

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month- and Year-to-Date, May 2022

	<i>1 Month Ended</i>		<i>5 Months Ended</i>	
	<i>May 31, 2022</i>		<i>May 31, 2022</i>	
REVENUE				
Taps - Water	33,444.89	2.9 %	68,557.26	1.4 %
Water Sales	502,804.53	44.0 %	2,230,687.99	44.4 %
Penalties	4,905.74	0.4 %	25,191.06	0.5 %
Disconnect Fees	1,950.00	0.2 %	10,625.00	0.2 %
NSF Fees	1,450.00	0.1 %	6,050.00	0.1 %
Service Charge - Water	7,710.00	0.7 %	35,995.00	0.7 %
Handling Fees	4,570.80	0.4 %	22,529.22	0.4 %
Hydrant Meter Non-Refundable Setup Fee	900.00	0.1 %	1,500.00	0.0 %
Recovery of Bad Debt	457.16	0.0 %	902.36	0.0 %
Interest Income	727.55	0.1 %	3,544.90	0.1 %
Misc Revenue - Water	125.00	0.0 %	500.00	0.0 %
Misc Revenue - Cash Rebates	2,044.34	0.2 %	5,971.66	0.1 %
Reimbursement From FRUS	47,398.66	4.1 %	204,146.57	4.1 %
Taps - Sewer	55,714.68	4.9 %	125,092.38	2.5 %
Wastewater Sales	478,406.85	41.9 %	2,256,663.67	44.9 %
Misc Revenue - Wastewater	125.00	0.0 %	31,060.00	0.6 %
TOTAL REVENUE	1,142,735.20	100.0 %	5,029,017.07	100.0 %
***** TOTAL REVENUE	1,142,735.20	100.0 %	5,029,017.07	100.0 %
***** GROSS PROFIT	1,142,735.20	100.0 %	5,029,017.07	100.0 %
EXPENSES				
GENERAL & ADMINISTRATIVE EXPENSE				
Wages	297,359.61	26.0 %	1,522,735.09	30.3 %
Capitalized Labor	(6,555.89)	-0.6 %	(29,487.76)	-0.6 %
Payroll Taxes	20,425.79	1.8 %	123,729.77	2.5 %
Group Insurance	96,904.79	8.5 %	522,800.86	10.4 %
Net Periodic Pension Cost	0.00	0.0 %	61,454.09	1.2 %
Pension - Professional Fees	0.00	0.0 %	4,826.00	0.1 %
401K - Professional Fees	(300.00)	0.0 %	145.00	0.0 %
Other Taxes/License/Dues	1,345.50	0.1 %	43,903.73	0.9 %
Computer Expense	4,264.67	0.4 %	9,888.67	0.2 %
Software Services/Licenses	12,865.62	1.1 %	76,848.29	1.5 %
SCADA/Radio Services	4,957.38	0.4 %	24,786.90	0.5 %
Supplies	1,823.61	0.2 %	9,551.93	0.2 %

	<i>1 Month Ended</i>		<i>5 Months Ended</i>	
	<i>May 31, 2022</i>		<i>May 31, 2022</i>	
Utilities	4,352.82	0.4 %	21,360.13	0.4 %
Repairs & Maintenance	3,693.52	0.3 %	4,659.60	0.1 %
Safety Supplies/Equipment	0.00	0.0 %	721.77	0.0 %
Vehicle/Gas Expense	893.17	0.1 %	2,813.63	0.1 %
Education & Training	208.55	0.0 %	11,139.96	0.2 %
Travel Expense	15.00	0.0 %	118.63	0.0 %
Mileage	202.64	0.0 %	255.29	0.0 %
Office Equipment	318.99	0.0 %	2,345.45	0.0 %
Office Expense	21,579.24	1.9 %	64,689.86	1.3 %
BOD Related Expense	952.27	0.1 %	10,809.70	0.2 %
Groundskeeping Expense	714.44	0.1 %	714.44	0.0 %
Postage	13,954.20	1.2 %	20,788.86	0.4 %
Insurance Expense	16,494.46	1.4 %	82,688.50	1.6 %
Legal Expense	6,053.75	0.5 %	47,574.88	0.9 %
Accounting/Auditing Expense	0.00	0.0 %	31,500.00	0.6 %
Engineering Expense	2,784.75	0.2 %	18,723.00	0.4 %
Advertising Expense	0.00	0.0 %	3,037.06	0.1 %
Bad Debt	730.21	0.1 %	8,150.23	0.2 %
Bank Charges	2,512.84	0.2 %	11,302.42	0.2 %
Bond Issue-Administrative Fees	1,000.00	0.1 %	6,650.00	0.1 %
Professional Services	1,412.11	0.1 %	7,703.14	0.2 %
Landrum HR/Payroll Services	0.00	0.0 %	2,704.00	0.1 %
Payroll Services	1,226.75	0.1 %	6,796.75	0.1 %
Interest Expense	24,903.85	2.2 %	126,092.37	2.5 %
Uniform Expense	525.05	0.0 %	1,927.08	0.0 %
Charitable Contribution	0.00	0.0 %	2,364.75	0.0 %
CASH OVER/SHORT	0.00	0.0 %	72.03	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	537,619.69	47.0 %	2,868,886.10	57.0 %
DEPRECIATION & AMORTIZATION EXPENSE				
Amortization Expense	(111,859.58)	-9.8 %	(559,297.90)	-11.1 %
Depreciation Expense	206,561.24	18.1 %	1,028,492.32	20.5 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	94,701.66	8.3 %	469,194.42	9.3 %
WATER EXPENSE				
Computer Related Expense	741.10	0.1 %	780.93	0.0 %
Supplies	1,006.28	0.1 %	8,703.49	0.2 %
Tools	444.93	0.0 %	2,203.53	0.0 %
Utilities	11,903.72	1.0 %	41,733.13	0.8 %
Chemicals	5,346.00	0.5 %	10,161.00	0.2 %
Repairs & Maintenance	9,002.46	0.8 %	78,693.76	1.6 %
Safety Supplies/Equipment	156.88	0.0 %	13,876.56	0.3 %
General Equipment - Distribution System	0.00	0.0 %	395.80	0.0 %
Vehicle Expense	3,824.37	0.3 %	17,040.43	0.3 %
Vehicle/Equipment Gas Expense	4,723.37	0.4 %	18,784.41	0.4 %
Water Testing	1,408.00	0.1 %	7,004.00	0.1 %
Water Purchases	132,137.50	11.6 %	644,807.64	12.8 %
Water Operations Expense	128.45	0.0 %	3,699.58	0.1 %

	<i>1 Month Ended</i>		<i>5 Months Ended</i>	
	<i>May 31, 2022</i>		<i>May 31, 2022</i>	
Groundskeeping Expense	714.44	0.1 %	3,199.44	0.1 %
Engineering - MESI	228.00	0.0 %	2,280.00	0.0 %
Engineering - System	2,192.87	0.2 %	15,199.86	0.3 %
Uniform Expense	217.10	0.0 %	217.10	0.0 %
TOTAL WATER EXPENSE	174,175.47	15.2 %	868,780.66	17.3 %
WASTEWATER EXPENSE				
Computer Related Expense	1,049.25	0.1 %	1,678.33	0.0 %
Supplies	1,686.53	0.1 %	7,971.66	0.2 %
Supplies-Grinders	0.00	0.0 %	6.59	0.0 %
Tools	1,436.71	0.1 %	11,309.94	0.2 %
Utilities	49,833.73	4.4 %	250,188.96	5.0 %
Chemicals - Navarre Plant	11,368.00	1.0 %	28,625.50	0.6 %
Chemicals - Holley Plant	810.00	0.1 %	968.49	0.0 %
Polymers	1,807.78	0.2 %	16,159.52	0.3 %
Sewer Lab Equip/Supplies - Navarre Plant	0.00	0.0 %	1,638.59	0.0 %
Sewer Lab Equip/Supplies - Holley Plant	276.64	0.0 %	3,416.97	0.1 %
Repairs & Maintenance	37,904.41	3.3 %	122,034.34	2.4 %
General Equipment - Collection System	0.00	0.0 %	395.81	0.0 %
Safety Supplies/Equipment	120.75	0.0 %	5,309.45	0.1 %
Sludge Removal Expense - Navarre Plant	8,123.70	0.7 %	35,146.40	0.7 %
Vehicle Expense	2,643.25	0.2 %	11,904.44	0.2 %
Vehicle/Equipment Gas Expense	5,688.80	0.5 %	30,972.68	0.6 %
Wastewater Testing - Navarre Plant	2,961.00	0.3 %	14,352.00	0.3 %
Wastewater Testing - Holley Plant	1,166.00	0.1 %	6,192.50	0.1 %
Plant Operations Expense - Navarre Plant	260.46	0.0 %	15,689.11	0.3 %
Groundskeeping Expense	7,491.67	0.7 %	20,520.67	0.4 %
Engineering - MESI	456.00	0.0 %	3,382.50	0.1 %
Engineering - System	2,074.39	0.2 %	13,454.94	0.3 %
Professional Services	0.00	0.0 %	900.00	0.0 %
Uniform Expense	792.90	0.1 %	1,413.73	0.0 %
TOTAL WASTEWATER EXPENSE	137,951.97	12.1 %	603,633.12	12.0 %
TOTAL EXPENSES	944,448.79	82.6 %	4,810,494.30	95.7 %
***** OPERATING INCOME/LOSS	198,286.41	17.4 %	218,522.77	4.3 %
*****	198,286.41	17.4 %	218,522.77	4.3 %
***** NET INCOME/LOSS	198,286.41	17.4 %	218,522.77	4.3 %

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

May 2022

ASSETS

CURRENT ASSETS

Petty Cash	600.00
Centennial Bank - Cash Account	268,199.55
Ameris Bank - Operating	2,270,545.59
Ameris Bank - Water Deposits	425,750.52
Ameris Bank - Sewer Deposits	258,717.14
Ameris Bank - Impact Fees	7,528,050.65
Hancock Bank - HNWS14 Bond Fund	42,120.04
Accounts Receivable	1,600,128.36
Accounts Receivable - Taps	33,252.95
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	92,095.92
Due From The Club At Hidden Creek	18,384.53
Due From Municipal Engineering Services	571.96
Allowance for Bad Debt	(25,000.00)
Materials Inventory	367,851.30
Deposits	11,048.50
Prepaid Insurance	19,062.77
Prepaid Expenses	63,424.12

TOTAL CURRENT ASSETS

13,235,504.13

OTHER ASSETS

Land	2,201,266.83
Water Distribution System	25,707,327.53
Sewer Facility	51,748,472.13
CIP - VT SCADA	61,318.99
Office and Storage -Main Office Building	1,628,659.18
Improvements O/T -Main Office	330,190.20
Office Equipment	246,490.63
Equipment	2,385,851.67
Telemetry	233,043.04
Trucks	2,186,504.75
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	100,241.00
CIP - 2020 Wastewater Master Plan	42,034.76
CIP - Standby Generator Well 1	6,924.00
CIP - Standby Generator Well 3	6,924.00
CIP - BPS/GST Waterline Updgrades	12,820.75
CIP - Standby Generator Well 4&5	6,924.00
CIP - Hwy 87 L-S Upgrade	73,530.90
CIP - Well 4 Generator	19,791.60
CIP - Building Security	8,356.69
CIP - Field Ops Warehouse 2	176,206.25
CIP - Mechanic Shop at Navarre WWTP	21,992.00

CIP - Field Ops Office Building	216,032.73	
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	138,811.64	
CIP - SR 87 Booster Station & GST	246,509.90	
CIP - Eglin Reuse/RIBS	1,187,544.35	
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	130,107.02	
CIP - General Water Line Upgrades	17,525.57	
CIP - General Sewer Line Upgrades	17,852.86	
CIP - General WWTP Upgrades	128,540.89	
Bond Issue Costs	6,970.00	
Bond Discounts	17,240.32	
Accum Amort - Bond Issue Costs	(10,647.61)	
Accum Amort - Bond Discount	(19,951.36)	
Accumulated Depreciation	(37,306,887.75)	
Pension Liability - Current Portion	(250,000.00)	
TOTAL OTHER ASSETS		<u>60,507,283.34</u>
TOTAL ASSETS		<u>73,742,787.47</u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	668,402.34
Bonds Payable - Current Portion	160,000.00
Regions Note Payable - Current Portion	151,690.00
Accrued Taxes	138,024.95
Accrued Compensated Absences	16,419.89
Employee Deduction - Child Support	28.50
Employee Deduction - 401K	278.38
Employee Deduction - Prepaid Legal	140.68
Employee Deduction - Supplemental Ins.	4,805.36
Employee Deduction - Gym	(155.99)
Accrued Interest Payable	80,218.18

TOTAL CURRENT LIABILITIES	1,219,852.29
---------------------------	--------------

LONG-TERM LIABILITIES

Water Deposits	363,179.09
Sewer Deposits	213,126.86
Net Pension Obligation	6,653,148.84
Lease Payable - Regions Bank	745,794.78
Loan Payable - CTA	5,610,000.00
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	13,344,966.09
-----------------------------	---------------

TOTAL LIABILITIES	14,564,818.38
-------------------	---------------

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	24,390,006.33
Contri-aid-Construction Sewer	42,598,037.85
Accum Amort - Construction	(26,438,588.27)
Membership Certificates	318,300.00
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	218,522.77

TOTAL CONTRIB/PROPRIETARY CAPITAL	59,177,969.09
-----------------------------------	---------------

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL	73,742,787.47
---	---------------