

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

May 2019

ASSETS

CURRENT ASSETS

Regions Operating	4,165.89
Petty Cash	850.00
Beach Bank - Operating	2,389,749.22
Beach Bank - Customer Water Deposits	432,303.61
Beach Bank - Customer Sewer Deposits	255,662.03
Beach Bank - Impact Fees	6,181,659.15
Hancock Bank - HNWS14 Bond Fund	40,098.46
Accounts Receivable	501,839.23
Unbilled Accounts Receivable	472,935.63
Accounts Receivable - Taps	49,427.04
Notes Receivable - FRUS	110,764.25
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	33,826.09
Allowance for Bad Debt	(25,000.00)
Materials Inventory	322,469.08
Deposits	11,048.50
Prepaid Insurance	13,199.59
Prepaid Expenses	54,348.13

TOTAL CURRENT ASSETS

11,110,046.13

OTHER ASSETS

Land	2,151,429.97
Water Distribution System	24,770,106.76
Sewer Facility	47,208,273.63
Office and Storage Buildings	698,788.14
Improvements O/T Buildings	285,931.60
Office Equipment	222,037.52
Equipment	2,089,161.94
Telemetry	233,043.04
Trucks	1,527,125.05
Investment in THE CLUB AT HIDDEN CREEK	2,621,773.37
Investment in MESI	466,333.00
Investment in JV FRUS	3,174,816.00
CIP - 2020 Water Master Plan	10,450.00
CIP - 2020 Wastewater Master Plan	12,072.50
CIP - BPS/GST Waterline Upgrades	2,410.00
CIP - Hwy 87 L-S Upgrade	20,414.75
CIP - Building Security	8,356.69
CIP - Warehouse #2 Storage	48,856.33
CIP - Main Office Expansion	14,555.84
CIP - 2015 W Master Plan	26,360.00
CIP - 2015 WW Master Plan	2,290.00
CIP - 2015 W Model Project	26,370.00
CIP - 2015 WW Model Project	103,190.00
CIP - Navarre Beach	24,390.28
CIP - Highway 399 Connection	11,268.54
CIP - Reuse Capacity	29,329.95

CIP - Inflow & Infiltration	108,057.95	
CIP - SR 87 Booster Station & GST	159,648.30	
CIP - Eglin Reuse/RIBS	99,814.08	
CIP - Gulf Breeze Reuse	76,451.70	
CIP - General Lift Station Upgrades	131,284.10	
CIP - General Water Line Upgrades	14,419.97	
CIP - General Sewer Line Upgrades	10,931.00	
CIP - FDOT Hwy 98 Widening -Water	524.35	
CIP - FDOT Hwy 98 Widening -Sewer	524.35	
CIP - General WWTP Upgrades	667,691.11	
Debt Issue Costs	223,977.37	
Loan Discount	81,344.25	
Bond Issue Costs	0.46	
Accum Amort - Bond Issue Costs	(35,898.01)	
Accum Amort - Bond Discount	(12,947.84)	
Accumulated Depreciation	(30,494,527.47)	
Pension Liability - Current Portion	(375,000.00)	
TOTAL OTHER ASSETS		<u>56,445,430.57</u>
TOTAL ASSETS		<u><u>67,555,476.70</u></u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	326,172.24
Accrued Taxes	30,625.50
Accrued Compensated Absences	203,038.25
Employee Deduction - Life Insurance	119.70
Accrued Interest Payable	35,819.46

TOTAL CURRENT LIABILITIES

595,775.15

LONG-TERM LIABILITIES

Water Deposits	366,682.00
Sewer Deposits	210,018.04
Net Pension Obligation	7,061,413.04
Lease Payable - Regions Bank	1,360,846.07
Loan Payable - CTA	6,255,000.00

TOTAL LONG-TERM LIABILITIES

15,253,959.15

TOTAL LIABILITIES

15,849,734.30

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	21,992,885.33
Contri-aid-Construction Sewer	38,423,284.90
Accum Amort - Construction	(21,622,057.39)
Membership Certificates	286,115.00
Contributed Capital	27,200.00
Capital Federal Grant	532,765.65
Unfunded Pension Liability	(6,889,349.92)
Retained Earnings	18,309,559.82
Year-to-Date Earnings	645,339.01

TOTAL CONTRIB/PROPRIETARY CAPITAL

51,705,742.40

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

67,555,476.70

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month-to-Date Only, May 2019 - current month, Consolidated by account

	<i>1 Month Ended May 31, 2019</i>	
REVENUE		
Taps - Water	22,725.00	2.5 %
Water Sales	401,210.48	43.8 %
Penalties	5,584.16	0.6 %
Disconnect Fees	2,800.00	0.3 %
NSF Fees	1,500.00	0.2 %
Service Charge - Water	9,960.00	1.1 %
Handling Fees	7.93	0.0 %
Recovery of Bad Debt	124.69	0.0 %
Interest Income	17,864.99	1.9 %
Misc Revenue - Cash Rebates	23.58	0.0 %
Reimbursement From FRUS	29,142.00	3.2 %
Taps - Sewer	30,836.96	3.4 %
Wastewater Sales	388,460.58	42.4 %
Misc Revenue - Wastewater	3,442.92	0.4 %
Gain/Loss on Sale of Assets	2,852.00	0.3 %
TOTAL REVENUE	916,535.29	100.0 %
***** TOTAL REVENUE	916,535.29	100.0 %
***** GROSS PROFIT	916,535.29	100.0 %
 EXPENSES		
GENERAL & ADMINISTRATIVE EXPENSE		
Wages	235,580.82	25.7 %
Capitalized Labor	(23,199.39)	-2.5 %
Payroll Taxes	19,278.21	2.1 %
Contract Labor	20,849.78	2.3 %
Group Insurance	68,905.06	7.5 %
Other Taxes/License/Dues	50.00	0.0 %
Computer Expense	1,959.23	0.2 %
Software Services/Licenses	7,447.57	0.8 %
Supplies	1,396.22	0.2 %
Utilities	2,802.52	0.3 %
Repairs & Maintenance	15.97	0.0 %
Vehicle Expense	679.01	0.1 %
Education & Training	1,560.30	0.2 %
Travel Expense	365.32	0.0 %
Office Equipment	179.99	0.0 %

***1 Month Ended
May 31, 2019***

Office Expense	11,592.82	1.3 %
Postage	4,523.98	0.5 %
Insurance Expense	10,550.77	1.2 %
Legal Expense	1,680.00	0.2 %
Engineering Expense	3,613.50	0.4 %
Bad Debt	6,380.45	0.7 %
Bank Charges	4,760.52	0.5 %
Bond Issue-Administrative Fees	2,650.00	0.3 %
Professional Services	4,816.20	0.5 %
Landrum HR/Payroll Services	4,812.38	0.5 %
Interest Expense	26,278.91	2.9 %
Misc Expense	727.26	0.1 %
Uniform Expense	914.91	0.1 %
CASH OVER/SHORT	(34.00)	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	421,138.31	45.9 %
DEPRECIATION & AMORTIZATION EXPENSE		
Amortization Expense	(111,859.58)	-12.2 %
Depreciation Expense	177,867.30	19.4 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	66,007.72	7.2 %
WATER EXPENSE		
Supplies	1,898.31	0.2 %
Tools	35.47	0.0 %
Utilities	6,961.50	0.8 %
Chemicals	1,767.02	0.2 %
Repairs & Maintenance	22,503.47	2.5 %
Safety Supplies/Equipment	280.87	0.0 %
Vehicle Expense	166.27	0.0 %
Vehicle/Equipment Gas Expense	2,948.87	0.3 %
Water Testing	1,189.00	0.1 %
Water Purchases	120,542.28	13.2 %
Water Operations Expense	368.36	0.0 %
Engineering - MESI	1,036.00	0.1 %
Engineering - System	2,112.50	0.2 %
Misc Expense	2,862.02	0.3 %
Uniform Expense	1,465.65	0.2 %
TOTAL WATER EXPENSE	166,137.59	18.1 %
WASTEWATER EXPENSE		
Supplies	2,694.48	0.3 %
Tools	453.49	0.0 %
Utilities	26,250.91	2.9 %
Chemicals - HBTS	3,839.80	0.4 %
Chemicals - HWWTP	207.18	0.0 %
Sewer Lab Equip/Supplies - HBTS	1,809.24	0.2 %
Repairs & Maintenance	37,511.96	4.1 %
Safety Supplies/Equipment	719.02	0.1 %
Sludge Removal Expense - HBTS	13,000.00	1.4 %

*1 Month Ended
May 31, 2019*

Vehicle Expense	332.02	0.0 %
Vehicle/Equipment Gas Expense	4,650.86	0.5 %
Wastewater Testing - HBTS	2,913.00	0.3 %
Wastewater Testing - HWWTP	1,204.50	0.1 %
Plant Operations Expense - HBTS	405.38	0.0 %
Engineering - MESI	1,011.00	0.1 %
Engineering - System	3,465.50	0.4 %
Misc Expense	956.32	0.1 %
Uniform Expense	2,123.01	0.2 %
TOTAL WASTEWATER EXPENSE	<u>103,547.67</u>	11.3 %
TOTAL EXPENSES	<u>756,831.29</u>	82.6 %
***** OPERATING INCOME/LOSS	<u>159,704.00</u>	17.4 %
*****	<u>159,704.00</u>	17.4 %
***** NET INCOME/LOSS	<u>159,704.00</u>	17.4 %