

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month- and Year-to-Date, June 2022

	<i>1 Month Ended</i>		<i>6 Months Ended</i>	
	<i>June 30, 2022</i>		<i>June 30, 2022</i>	
REVENUE				
Taps - Water	11,076.75	1.1 %	79,634.01	1.3 %
Water Sales	488,271.82	46.7 %	2,718,959.81	44.8 %
Penalties	5,002.56	0.5 %	30,193.62	0.5 %
Disconnect Fees	2,600.00	0.2 %	13,225.00	0.2 %
NSF Fees	1,150.00	0.1 %	7,200.00	0.1 %
Service Charge - Water	9,875.00	0.9 %	45,870.00	0.8 %
Handling Fees	4,447.50	0.4 %	26,976.72	0.4 %
Hydrant Meter Non-Refundable Setup Fee	150.00	0.0 %	1,650.00	0.0 %
Recovery of Bad Debt	63.37	0.0 %	965.73	0.0 %
Interest Income	664.05	0.1 %	4,208.95	0.1 %
Misc Revenue - Water	125.00	0.0 %	625.00	0.0 %
Misc Revenue - Cash Rebates	2,711.31	0.3 %	8,682.97	0.1 %
Reimbursement From FRUS	35,618.25	3.4 %	239,764.82	3.9 %
Taps - Sewer	20,256.60	1.9 %	145,348.98	2.4 %
Wastewater Sales	468,437.35	44.8 %	2,725,101.02	44.9 %
Misc Revenue - Wastewater	(5,722.12)	-0.5 %	25,337.88	0.4 %
TOTAL REVENUE	1,044,727.44	100.0 %	6,073,744.51	100.0 %
***** TOTAL REVENUE	1,044,727.44	100.0 %	6,073,744.51	100.0 %
***** GROSS PROFIT	1,044,727.44	100.0 %	6,073,744.51	100.0 %
EXPENSES				
GENERAL & ADMINISTRATIVE EXPENSE				
Wages	308,641.61	29.5 %	1,831,376.70	30.2 %
Capitalized Labor	0.00	0.0 %	(29,487.76)	-0.5 %
Payroll Taxes	21,375.44	2.0 %	145,105.21	2.4 %
Group Insurance	102,520.83	9.8 %	625,321.69	10.3 %
Net Periodic Pension Cost	0.00	0.0 %	61,454.09	1.0 %
Pension - Professional Fees	7,176.00	0.7 %	12,002.00	0.2 %
401K - Professional Fees	911.18	0.1 %	1,056.18	0.0 %
Other Taxes/License/Dues	19.00	0.0 %	43,922.73	0.7 %
Computer Expense	15,384.43	1.5 %	25,273.10	0.4 %
Software Services/Licenses	12,238.00	1.2 %	89,086.29	1.5 %
SCADA/Radio Services	4,957.38	0.5 %	29,744.28	0.5 %
Supplies	1,711.50	0.2 %	11,263.43	0.2 %

	<i>1 Month Ended</i>		<i>6 Months Ended</i>	
	<i>June 30, 2022</i>		<i>June 30, 2022</i>	
Utilities	4,355.90	0.4 %	25,716.03	0.4 %
Repairs & Maintenance	6,206.33	0.6 %	10,865.93	0.2 %
Safety Supplies/Equipment	245.43	0.0 %	967.20	0.0 %
Vehicle/Gas Expense	935.91	0.1 %	3,749.54	0.1 %
Education & Training	100.00	0.0 %	11,239.96	0.2 %
Travel Expense	8.00	0.0 %	126.63	0.0 %
Mileage	2.93	0.0 %	258.22	0.0 %
Office Equipment	0.00	0.0 %	2,345.45	0.0 %
Office Expense	14,040.61	1.3 %	78,730.47	1.3 %
BOD Related Expense	1,200.41	0.1 %	12,010.11	0.2 %
Groundskeeping Expense	357.22	0.0 %	1,071.66	0.0 %
Postage	4,200.47	0.4 %	24,989.33	0.4 %
Insurance Expense	16,494.42	1.6 %	99,182.92	1.6 %
Legal Expense	8,021.90	0.8 %	55,596.78	0.9 %
Accounting/Auditing Expense	0.00	0.0 %	31,500.00	0.5 %
Engineering Expense	4,582.00	0.4 %	23,305.00	0.4 %
Advertising Expense	2,230.50	0.2 %	5,267.56	0.1 %
Bad Debt	1,102.15	0.1 %	9,252.38	0.2 %
Bank Charges	2,365.70	0.2 %	13,668.12	0.2 %
Bond Issue-Administrative Fees	1,000.00	0.1 %	7,650.00	0.1 %
Professional Services	2,761.66	0.3 %	10,464.80	0.2 %
Landrum HR/Payroll Services	0.00	0.0 %	2,704.00	0.0 %
Payroll Services	1,309.25	0.1 %	8,106.00	0.1 %
Interest Expense	24,614.94	2.4 %	150,707.31	2.5 %
Uniform Expense	487.72	0.0 %	2,414.80	0.0 %
Charitable Contribution	0.00	0.0 %	2,364.75	0.0 %
CASH OVER/SHORT	2.00	0.0 %	74.03	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	571,560.82	54.7 %	3,440,446.92	56.6 %
DEPRECIATION & AMORTIZATION EXPENSE				
Amortization Expense	(111,859.58)	-10.7 %	(671,157.48)	-11.1 %
Depreciation Expense	206,561.24	19.8 %	1,235,053.56	20.3 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	94,701.66	9.1 %	563,896.08	9.3 %
WATER EXPENSE				
Computer Related Expense	433.14	0.0 %	1,214.07	0.0 %
Supplies	2,452.13	0.2 %	11,155.62	0.2 %
Tools	471.91	0.0 %	2,675.44	0.0 %
Utilities	8,795.39	0.8 %	50,528.52	0.8 %
Chemicals	3,570.00	0.3 %	13,731.00	0.2 %
Repairs & Maintenance	27,597.85	2.6 %	106,291.61	1.8 %
Equipment Rental	75.00	0.0 %	75.00	0.0 %
Safety Supplies/Equipment	556.74	0.1 %	14,433.30	0.2 %
General Equipment - Distribution System	1,147.27	0.1 %	1,543.07	0.0 %
Vehicle Expense	4,941.85	0.5 %	21,982.28	0.4 %
Vehicle/Equipment Gas Expense	6,607.41	0.6 %	25,391.82	0.4 %
Water Testing	1,133.00	0.1 %	8,137.00	0.1 %
Water Purchases	127,875.00	12.2 %	772,682.64	12.7 %

	<i>1 Month Ended</i>		<i>6 Months Ended</i>	
	<i>June 30, 2022</i>		<i>June 30, 2022</i>	
Water Operations Expense	307.46	0.0 %	4,007.04	0.1 %
Groundskeeping Expense	1,071.66	0.1 %	4,271.10	0.1 %
Engineering - MESI	0.00	0.0 %	2,280.00	0.0 %
Engineering - System	2,014.49	0.2 %	17,214.35	0.3 %
Uniform Expense	0.00	0.0 %	217.10	0.0 %
TOTAL WATER EXPENSE	189,050.30	18.1 %	1,057,830.96	17.4 %
WASTEWATER EXPENSE				
Computer Related Expense	601.45	0.1 %	2,279.78	0.0 %
Supplies	2,960.78	0.3 %	10,932.44	0.2 %
Supplies-Grinders	0.00	0.0 %	6.59	0.0 %
Tools	3,240.33	0.3 %	14,550.27	0.2 %
Utilities	51,185.94	4.9 %	301,374.90	5.0 %
Chemicals - Navarre Plant	7,882.00	0.8 %	36,507.50	0.6 %
Chemicals - Holley Plant	357.00	0.0 %	1,325.49	0.0 %
Polymers	3,683.48	0.4 %	19,843.00	0.3 %
Sewer Lab Equip/Supplies - Navarre Plant	0.00	0.0 %	1,638.59	0.0 %
Sewer Lab Equip/Supplies - Holley Plant	0.00	0.0 %	3,416.97	0.1 %
Repairs & Maintenance	21,570.46	2.1 %	143,604.80	2.4 %
General Equipment - Collection System	1,147.27	0.1 %	1,543.08	0.0 %
Safety Supplies/Equipment	1,386.01	0.1 %	6,695.46	0.1 %
Sludge Removal Expense - Navarre Plant	11,873.10	1.1 %	47,019.50	0.8 %
Vehicle Expense	5,359.78	0.5 %	17,264.22	0.3 %
Vehicle/Equipment Gas Expense	7,916.14	0.8 %	38,888.82	0.6 %
Wastewater Testing - Navarre Plant	2,388.00	0.2 %	16,740.00	0.3 %
Wastewater Testing - Holley Plant	1,166.00	0.1 %	7,358.50	0.1 %
Plant Operations Expense - Navarre Plant	249.46	0.0 %	15,938.57	0.3 %
Groundskeeping Expense	7,491.67	0.7 %	28,012.34	0.5 %
Engineering - MESI	117.00	0.0 %	3,499.50	0.1 %
Engineering - System	2,271.26	0.2 %	15,726.20	0.3 %
Professional Services	0.00	0.0 %	900.00	0.0 %
Uniform Expense	56.91	0.0 %	1,470.64	0.0 %
TOTAL WASTEWATER EXPENSE	132,904.04	12.7 %	736,537.16	12.1 %
TOTAL EXPENSES	988,216.82	94.6 %	5,798,711.12	95.5 %
***** OPERATING INCOME/LOSS	56,510.62	5.4 %	275,033.39	4.5 %
*****	56,510.62	5.4 %	275,033.39	4.5 %
***** NET INCOME/LOSS	56,510.62	5.4 %	275,033.39	4.5 %

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

June 2022

ASSETS

CURRENT ASSETS

Petty Cash	600.00
Centennial Bank - Cash Account	274,717.32
Ameris Bank - Operating	1,663,256.90
Ameris Bank - Water Deposits	428,995.52
Ameris Bank - Sewer Deposits	261,912.14
Ameris Bank - Impact Fees	7,736,401.68
Hancock Bank - HNWS14 Bond Fund	75,779.65
Accounts Receivable	1,625,266.56
Accounts Receivable - Taps	31,422.87
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	96,284.12
Due From The Club At Hidden Creek	21,251.36
Due From Municipal Engineering Services	7,237.84
Allowance for Bad Debt	(25,000.00)
Materials Inventory	386,606.32
Deposits	11,048.50
Prepaid Insurance	2,568.35
Prepaid Expenses	49,101.15

TOTAL CURRENT ASSETS

12,908,150.51

OTHER ASSETS

Land	2,201,266.83
Water Distribution System	25,722,810.86
Sewer Facility	51,753,211.63
CIP - VT SCADA	61,318.99
Office and Storage -Main Office Building	1,799,564.68
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	19,104.51
CIP - Standby Generator Well 3	19,104.51
CIP - BPS/GST Waterline Updgrades	12,820.75
CIP - Standby Generator Well 4&5	21,294.02
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	275,806.64	
CIP - SR 87 Booster Station & GST	284,954.76	
CIP - Eglin Reuse/RIBS	1,193,957.52	
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	156,823.52	
CIP - General Water Line Upgrades	17,525.57	
CIP - General Sewer Line Upgrades	30,646.54	
CIP - General WWTP Upgrades	157,336.51	
Bond Issue Costs	10,265.00	
Bond Discounts	17,240.32	
Accum Amort - Bond Issue Costs	(11,273.94)	
Accum Amort - Bond Discount	(20,177.28)	
Accumulated Depreciation	(37,513,448.99)	
Pension Liability - Current Portion	(250,000.00)	
TOTAL OTHER ASSETS		<u>60,783,183.05</u>
TOTAL ASSETS		<u><u>73,691,333.56</u></u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	558,447.83
Bonds Payable - Current Portion	160,000.00
Regions Note Payable - Current Portion	151,690.00
Accrued Taxes	170,583.41
Accrued Compensated Absences	16,419.89
Employee Deduction - Child Support	30.75
Employee Deduction - 401K	278.38
Employee Deduction - Prepaid Legal	140.68
Employee Deduction - Supplemental Ins.	5,656.54
Employee Deduction - Gym	(209.43)
Accrued Interest Payable	101,691.93

TOTAL CURRENT LIABILITIES

1,164,729.98

LONG-TERM LIABILITIES

Water Deposits	362,799.09
Sewer Deposits	212,846.86
Net Pension Obligation	6,653,148.84
Lease Payable - Regions Bank	732,073.24
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

13,330,584.55

TOTAL LIABILITIES

14,495,314.53

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	24,415,852.08
Contri-aid-Construction Sewer	42,645,303.25
Accum Amort - Construction	(26,551,300.10)
Membership Certificates	319,440.00
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	275,033.39

TOTAL CONTRIB/PROPRIETARY CAPITAL

59,196,019.03

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

73,691,333.56