

# HOLLEY NAVARRE WATER SYSTEM INC

## INCOME STATEMENT

Month- and Year-to-Date, February 2023 - current month

	<i>1 Month Ended</i> <i>February 28, 2023</i>		<i>2 Months Ended</i> <i>February 28, 2023</i>	
<b>REVENUE</b>				
Taps - Water	12,735.90	1.2 %	19,114.65	0.9 %
Water Sales	440,753.39	42.7 %	870,911.28	43.0 %
Penalties	6,100.86	0.6 %	12,462.40	0.6 %
Disconnect Fees	2,350.00	0.2 %	5,300.00	0.3 %
NSF Fees	1,050.00	0.1 %	2,750.00	0.1 %
Service Charge - Water	5,720.00	0.6 %	12,110.00	0.6 %
Handling Fees	4,275.00	0.4 %	8,979.00	0.4 %
Hydrant Meter Non-Refundable Setup Fee	150.00	0.0 %	450.00	0.0 %
Recovery of Bad Debt	69.55	0.0 %	582.07	0.0 %
Interest Income	14,518.19	1.4 %	30,684.59	1.5 %
REIMBURSEMENT FROM THE CLUB	10,504.25	1.0 %	10,504.25	0.5 %
Misc Revenue - Water	5,391.86	0.5 %	5,516.86	0.3 %
Misc Revenue - Cash Rebates	485.47	0.0 %	1,439.96	0.1 %
Reimbursement From FRUS	35,857.84	3.5 %	69,663.96	3.4 %
Reimbursement from MESI	911.26	0.1 %	911.26	0.0 %
Taps - Sewer	19,842.90	1.9 %	36,789.90	1.8 %
Wastewater Sales	462,789.19	44.9 %	913,462.32	45.1 %
Misc Revenue - Wastewater	8,135.00	0.8 %	21,725.00	1.1 %
<b>TOTAL REVENUE</b>	<b>1,031,640.66</b>	<b>100.0 %</b>	<b>2,023,357.50</b>	<b>100.0 %</b>
***** TOTAL REVENUE	1,031,640.66	100.0 %	2,023,357.50	100.0 %
***** GROSS PROFIT	1,031,640.66	100.0 %	2,023,357.50	100.0 %
<b>EXPENSES</b>				
<b>GENERAL &amp; ADMINISTRATIVE EXPENSE</b>				
Wages	313,729.42	30.4 %	658,208.49	32.5 %
Capitalized Labor	(1,293.48)	-0.1 %	(1,293.48)	-0.1 %
Payroll Taxes	27,652.73	2.7 %	59,260.79	2.9 %
Group Insurance	107,603.88	10.4 %	210,437.50	10.4 %
Net Periodic Pension Cost	0.00	0.0 %	24,194.07	1.2 %
401K - Professional Fees	0.00	0.0 %	1,067.71	0.1 %
Other Taxes/License/Dues	98.75	0.0 %	373.75	0.0 %
Computer Expense	4,925.38	0.5 %	6,581.52	0.3 %
Software Services/Licenses	9,377.85	0.9 %	18,824.14	0.9 %
SCADA/Radio Services	6,056.85	0.6 %	11,699.38	0.6 %

***1 Month Ended  
February 28, 2023***

***2 Months Ended  
February 28, 2023***

Supplies	995.37	0.1 %	2,080.35	0.1 %
Utilities	6,097.35	0.6 %	10,993.74	0.5 %
Repairs & Maintenance	1,616.92	0.2 %	5,663.16	0.3 %
Vehicle/Gas Expense	677.88	0.1 %	15,801.39	0.8 %
Education & Training	2,590.00	0.3 %	3,681.82	0.2 %
Travel Expense	1,638.28	0.2 %	1,638.28	0.1 %
Mileage	47.43	0.0 %	47.43	0.0 %
Office Equipment	64.19	0.0 %	468.29	0.0 %
Office Expense	9,131.37	0.9 %	19,149.68	0.9 %
BOD Related Expense	1,894.39	0.2 %	5,750.07	0.3 %
Groundskeeping Expense	357.22	0.0 %	714.44	0.0 %
Postage	3,597.65	0.3 %	7,633.17	0.4 %
Insurance Expense	19,662.75	1.9 %	38,793.84	1.9 %
Legal Expense	7,181.25	0.7 %	13,307.50	0.7 %
Accounting/Auditing Expense	8,500.00	0.8 %	8,500.00	0.4 %
Engineering Expense	3,468.00	0.3 %	5,364.00	0.3 %
Advertising Expense	0.00	0.0 %	299.00	0.0 %
Bad Debt	319.98	0.0 %	478.13	0.0 %
Bank Charges	2,376.87	0.2 %	4,600.93	0.2 %
Bond Issue-Administrative Fees	1,000.00	0.1 %	2,000.00	0.1 %
Professional Services	3,735.44	0.4 %	5,011.44	0.2 %
Payroll Services	1,974.75	0.2 %	3,234.50	0.2 %
Interest Expense	24,494.48	2.4 %	49,028.52	2.4 %
Employee Engagement	534.97	0.1 %	1,126.24	0.1 %
Uniform Expense	691.49	0.1 %	691.49	0.0 %
CASH OVER/SHORT	2.97	0.0 %	4.87	0.0 %
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSE</b>	<b>570,802.38</b>	<b>55.3 %</b>	<b>1,195,416.15</b>	<b>59.1 %</b>
<b>DEPRECIATION &amp; AMORTIZATION EXPENSE</b>				
Amortization Expense	(111,859.58)	-10.8 %	(223,719.16)	-11.1 %
Depreciation Expense	206,561.24	20.0 %	413,122.48	20.4 %
<b>TOTAL DEPRECIATION &amp; AMORTIZATION EXPENSE</b>	<b>94,701.66</b>	<b>9.2 %</b>	<b>189,403.32</b>	<b>9.4 %</b>
<b>WATER EXPENSE</b>				
Computer Related Expense	1,988.02	0.2 %	2,295.64	0.1 %
Supplies	5,140.30	0.5 %	6,646.37	0.3 %
Tools	3,956.54	0.4 %	4,323.18	0.2 %
Utilities	8,325.77	0.8 %	16,738.38	0.8 %
Chemicals	381.00	0.0 %	4,572.00	0.2 %
Repairs & Maintenance	21,595.25	2.1 %	56,827.72	2.8 %
Vehicle Expense	2,783.67	0.3 %	7,231.28	0.4 %
Vehicle/Equipment Gas Expense	4,652.30	0.5 %	10,534.20	0.5 %
Water Testing	1,205.75	0.1 %	3,865.50	0.2 %
Water Purchases	120,412.99	11.7 %	253,707.46	12.5 %
Water Operations Expense	212.46	0.0 %	541.92	0.0 %
Groundskeeping Expense	1,071.66	0.1 %	2,143.32	0.1 %
Engineering - MESI	1,112.00	0.1 %	1,388.00	0.1 %
Engineering - System	3,009.00	0.3 %	6,497.50	0.3 %

	<i>1 Month Ended</i> <i>February 28, 2023</i>		<i>2 Months Ended</i> <i>February 28, 2023</i>	
Uniform Expense	203.99	0.0 %	401.47	0.0 %
<b>TOTAL WATER EXPENSE</b>	<b>176,050.70</b>	<b>17.1 %</b>	<b>377,713.94</b>	<b>18.7 %</b>
<b>WASTEWATER EXPENSE</b>				
Computer Related Expense	1,708.48	0.2 %	2,193.99	0.1 %
Supplies	2,517.22	0.2 %	4,986.81	0.2 %
Tools	2,770.41	0.3 %	4,118.85	0.2 %
Utilities	42,347.58	4.1 %	90,922.05	4.5 %
Chemicals - Navarre Plant	952.50	0.1 %	11,723.70	0.6 %
Chemicals - Holley Plant	381.00	0.0 %	762.00	0.0 %
Chemicals - Collection System	4,978.50	0.5 %	4,978.50	0.2 %
Polymers	4,017.38	0.4 %	8,017.18	0.4 %
Sewer Lab Equip/Supplies - Navarre Plant	2,628.90	0.3 %	5,805.57	0.3 %
Sewer Lab Equip/Supplies - Holley Plant	2,628.92	0.3 %	5,805.60	0.3 %
Repairs & Maintenance	35,575.52	3.4 %	57,883.35	2.9 %
Safety Supplies/Equipment	2,055.24	0.2 %	2,068.74	0.1 %
Sludge Removal Expense - Navarre Plant	9,425.00	0.9 %	21,750.00	1.1 %
Vehicle Expense	974.34	0.1 %	2,754.77	0.1 %
Vehicle/Equipment Gas Expense	2,478.95	0.2 %	5,022.18	0.2 %
Wastewater Testing - Navarre Plant	3,488.80	0.3 %	8,456.10	0.4 %
Wastewater Testing - Holley Plant	1,308.45	0.1 %	3,344.30	0.2 %
Plant Operations Expense - Navarre Plant	212.46	0.0 %	898.92	0.0 %
Groundskeeping Expense	7,491.67	0.7 %	14,983.34	0.7 %
Engineering - MESI	1,112.00	0.1 %	1,388.00	0.1 %
Engineering - System	5,660.00	0.5 %	9,227.50	0.5 %
Uniform Expense	360.00	0.0 %	480.00	0.0 %
<b>TOTAL WASTEWATER EXPENSE</b>	<b>135,073.32</b>	<b>13.1 %</b>	<b>267,571.45</b>	<b>13.2 %</b>
<b>TOTAL EXPENSES</b>	<b>976,628.06</b>	<b>94.7 %</b>	<b>2,030,104.86</b>	<b>100.3 %</b>
***** OPERATING INCOME/LOSS	55,012.60	5.3 %	(6,747.36)	-0.3 %
*****	55,012.60	5.3 %	(6,747.36)	-0.3 %
***** NET INCOME/LOSS	55,012.60	5.3 %	(6,747.36)	-0.3 %

# ***HOLLEY NAVARRE WATER SYSTEM INC***

## ***BALANCE SHEET***

***February 2023***

### ASSETS

#### CURRENT ASSETS

Petty Cash	600.00
Centennial Bank - Cash Account	404,807.24
Ameris Bank - Operating	2,174,352.94
Ameris Bank - Water Deposits	446,427.29
Ameris Bank - Sewer Deposits	274,848.46
Ameris Bank - Impact Fees	6,871,138.24
ServisFirst Bank - LOC Draws	475,520.83
Hancock Bank - HNWS14 Bond Fund	230,765.15
Accounts Receivable	1,538,737.48
Accounts Receivable - Taps	22,576.11
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	86,164.85
Due From The Club At Hidden Creek	266,685.99
Due From Municipal Engineering Services	4,530.35
Allowance for Bad Debt	(25,000.00)
Materials Inventory	342,142.65
Deposits	11,048.50
Prepaid Insurance	72,938.05
Prepaid Expenses	73,657.55

#### TOTAL CURRENT ASSETS

13,532,641.91

#### OTHER ASSETS

Land	2,201,266.83
Water Distribution System	25,840,102.46
Sewer Facility	52,142,995.92
CIP - VT SCADA	74,293.99
Office and Storage -Main Office Building	2,285,780.05
Improvements O/T -Main Office	330,190.20
Software Upgrade	194,580.00
F, F & E - Main Office	270,284.99
Equipment	2,378,927.67
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	2,476,254.23
Investment in MESI	1,199,722.00
Investment in JV FRUS	5,442,438.00
CIP - 2020 Water Master Plan	110,981.00
CIP - 2020 Wastewater Master Plan	46,670.01
CIP - Standby Generator Well 1	19,153.87
CIP - Standby Generator Well 3	19,153.88
CIP - Frontera BPS Transmission Main	12,820.75
CIP - Standby Generator Well 4&5	21,343.40
CIP - Hwy 87 L-S Upgrade	74,556.90
CIP - Well 4 Generator	19,791.60
CIP - Building Security	8,356.69

CIP - Field Ops Warehouse 2	188,977.08	
CIP - Mechanic Shop at Navarre WWTP	21,992.00	
CIP - Field Ops Office Building	244,396.23	
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	442,388.85	
CIP - Frontera BPS & EST	433,038.85	
CIP - Eglin Reuse/RIBS	1,286,072.39	
CIP - Gulf Breeze Reuse	85,297.53	
CIP- SR30 Widening-Water Ortega-Okaloosa	850.22	
CIP- SR30 Widening-Sewer Ortega-Okaloosa	850.23	
CIP - General Lift Station Upgrades	545,557.99	
CIP - General Water Line Upgrades	17,525.57	
CIP - General Sewer Line Upgrades	16,344.86	
CIP - General WWTP Upgrades	237,725.10	
Bond Issue Costs	96,277.65	
Bond Discounts	17,240.32	
Accum Amort - Bond Issue Costs	(16,284.58)	
Accum Amort - Bond Discount	(21,984.64)	
Accumulated Depreciation	(39,246,028.91)	
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TOTAL OTHER ASSETS		62,209,509.64
TOTAL ASSETS		<hr/> <hr/> 75,742,151.55

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	620,824.87
Bonds Payable - Current Portion	160,000.00
Regions Note Payable - Current Portion	151,690.00
Accrued Taxes	79,476.11
Employee Deduction - Life Insurance	(4,392.46)
Employee Deduction - Child Support	157.88
Employee Deduction - 401K	163.00
Employee Deduction - Prepaid Legal	721.60
Employee Deduction - Supplemental Ins.	6,947.35
Employee Deduction - Gym	(17.58)
Accrued Interest Payable	123,637.55

TOTAL CURRENT LIABILITIES

1,139,208.32

LONG-TERM LIABILITIES

Bonds Payable	85,253.00
Water Deposits	381,099.00
Sewer Deposits	225,725.43
Net Pension Obligation	3,366,423.84
Lease Payable - Regions Bank	620,606.55
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

10,523,824.34

TOTAL LIABILITIES

11,663,032.66

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	24,804,252.30
Contri-aid-Construction Sewer	43,245,491.10
Accum Amort - Construction	(27,798,193.74)
Membership Certificates	325,245.00
Contributed Capital	27,200.00
Capital Federal Grant	532,765.65
Unfunded Pension Liability	(1,777,271.92)
Retained Earnings	24,726,377.86
Year-to-Date Earnings	(6,747.36)

TOTAL CONTRIB/PROPRIETARY CAPITAL

64,079,118.89

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

75,742,151.55