

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month- and Year-to-Date, September 2022 - current month

	<i>1 Month Ended</i> <i>September 30, 2022</i>		<i>9 Months Ended</i> <i>September 30, 2022</i>	
REVENUE				
Taps - Water	7,200.00	0.7 %	111,406.26	1.2 %
Water Sales	471,241.02	48.2 %	4,148,320.41	45.2 %
Penalties	5,829.03	0.6 %	48,702.91	0.5 %
Disconnect Fees	2,050.00	0.2 %	20,225.00	0.2 %
NSF Fees	1,300.00	0.1 %	11,788.10	0.1 %
Service Charge - Water	7,880.00	0.8 %	70,830.00	0.8 %
Handling Fees	4,461.00	0.5 %	40,674.72	0.4 %
Hydrant Meter Non-Refundable Setup Fee	150.00	0.0 %	1,950.00	0.0 %
Recovery of Bad Debt	33.00	0.0 %	1,443.16	0.0 %
Interest Income	1,256.64	0.1 %	6,849.03	0.1 %
REIMBURSEMENT FROM THE CLUB	0.00	0.0 %	13,765.87	0.2 %
Misc Revenue - Water	125.00	0.0 %	28,375.00	0.3 %
Misc Revenue - Cash Rebates	27.35	0.0 %	11,197.82	0.1 %
Reimbursement From FRUS	2,564.78	0.3 %	300,262.97	3.3 %
Taps - Sewer	10,080.00	1.0 %	199,108.98	2.2 %
Wastewater Sales	464,215.12	47.5 %	4,128,242.44	45.0 %
Misc Revenue - Wastewater	(280.23)	0.0 %	25,075.93	0.3 %
TOTAL REVENUE	978,132.71	100.0 %	9,168,218.60	100.0 %
***** TOTAL REVENUE	978,132.71	100.0 %	9,168,218.60	100.0 %
***** GROSS PROFIT	978,132.71	100.0 %	9,168,218.60	100.0 %
EXPENSES				
GENERAL & ADMINISTRATIVE EXPENSE				
Wages	302,963.40	31.0 %	2,766,377.03	30.2 %
Capitalized Labor	(1,090.09)	-0.1 %	(37,578.89)	-0.4 %
Payroll Taxes	21,432.95	2.2 %	223,321.67	2.4 %
Group Insurance	94,617.26	9.7 %	945,239.06	10.3 %
Net Periodic Pension Cost	0.00	0.0 %	84,482.19	0.9 %
Pension - Professional Fees	1,176.00	0.1 %	13,178.00	0.1 %
401K - Professional Fees	2,145.59	0.2 %	3,201.77	0.0 %
Other Taxes/License/Dues	593.60	0.1 %	48,623.90	0.5 %
Computer Expense	1,998.07	0.2 %	34,414.65	0.4 %
Software Services/Licenses	6,395.54	0.7 %	112,405.88	1.2 %
SCADA/Radio Services	4,957.42	0.5 %	45,196.46	0.5 %

	<i>1 Month Ended</i> <i>September 30, 2022</i>		<i>9 Months Ended</i> <i>September 30, 2022</i>	
Supplies	942.35	0.1 %	16,276.65	0.2 %
Utilities	3,869.43	0.4 %	37,685.84	0.4 %
Repairs & Maintenance	1,669.73	0.2 %	13,340.77	0.1 %
Safety Supplies/Equipment	0.00	0.0 %	1,266.03	0.0 %
Vehicle/Gas Expense	(8,878.02)	-0.9 %	(1,937.62)	0.0 %
Education & Training	244.99	0.0 %	16,851.94	0.2 %
Travel Expense	4,650.62	0.5 %	5,864.00	0.1 %
Mileage	167.79	0.0 %	498.38	0.0 %
Office Equipment	869.93	0.1 %	4,763.03	0.1 %
Office Expense	10,192.15	1.0 %	111,194.47	1.2 %
BOD Related Expense	820.30	0.1 %	14,723.41	0.2 %
Groundskeeping Expense	357.22	0.0 %	2,143.32	0.0 %
Postage	3,587.65	0.4 %	37,674.68	0.4 %
Insurance Expense	18,414.22	1.9 %	154,425.84	1.7 %
Legal Expense	13,663.50	1.4 %	102,287.59	1.1 %
Accounting/Auditing Expense	0.00	0.0 %	31,500.00	0.3 %
Engineering Expense	2,054.00	0.2 %	31,363.30	0.3 %
Advertising Expense	0.00	0.0 %	5,267.56	0.1 %
Bad Debt	2,834.71	0.3 %	14,257.19	0.2 %
Bank Charges	2,477.36	0.3 %	21,034.09	0.2 %
Bond Issue-Administrative Fees	1,000.00	0.1 %	10,650.00	0.1 %
Professional Services	6,996.91	0.7 %	26,467.17	0.3 %
Landrum HR/Payroll Services	0.00	0.0 %	2,704.00	0.0 %
Payroll Services	1,276.25	0.1 %	12,050.25	0.1 %
Interest Expense	24,719.72	2.5 %	225,011.42	2.5 %
Uniform Expense	0.00	0.0 %	4,084.70	0.0 %
Charitable Contribution	0.00	0.0 %	2,364.75	0.0 %
CASH OVER/SHORT	6.72	0.0 %	77.91	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	527,127.27	53.9 %	5,142,752.39	56.1 %
DEPRECIATION & AMORTIZATION EXPENSE				
Amortization Expense	(111,859.58)	-11.4 %	(1,006,736.22)	-11.0 %
Depreciation Expense	206,561.24	21.1 %	1,854,737.28	20.2 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	94,701.66	9.7 %	848,001.06	9.2 %
WATER EXPENSE				
Computer Related Expense	107.78	0.0 %	1,321.85	0.0 %
Supplies	1,313.38	0.1 %	17,686.69	0.2 %
Tools	1,722.99	0.2 %	7,761.23	0.1 %
Utilities	8,430.83	0.9 %	77,993.20	0.9 %
Chemicals	2,286.00	0.2 %	21,063.00	0.2 %
Repairs & Maintenance	18,950.92	1.9 %	169,935.98	1.9 %
Equipment Rental	120.60	0.0 %	195.60	0.0 %
Safety Supplies/Equipment	30.98	0.0 %	14,671.57	0.2 %
General Equipment - Distribution System	0.00	0.0 %	1,543.07	0.0 %
Vehicle Expense	2,345.84	0.2 %	31,313.67	0.3 %
Vehicle/Equipment Gas Expense	10,539.57	1.1 %	48,421.45	0.5 %
Water Testing	1,724.00	0.2 %	13,333.00	0.1 %

	<i>1 Month Ended</i> <i>September 30, 2022</i>		<i>9 Months Ended</i> <i>September 30, 2022</i>	
Water Purchases	127,875.00	13.1 %	1,164,832.64	12.7 %
Water Operations Expense	212.46	0.0 %	4,982.44	0.1 %
Groundskeeping Expense	1,071.66	0.1 %	7,486.08	0.1 %
Engineering - MESI	527.25	0.1 %	3,578.25	0.0 %
Engineering - System	1,851.23	0.2 %	23,440.19	0.3 %
Uniform Expense	240.00	0.0 %	3,186.33	0.0 %
TOTAL WATER EXPENSE	179,350.49	18.3 %	1,612,746.24	17.6 %
WASTEWATER EXPENSE				
Computer Related Expense	351.12	0.0 %	3,073.27	0.0 %
Supplies	1,744.15	0.2 %	16,878.00	0.2 %
Supplies-Grinders	0.00	0.0 %	6.59	0.0 %
Tools	2,140.38	0.2 %	19,470.16	0.2 %
Utilities	47,116.24	4.8 %	447,898.72	4.9 %
Chemicals - Navarre Plant	14,250.45	1.5 %	58,604.71	0.6 %
Chemicals - Holley Plant	762.00	0.1 %	7,305.47	0.1 %
Polymers	3,928.88	0.4 %	29,286.51	0.3 %
Sewer Lab Equip/Supplies - Navarre Plant	337.53	0.0 %	3,677.73	0.0 %
Sewer Lab Equip/Supplies - Holley Plant	768.51	0.1 %	5,633.33	0.1 %
Repairs & Maintenance	13,814.98	1.4 %	200,667.80	2.2 %
General Equipment - WWTP	4,500.52	0.5 %	4,500.52	0.0 %
General Equipment - Collection System	0.00	0.0 %	1,543.08	0.0 %
Safety Supplies/Equipment	156.29	0.0 %	7,763.80	0.1 %
Sludge Removal Expense - Navarre Plant	6,873.90	0.7 %	71,390.60	0.8 %
Vehicle Expense	3,447.11	0.4 %	23,904.44	0.3 %
Vehicle/Equipment Gas Expense	5,492.49	0.6 %	59,863.80	0.7 %
Wastewater Testing - Navarre Plant	3,390.00	0.3 %	30,118.00	0.3 %
Wastewater Testing - Holley Plant	1,159.00	0.1 %	11,623.50	0.1 %
Wastewater Permits	0.00	0.0 %	1,045.45	0.0 %
Plant Operations Expense - Navarre Plant	329.93	0.0 %	17,311.29	0.2 %
Groundskeeping Expense	7,491.67	0.8 %	50,487.35	0.6 %
Engineering - MESI	761.25	0.1 %	4,806.75	0.1 %
Engineering - System	2,107.99	0.2 %	22,544.58	0.2 %
Professional Services	0.00	0.0 %	900.00	0.0 %
Uniform Expense	1,380.28	0.1 %	5,935.13	0.1 %
TOTAL WASTEWATER EXPENSE	122,304.67	12.5 %	1,106,240.58	12.1 %
TOTAL EXPENSES	923,484.09	94.4 %	8,709,740.27	95.0 %
***** OPERATING INCOME/LOSS	54,648.62	5.6 %	458,478.33	5.0 %
*****	54,648.62	5.6 %	458,478.33	5.0 %
***** NET INCOME/LOSS	54,648.62	5.6 %	458,478.33	5.0 %

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

September 2022

ASSETS

CURRENT ASSETS

Petty Cash	600.00
Centennial Bank - Cash Account	274,753.21
Ameris Bank - Operating	1,925,720.91
Ameris Bank - Water Deposits	429,049.60
Ameris Bank - Sewer Deposits	262,140.74
Ameris Bank - Impact Fees	7,029,900.59
ServisFirst Bank - LOC Draws	475,126.90
Hancock Bank - HNWS14 Bond Fund	177,087.78
Accounts Receivable	1,558,051.96
Accounts Receivable - Taps	29,063.02
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	51,468.09
Due From The Club At Hidden Creek	18,391.13
Due From Municipal Engineering Services	293.57
Allowance for Bad Debt	(25,000.00)
Materials Inventory	329,143.77
Deposits	11,048.50
Prepaid Insurance	158,023.65
Prepaid Expenses	29,508.30

TOTAL CURRENT ASSETS

12,995,071.95

OTHER ASSETS

Land	2,201,266.83
Water Distribution System	25,743,225.22
Sewer Facility	51,907,567.56
CIP - VT SCADA	61,318.99
Office and Storage -Main Office Building	2,112,139.83
Improvements O/T -Main Office	330,190.20
Software Upgrade	170,530.00
F, F & E - Main Office	249,851.79
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	103,319.00
CIP - 2020 Wastewater Master Plan	43,174.76
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	73,986.90
CIP - Well 4 Generator	19,791.60
CIP - Building Security	8,356.69

CIP - Field Ops Warehouse 2	184,695.93	
CIP - Mechanic Shop at Navarre WWTP	21,992.00	
CIP - Field Ops Office Building	231,730.40	
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	382,934.87	
CIP - SR 87 Booster Station & GST	373,564.28	
CIP - Eglin Reuse/RIBS	1,211,121.03	
CIP - Gulf Breeze Reuse	85,297.53	
CIP- SR30 Widening-Water Ortega-Okaloosa	820.59	
CIP- SR30 Widening-Sewer Ortega-Okaloosa	820.61	
CIP - General Lift Station Upgrades	164,191.65	
CIP - General Water Line Upgrades	17,525.57	
CIP - General Sewer Line Upgrades	19,658.61	
CIP - General WWTP Upgrades	189,429.95	
Bond Issue Costs	11,024.65	
Bond Discounts	17,240.32	
Accum Amort - Bond Issue Costs	(13,152.93)	
Accum Amort - Bond Discount	(20,855.04)	
Accumulated Depreciation	(38,133,132.71)	
Pension Liability - Current Portion	(250,000.00)	
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TOTAL OTHER ASSETS		61,093,668.83
TOTAL ASSETS		<hr/> <hr/> 74,088,740.78

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	445,936.84
Accrued Accounts Payable	20,239.13
Bonds Payable - Current Portion	160,000.00
Regions Note Payable - Current Portion	151,690.00
Accrued Taxes	110,634.99
Accrued Compensated Absences	16,419.89
Employee Deduction - Life Insurance	(1,266.02)
Employee Deduction - Child Support	37.75
Employee Deduction - 401K	278.38
Employee Deduction - Prepaid Legal	464.98
Employee Deduction - Supplemental Ins.	7,202.73
Employee Deduction - Gym	(365.92)
Accrued Interest Payable	166,113.18

TOTAL CURRENT LIABILITIES

1,077,385.93

LONG-TERM LIABILITIES

Water Deposits	364,919.09
Sewer Deposits	214,366.86
Net Pension Obligation	6,653,148.84
Lease Payable - Regions Bank	690,619.81
Loan Payable - CTA	5,610,000.00
LOC Payable - ServisFirst Bank (It)	475,000.00
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

13,767,771.12

TOTAL LIABILITIES

14,845,157.05

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	24,489,987.33
Contri-aid-Construction Sewer	42,770,743.25
Accum Amort - Construction	(26,889,435.59)
Membership Certificates	322,120.00
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	458,478.33

TOTAL CONTRIB/PROPRIETARY CAPITAL

59,243,583.73

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

74,088,740.78