

Alabama Water System, Inc.  
Financial Statements  
For the Year Ended December 31, 2021

**WADE & PERRY**  
Certified Public Accountants  
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, 2021, 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

March 30, 2022

**Alabama Water System, Inc.**  
**Balance Sheet**  
As of December 31, 2021

	Dec 31, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Depreciation Fund CD	99,979.83
Louisiana National Bank	27,984.49
Revenue Fund CD # 8	115,479.96
<b>Total Checking/Savings</b>	243,444.28
<b>Accounts Receivable</b>	
Accounts Receivable	8,350.32
<b>Total Accounts Receivable</b>	8,350.32
<b>Other Current Assets</b>	
Edwards Jones M/M Account	25,454.99
Fed Farm Credit Bk Cons 3.33%	17,453.55
Fed Farm Credit Bk Cons 3.79%	11,259.00
Franklin US Government Secs.	10,778.76
<b>Total Other Current Assets</b>	64,946.30
<b>Total Current Assets</b>	316,740.90
<b>Fixed Assets</b>	
Accumulated Depreciation	-3,169,918.25
Equipment	41,340.41
Land (Woodard)	9,995.00
Office Building	80,664.80
Water System	5,550,263.81
<b>Total Fixed Assets</b>	2,512,345.77
<b>Other Assets</b>	
Utility Deposit	200.00
<b>Total Other Assets</b>	200.00
<b>TOTAL ASSETS</b>	<b>2,829,286.67</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	2,902.39
<b>Total Accounts Payable</b>	2,902.39
<b>Other Current Liabilities</b>	
Customer deposits	14,039.19
Payroll Liabilities	2,848.19
USDA Loan	1,291,210.16
<b>Total Other Current Liabilities</b>	1,308,097.54
<b>Total Current Liabilities</b>	1,310,999.93
<b>Total Liabilities</b>	1,310,999.93
<b>Equity</b>	
Retained Earnings	1,664,820.01
Net Income	-146,533.27
<b>Total Equity</b>	1,518,286.74
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,829,286.67</b>

See accountant's compilation report.

**Alabama Water System, Inc.**  
**Statement of Income**  
For the Year Ended December 31, 2021

	Jan - Dec 21
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Connection Fees	140.00
Grant	40,000.00
Installation income	1,900.00
Interest	
Checking Account Interest	13.29
Interest - Other	0.00
<b>Total Interest</b>	<b>13.29</b>
LWCC	3,051.77
Meter Fee	185.00
Water Revenue	122,575.77
<b>Total Income</b>	<b>167,865.83</b>
<b>Expense</b>	
Bank Service Charges	27.96
Computer Services	1,553.50
Deposit Refund	102.70
Depreciation Expense	149,219.54
Dues and Subscriptions	450.00
Insurance	
Property Insurance	7,417.38
Work Comp	1,616.00
<b>Total Insurance</b>	<b>9,033.38</b>
Interest Expense	
Loan Interest	24,476.01
<b>Total Interest Expense</b>	<b>24,476.01</b>
Licenses and Permits	410.00
Miscellaneous	849.03
Office Expense	944.70
Office Supplies	1,103.75
Payroll Tax Expense	1,123.60
Postage and Delivery	1,658.10
Professional Development	336.00
Professional Fees	
Accounting	47.50
Audit expense	2,500.00
Professional Fees - Other	30,112.92
<b>Total Professional Fees</b>	<b>32,660.42</b>
Repair & Maintenance	
Mowing	1,800.00
Repair & Maintenance - Other	30,203.48
<b>Total Repair &amp; Maintenance</b>	<b>32,003.48</b>
Safe Drinking Water Program Fee	7,905.90
Salary	14,600.00
Supplies	10,626.18
Taxes	
Sales Tax	0.00
Unemployment taxes	0.00
<b>Total Taxes</b>	<b>0.00</b>
Telephone	1,195.56

See accountant's compilation report.

**Alabama Water System, Inc.**  
**Statement of Income**  
For the Year Ended December 31, 2021

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	Jan - Dec 21
Utilities	
Gas and Electric	26,955.69
Integra Alert Monitoring	408.00
Utilities - Other	4,186.40
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Total Utilities	31,550.09
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Total Expense	321,829.90
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Net Ordinary Income	-153,964.07
Other Income/Expense	
Other Income	
Interest Income	649.34
Other Income	0.60
Refund Sales Tax	8,260.90
Refund Withholding Tax	14.31
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Total Other Income	8,925.15
Other Expense	
Unrealized Gain on Edward Jones	1,494.35
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Total Other Expense	1,494.35
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Net Other Income	7,430.80
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Net Income	<u><u>-146,533.27</u></u>

Alabama Water System, Inc.  
Schedule of Compensation, Benefits and Other Payments  
to Agency Head  
For the Year Ended December 31, 2021

Schedule 1

Agency Head Name: Tony Nixon

Reimbursements	\$261
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