

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

October 2017

ASSETS

CURRENT ASSETS

Regions Operating	1,883,982.63
Petty Cash	850.00
Regions - Customer Water Deposits	447,691.95
Regions - Customer Sewer Deposits	265,797.12
Regions - Checking	3,134,494.08
Regions - Investments	1,138,567.98
Hancock Bank - HNWS14 Bond Fund	203,192.74
Regions - Time Deposit	123,909.45
Accounts Receivable	517,454.36
Unbilled Accounts Receivable	414,268.63
Accounts Receivable - Taps	68,332.80
Notes Receivable - FRUS	138,455.23
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	31,236.65
Due From The Club At Hidden Creek	69,317.55
Allowance for Bad Debt	(25,000.00)
Materials Inventory	304,872.42
Deposits	131,048.50
Prepaid Insurance	117,083.17
Prepaid Expenses	47,737.89

TOTAL CURRENT ASSETS

9,273,993.38

OTHER ASSETS

Land	2,071,969.97
Water Distribution System	23,749,483.08
Utility Plant Water	500,920.96
Utility Plant Water Facility	11,168.25
Sewer Facility	44,058,805.55
CIP - Greskovich Property RIBS	1,046,500.62
Office and Storage Buildings	657,750.38
Improvements O/T Buildings	261,143.80
Office Equipment	188,580.52
Equipment	1,941,576.94
Telemetry	233,043.04
Trucks	1,574,413.19
Investment in THE CLUB AT HIDDEN CREEK	4,361,377.47
CIP - Hwy 87 L-S Upgrade	8,967.75
CIP - Warehouse #2 Storage	48,856.33
CIP - Panhandle Trail L/S Relocation	938,260.55
CIP - Main Office Expansion	14,555.84
CIP - 2015 W Master Plan	26,360.00
CIP - 2015 WW Master Plan	2,230.00
CIP - 2015 W Model Project	10,200.00
CIP - 2015 WW Model Project	97,118.00
CIP - Navarre Beach	24,390.28
CIP - Highway 399 Connection	5,028.54
CIP - Reuse Capacity	21,291.95

CIP - Inflow & Infiltration	40,276.05	
CIP - SR 87 Booster Station & GST	120,253.07	
CIP - Eglin Reuse/RIBS	59,184.08	
CIP - Gulf Breeze Reuse	52,957.60	
CIP - General Lift Station Upgrades	11,825.00	
CIP - General Water Line Upgrades	6,309.97	
CIP - General Sewer Line Upgrades	2,840.00	
CIP - FDOT Hwy 98 Widening -Water	420.00	
CIP - FDOT Hwy 98 Widening -Sewer	420.00	
Debt Issue Costs	223,977.37	
Loan Discount	81,344.25	
Bond Issue Costs	0.46	
Accum Amort - Bond Issue Costs	(23,997.74)	
Accum Amort - Bond Discount	(8,655.36)	
Accumulated Depreciation	(27,569,036.70)	
Pension Liability - Current Portion	(314,536.00)	
TOTAL OTHER ASSETS		<u>54,537,575.06</u>
TOTAL ASSETS		<u><u>63,811,568.44</u></u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	355,350.01
Accrued Taxes	43,476.85
Accrued Compensated Absences	230,968.00
Employee Deduction - Life Insurance	(94.98)
Employee Deduction - Supplemental Ins.	431.47
Accrued Interest Payable	130,255.73

TOTAL CURRENT LIABILITIES

760,387.08

LONG-TERM LIABILITIES

Water Deposits	382,722.00
Sewer Deposits	221,698.04
Net Pension Obligation	4,894,284.04
Lease Payable - Regions Bank	1,582,888.78
Loan Payable - CTA	6,560,000.00

TOTAL LONG-TERM LIABILITIES

13,641,592.86

TOTAL LIABILITIES

14,401,979.94

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	20,706,907.82
Contri-aid-Construction Sewer	35,922,722.38
Accum Amort - Construction	(19,307,236.62)
Membership Certificates	268,740.00
Contributed Capital	12,200.00
Capital Federal Grant	532,765.65
Unfunded Pension Liability	(4,848,746.92)
Retained Earnings	16,717,479.39
Year-to-Date Earnings	(595,243.20)

TOTAL CONTRIB/PROPRIETARY CAPITAL

49,409,588.50

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

63,811,568.44

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

***Month-to-Date Only, October 2017 - 1 month back, Consolidated by
account***

	<i>1 Month Ended October 31, 2017</i>	
REVENUE		
Taps - Water	20,470.95	2.3 %
Water Sales	404,636.17	46.3 %
Penalties	6,818.55	0.8 %
Disconnect Fees	2,306.44	0.3 %
NSF Fees	1,575.00	0.2 %
Service Charge - Water	8,075.00	0.9 %
Handling Fees	6.38	0.0 %
Recovery of Bad Debt	532.86	0.1 %
Interest Income	438.97	0.1 %
Misc Revenue - Water	8.00	0.0 %
Reimbursement From FRUS	30,100.07	3.4 %
Taps - Sewer	24,340.32	2.8 %
Wastewater Sales	375,231.61	42.9 %
Misc Revenue - Wastewater	250.00	0.0 %
TOTAL REVENUE	874,790.32	100.0 %
***** TOTAL REVENUE	874,790.32	100.0 %
***** GROSS PROFIT	874,790.32	100.0 %
EXPENSES		
GENERAL & ADMINISTRATIVE EXPENSE		
Wages	190,731.76	21.8 %
Capitalized Labor	(3,281.35)	-0.4 %
Payroll Taxes	13,237.04	1.5 %
Contract Labor	7,818.84	0.9 %
Group Insurance	64,025.48	7.3 %
Net Periodic Pension Cost	41,603.33	4.8 %
Other Taxes/License/Dues	325.00	0.0 %
Computer Expense	5,019.75	0.6 %
Supplies	995.97	0.1 %
Utilities	2,498.28	0.3 %
Repairs & Maintenance	191.04	0.0 %
Vehicle Expense	204.79	0.0 %
Education & Training	317.00	0.0 %
Travel Expense	1,109.16	0.1 %
Office Equipment	2,052.27	0.2 %

***1 Month Ended
October 31, 2017***

Office Expense	13,735.76	1.6 %
Postage	4,479.98	0.5 %
Insurance Expense	19,475.74	2.2 %
Legal Expense	9,739.95	1.1 %
Engineering Expense	2,490.00	0.3 %
Bad Debt	928.52	0.1 %
Bank Charges	2,614.03	0.3 %
Bond Issue-Administrative Fees	1,000.00	0.1 %
Professional Services	7,797.47	0.9 %
Interest Expense	27,053.35	3.1 %
Misc Expense	1,302.66	0.1 %
Charitable Contribution	5,300.00	0.6 %
CASH OVER/SHORT	20.25	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	422,786.07	48.3 %
DEPRECIATION & AMORTIZATION EXPENSE		
Amortization Expense	(111,859.58)	-12.8 %
Depreciation Expense	184,493.96	21.1 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	72,634.38	8.3 %
WATER EXPENSE		
Supplies	1,045.18	0.1 %
Tools	644.18	0.1 %
Utilities	8,114.74	0.9 %
Chemicals	1,661.29	0.2 %
Repairs & Maintenance	25,100.97	2.9 %
Vehicle Expense	249.87	0.0 %
Vehicle/Equipment Gas Expense	2,790.44	0.3 %
Water Testing	1,731.00	0.2 %
Water Permits	650.00	0.1 %
Water Purchases	108,112.50	12.4 %
Water Operations Expense	595.27	0.1 %
Engineering - MESI	1,630.00	0.2 %
Misc Expense	653.22	0.1 %
TOTAL WATER EXPENSE	152,978.66	17.5 %
WASTEWATER EXPENSE		
Supplies	1,719.23	0.2 %
Tools	1,697.05	0.2 %
Utilities	30,719.06	3.5 %
Chemicals - HBTS	4,051.75	0.5 %
Polymers	2,417.54	0.3 %
Sewer Lab Equip/Supplies - HBTS	1,588.81	0.2 %
Repairs & Maintenance	96,055.90	11.0 %
General Equipment - WWTP	2,656.11	0.3 %
General Equipment - Collection System	441.61	0.1 %
Sludge Removal Expense - HBTS	5,000.00	0.6 %
Vehicle Expense	2,427.58	0.3 %
Vehicle/Equipment Gas Expense	3,257.34	0.4 %

*1 Month Ended
October 31, 2017*

Wastewater Testing - HBTS	5,771.00	0.7 %
Wastewater Testing - HWWTP	1,481.50	0.2 %
Wastewater Permits	(923.41)	-0.1 %
Plant Operations Expense - HBTS	1,502.55	0.2 %
Engineering - MESI	5,911.00	0.7 %
Misc Expense	613.02	0.1 %
TOTAL WASTEWATER EXPENSE	<u>166,387.64</u>	19.0 %
TOTAL EXPENSES	<u>814,786.75</u>	93.1 %
***** OPERATING INCOME/LOSS	<u>60,003.57</u>	6.9 %
*****	<u>60,003.57</u>	6.9 %
***** NET INCOME/LOSS	<u>60,003.57</u>	6.9 %