1 %	1,437.35	0.0 %
Charitable Contribution	864.75	0.1 %	1,864.75	0.1 %
CASH OVER/SHORT	0.00	0.0 %	72.00	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	654,011.04	71.2 %	1,780,814.79	61.9 %
DEPRECIATION & AMORTIZATION EXPENSE				
Amortization Expense	(109,747.08)	-11.9 %	(333,466.24)	-11.6 %
Depreciation Expense	206,561.24	22.5 %	615,369.84	21.4 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	96,814.16	10.5 %	281,903.60	9.8 %
WATER EXPENSE				
Supplies	4,334.61	0.5 %	6,296.46	0.2 %
Tools	905.74	0.1 %	1,228.25	0.0 %
Utilities	11,648.93	1.3 %	23,305.29	0.8 %
Chemicals	2,422.50	0.3 %	4,387.50	0.2 %
Repairs & Maintenance	24,772.80	2.7 %	53,305.96	1.9 %
Safety Supplies/Equipment	3,542.30	0.4 %	12,577.69	0.4 %
General Equipment - Distribution System	198.90	0.0 %	198.90	0.0 %
Vehicle Expense	5,530.68	0.6 %	8,575.59	0.3 %
Vehicle/Equipment Gas Expense	5,352.38	0.6 %	10,291.76	0.4 %
Water Testing	1,116.00	0.1 %	3,921.00	0.1 %
Water Purchases	132,137.50	14.4 %	384,795.14	13.4 %
Water Operations Expense	128.45	0.0 %	3,325.68	0.1 %
Groundskeeping Expense	1,242.50	0.1 %	1,242.50	0.0 %
Engineering - MESI	456.00	0.0 %	1,482.00	0.1 %
Engineering - System	2,553.82	0.3 %	9,945.75	0.3 %

	<i>1 Month Ended</i> <i>March 31, 2022</i>		<i>3 Months Ended</i> <i>March 31, 2022</i>	
TOTAL WATER EXPENSE	196,343.11	21.4 %	524,879.47	18.2 %
WASTEWATER EXPENSE				
Computer Related Expense	156.19	0.0 %	474.53	0.0 %
Supplies	2,758.40	0.3 %	4,062.03	0.1 %
Supplies-Grinders	0.00	0.0 %	6.59	0.0 %
Tools	2,453.78	0.3 %	6,856.54	0.2 %
Utilities	63,186.23	6.9 %	153,547.58	5.3 %
Chemicals - Navarre Plant	10,260.00	1.1 %	17,257.50	0.6 %
Chemicals - Holley Plant	0.00	0.0 %	142.50	0.0 %
Polymers	3,687.41	0.4 %	10,743.21	0.4 %
Sewer Lab Equip/Supplies - Navarre Plant	0.00	0.0 %	1,626.60	0.1 %
Sewer Lab Equip/Supplies - Holley Plant	1,511.95	0.2 %	3,140.33	0.1 %
Repairs & Maintenance	41,082.97	4.5 %	79,881.37	2.8 %
General Equipment - Collection System	198.91	0.0 %	198.91	0.0 %
Safety Supplies/Equipment	3,939.32	0.4 %	4,046.72	0.1 %
Sludge Removal Expense - Navarre Plant	28,745.40	3.1 %	41,395.40	1.4 %
Vehicle Expense	3,518.09	0.4 %	6,550.11	0.2 %
Vehicle/Equipment Gas Expense	9,265.13	1.0 %	17,695.11	0.6 %
Wastewater Testing - Navarre Plant	2,328.00	0.3 %	9,221.00	0.3 %
Wastewater Testing - Holley Plant	1,367.00	0.1 %	3,952.50	0.1 %
Plant Operations Expense - Navarre Plant	165.46	0.0 %	14,912.19	0.5 %
Groundskeeping Expense	6,514.50	0.7 %	6,514.50	0.2 %
Engineering - MESI	517.50	0.1 %	2,356.50	0.1 %
Engineering - System	3,319.35	0.4 %	8,832.79	0.3 %
Uniform Expense	475.84	0.1 %	580.84	0.0 %
TOTAL WASTEWATER EXPENSE	185,451.43	20.2 %	393,995.35	13.7 %
TOTAL EXPENSES	1,132,619.74	123.3 %	2,981,593.21	103.6 %
***** OPERATING INCOME/LOSS	(214,219.89)	-23.3 %	(102,570.32)	-3.6 %
*****	(214,219.89)	-23.3 %	(102,570.32)	-3.6 %
***** NET INCOME/LOSS	(214,219.89)	-23.3 %	(102,570.32)	-3.6 %

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

March 2022

ASSETS

CURRENT ASSETS

Petty Cash	600.00
Centennial Bank - Cash Account	303,393.51
Ameris Bank - Operating	2,616,381.53
Ameris Bank - Water Deposits	426,180.52
Ameris Bank - Sewer Deposits	257,692.14
Ameris Bank - Impact Fees	7,874,027.35
Hancock Bank - HNWS14 Bond Fund	259,059.99
Accounts Receivable	547,634.87
Unbilled Accounts Receivable	893,541.82
Accounts Receivable - Taps	36,491.01
Notes Receivable - FRUS	43,722.97
Current Portion - Note Receivable	17,489.00
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	42,901.88
Due From The Club At Hidden Creek	2,281.56
Due From Municipal Engineering Services	336.07
Allowance for Bad Debt	(25,000.00)
Materials Inventory	338,300.70
Deposits	11,048.50
Prepaid Insurance	52,051.69
Prepaid Expenses	53,165.82

TOTAL CURRENT ASSETS

14,012,001.16

OTHER ASSETS

Land	2,201,266.83
Water Distribution System	25,683,593.02
Sewer Facility	51,669,262.79
CIP - VT SCADA	61,000.00
Office and Storage -Main Office Building	1,134,037.07
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	2,601,823.23
Investment in MESI	928,995.00
Investment in JV FRUS	4,895,440.00
CIP - 2020 Water Master Plan	96,593.00
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	11,655.50
CIP - Standby Generator Well 4&5	6,924.00
CIP - Hwy 87 L-S Upgrade	73,530.90
CIP - Well 4 Generator	21,249.92

CIP - Building Security	8,356.69	
CIP - Field Ops Warehouse 2	175,779.10	
CIP - Mechanic Shop at Navarre WWTP	5,400.00	
CIP - Field Ops Office Building	215,605.58	
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	76,213.14	
CIP - SR 87 Booster Station & GST	204,448.10	
CIP - Eglin Reuse/RIBS	1,113,364.94	
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	98,019.96	
CIP - General Water Line Upgrades	18,854.84	
CIP - General Sewer Line Upgrades	16,851.61	
CIP - General WWTP Upgrades	71,059.46	
Bond Discounts	17,240.32	
Accum Amort - Bond Issue Costs	(9,394.95)	
Accum Amort - Bond Discount	(19,499.52)	
Accumulated Depreciation	(36,893,765.27)	
Pension Liability - Current Portion	(250,000.00)	
TOTAL OTHER ASSETS		<u>59,590,891.79</u>
TOTAL ASSETS		<u><u>73,602,892.95</u></u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	644,153.21
Bonds Payable - Current Portion	160,000.00
Regions Note Payable - Current Portion	151,690.00
Accrued Taxes	102,376.88
Accrued Compensated Absences	16,419.89
Employee Deduction - Child Support	24.00
Employee Deduction - 401K	278.38
Employee Deduction - Prepaid Legal	2,590.22
Employee Deduction - Supplemental Ins.	3,097.80
Accrued Interest Payable	156,580.06
Accrued Pension Contribution	0.12

TOTAL CURRENT LIABILITIES	1,237,210.56
---------------------------	--------------

LONG-TERM LIABILITIES

Water Deposits	360,304.09
Sewer Deposits	210,856.86
Net Pension Obligation	6,653,148.84
Lease Payable - Regions Bank	773,094.45
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	13,532,120.76
-----------------------------	---------------

TOTAL LIABILITIES	14,769,331.32
-------------------	---------------

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	24,300,817.22
Contri-aid-Construction Sewer	42,440,008.93
Accum Amort - Construction	(26,213,164.61)
Membership Certificates	316,780.00
Contributed Capital	27,200.00
Capital Federal Grant	532,765.65
Unfunded Pension Liability	(5,454,155.92)
Retained Earnings	22,985,880.68
Year-to-Date Earnings	(102,570.32)

TOTAL CONTRIB/PROPRIETARY CAPITAL	58,833,561.63
-----------------------------------	---------------

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL	73,602,892.95
---	---------------