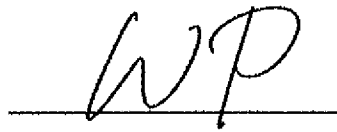


Alabama Water System, Inc.  
Financial Statements  
For the Year Ended December 31, 2022



## **Wade & Perry, CPAs**

A Professional Accounting Corporation

Members: AICPA/ Society of LCPA's

### ACCOUNTANTS' COMPILATION REPORT

To Management  
Alabama Water System, Inc.  
16439 Hwy 151  
Arcadia, LA 71001

Management is responsible for the accompanying financial statements of Alabama Water System, Inc. (a not-for-profit), which comprise the balance sheet as of December 31, 2022, and the related statement of income for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has omitted substantially all of the disclosures and the statement of cash flows that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

Act 706 of the Louisiana 2014 Legislative Session requires a schedule of compensation, benefits, and other payments to agency head to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Louisiana state law which considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information was not audited, reviewed, or compiled by us, and we do not express an opinion or provide any assurance on it.

Ruston, LA

February 20, 2023

**Alabama Water System, Inc.**  
**Balance Sheet**  
As of December 31, 2022

	Dec 31, 22
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Depreciation Fund CD	50,077.22
Louisiana National Bank	45,301.48
Revenue Fund CD # 8	115,710.91
<b>Total Checking/Savings</b>	211,089.61
Accounts Receivable	
Accounts Receivable	4,698.25
<b>Total Accounts Receivable</b>	4,698.25
<b>Other Current Assets</b>	
Edwards Jones M/M Account	1,539.99
Fed Farm Credit Bk Cons 3.33%	12,229.05
Fed Farm Credit Bk Cons 3.79%	7,524.72
Fed Home Loan (2.875)	33,992.35
<b>Total Other Current Assets</b>	55,286.11
<b>Total Current Assets</b>	271,073.97
<b>Fixed Assets</b>	
Accumulated Depreciation	-3,182,103.02
Equipment	29,437.75
Land (Woodard)	9,995.00
Office Building	80,664.80
Water System	5,550,263.81
<b>Total Fixed Assets</b>	2,488,258.34
<b>Other Assets</b>	
Utility Deposit	200.00
<b>Total Other Assets</b>	200.00
<b>TOTAL ASSETS</b>	<b>2,759,532.31</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	2,694.48
<b>Total Accounts Payable</b>	2,694.48
<b>Other Current Liabilities</b>	
Customer Deposits - Non-Refunda	2,642.89
Customer deposits - Refundable	12,596.30
Payroll Liabilities	1,452.60
Suta	-58.88
USDA Loan	1,264,563.56
<b>Total Other Current Liabilities</b>	1,281,196.47
<b>Total Current Liabilities</b>	1,283,890.95
<b>Total Liabilities</b>	1,283,890.95
<b>Equity</b>	
Retained Earnings	1,518,286.74
Net Income	-42,645.38
<b>Total Equity</b>	1,475,641.36
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,759,532.31</b>

See accountant's compilation report.

**Alabama Water System, Inc.**  
**Statement of Income**  
January through December 2022

	Jan - Dec 22
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Connection Fees	840.00
Interest	
Checking Account Interest	22.74
Interest - Other	328.34
<b>Total Interest</b>	<b>351.08</b>
LWCC	911.04
Meter Fee	825.00
Miscellaneous income	4,166.64
Sale of Scrap	870.00
Water Revenue	145,935.53
<b>Total Income</b>	<b>153,899.29</b>
<b>Expense</b>	
Advertising	158.00
Bank Service Charges	50.27
Computer Services	667.00
Depreciation Expense	27,041.25
Dues and Subscriptions	482.50
Insurance	
Property Insurance	8,690.61
Work Comp	1,723.00
<b>Total Insurance</b>	<b>10,413.61</b>
Interest Expense	
Loan Interest	23,981.40
<b>Total Interest Expense</b>	<b>23,981.40</b>
Licenses and Permits	2,002.00
Miscellaneous	7.28
Office Supplies	644.40
Payroll Tax Expense	1,285.20
Penalty	729.87
Postage and Delivery	1,934.32
Professional Fees	
Accounting	700.00
Audit expense	2,500.00
Professional Fees - Other	20,650.00
<b>Total Professional Fees</b>	<b>23,850.00</b>
Repair & Maintenance	
Installation expense	310.00
Mowing	1,000.00
Repair & Maintenance - Other	27,133.75
<b>Total Repair &amp; Maintenance</b>	<b>28,443.75</b>
Returned Checks	124.00
Safe Drinking Water Program Fee	3,579.60
Salary	16,800.00
Supplies	8,562.31
Taxes	
Sales Tax	32.00
<b>Total Taxes</b>	<b>32.00</b>
Telephone	1,361.39

See accountant's compilation report.

**Alabama Water System, Inc.**  
**Statement of Income**  
January through December 2022

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	<u>Jan - Dec 22</u>
Utilities	
Gas and Electric	35,189.27
Integra Alert Monitoring	744.00
	<hr/>
<b>Total Utilities</b>	<b>35,933.27</b>
	<hr/>
<b>Total Expense</b>	<b>188,083.42</b>
	<hr/>
<b>Net Ordinary Income</b>	<b>-34,184.13</b>
	<hr/>
<b>Other Income/Expense</b>	
<b>Other Income</b>	
Refund Sales Tax	1,198.94
	<hr/>
<b>Total Other Income</b>	<b>1,198.94</b>
	<hr/>
<b>Other Expense</b>	
Unrealized Loss on Edward Jones	9,660.19
	<hr/>
<b>Total Other Expense</b>	<b>9,660.19</b>
	<hr/>
<b>Net Other Income</b>	<b>-8,461.25</b>
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<b>Net Income</b>	<b>-42,645.38</b>
	<hr/> <hr/>

See accountant's compilation report.

Alabama Water System, Inc.  
Schedule of Compensation, Benefits and Other Payments  
to Agency Head  
For the Year Ended December 31, 2022

Schedule 1

Agency Head Name: Tony Nixon

Reimbursements	\$86
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