

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

September 2017

ASSETS

CURRENT ASSETS

Regions Operating	1,917,350.18
Petty Cash	850.00
Regions - Customer Water Deposits	446,102.75
Regions - Customer Sewer Deposits	264,323.86
Regions - Checking	3,354,135.63
Regions - Investments	1,138,365.09
Hancock Bank - HNWS14 Bond Fund	169,523.55
Regions - Time Deposit	123,909.45
Accounts Receivable	542,045.97
Unbilled Accounts Receivable	414,268.63
Accrued Interest Receivable	645.07
Accounts Receivable - Taps	59,042.45
Notes Receivable - FRUS	139,912.65
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	23,707.88
Due From The Club At Hidden Creek	69,317.55
Allowance for Bad Debt	(25,000.00)
Materials Inventory	319,175.29
Deposits	131,048.50
Prepaid Insurance	130,062.91
Prepaid Expenses	43,540.38

TOTAL CURRENT ASSETS

9,523,028.02

OTHER ASSETS

Land	2,071,969.97
Water Distribution System	23,739,971.62
Utility Plant Water	500,920.96
Utility Plant Water Facility	11,168.25
Sewer Facility	44,029,750.59
CIP - Greskovich Property RIBS	808,320.43
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	7,967.75
CIP - Warehouse #2 Storage	48,856.33
CIP - Panhandle Trail L/S Relocation	851,776.17
CIP - 8562 Turkey Bluff Road	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	89,469.00
CIP - Navarre Beach	24,390.28
CIP - Highway 399 Connection	4,528.54

CIP - Reuse Capacity	21,291.95	
CIP - Inflow & Infiltration	28,132.05	
CIP - SR 87 Booster Station & GST	118,753.07	
CIP - Eglin Reuse/RIBS	58,184.08	
CIP - Gulf Breeze Reuse	52,957.60	
CIP - General Lift Station Upgrades	2,000.00	
CIP - General Water Line Upgrades	6,249.97	
CIP - General Sewer Line Upgrades	3,470.00	
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	(23,371.41)	
Accum Amort - Bond Discount	(8,429.44)	
Accumulated Depreciation	(27,384,542.74)	
Pension Liability - Current Portion	(314,536.00)	
TOTAL OTHER ASSETS		<u>54,326,642.28</u>
TOTAL ASSETS		<u>63,849,670.30</u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	455,845.53
Accrued Taxes	27,213.36
Accrued Compensated Absences	230,968.00
Social Security Taxes	5,307.10
Medicare Taxes	1,241.22
Federal W/H Taxes	5,376.91
Employee Deduction - Life Insurance	(150.63)
Employee Deduction - Supplemental Ins.	298.71
Accrued Interest Payable	108,781.98

TOTAL CURRENT LIABILITIES

834,882.18

LONG-TERM LIABILITIES

Water Deposits	386,282.00
Sewer Deposits	223,158.04
Net Pension Obligation	4,894,284.04
Lease Payable - Regions Bank	1,594,171.91
Loan Payable - CTA	6,560,000.00

TOTAL LONG-TERM LIABILITIES

13,657,895.99

TOTAL LIABILITIES

14,492,778.17

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	20,659,142.27
Contri-aid-Construction Sewer	35,865,928.30
Accum Amort - Construction	(19,194,524.79)
Membership Certificates	267,895.00
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	(655,246.77)

TOTAL CONTRIB/PROPRIETARY CAPITAL

49,356,892.13

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

63,849,670.30

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month-to-Date Only, September 2017 - current month, Consolidated by account

	<i>1 Month Ended September 30, 2017</i>	
REVENUE		
Taps - Water	43,917.90	4.6 %
Water Sales	406,993.74	42.6 %
Penalties	7,062.93	0.7 %
Disconnect Fees	2,021.39	0.2 %
NSF Fees	1,400.00	0.1 %
Service Charge - Water	8,030.00	0.8 %
Handling Fees	13.34	0.0 %
Recovery of Bad Debt	309.00	0.0 %
Interest Income	1,111.37	0.1 %
Misc Revenue - Water	35.36	0.0 %
Reimbursement From FRUS	22,573.34	2.4 %
Taps - Sewer	82,400.06	8.6 %
Wastewater Sales	376,541.64	39.4 %
Misc Revenue - Wastewater	2,800.00	0.3 %
TOTAL REVENUE	955,210.07	100.0 %
***** TOTAL REVENUE	955,210.07	100.0 %
***** GROSS PROFIT	955,210.07	100.0 %
EXPENSES		
GENERAL & ADMINISTRATIVE EXPENSE		
Wages	185,576.40	19.4 %
Payroll Taxes	16,574.95	1.7 %
Contract Labor	9,229.56	1.0 %
Group Insurance	53,637.52	5.6 %
Net Periodic Pension Cost	41,603.33	4.4 %
Pension - Professional Fees	1,176.00	0.1 %
401K - Professional Fees	270.00	0.0 %
Other Taxes/License/Dues	1,083.51	0.1 %
Computer Expense	4,945.80	0.5 %
Supplies	1,744.48	0.2 %
Utilities	2,055.47	0.2 %
Repairs & Maintenance	300.00	0.0 %
Vehicle Expense	279.46	0.0 %
Education & Training	1,517.00	0.2 %
Travel Expense	537.28	0.1 %

1 Month Ended
September 30, 2017

Office Equipment	470.07	0.0 %
Office Expense	10,602.93	1.1 %
Postage	4,485.11	0.5 %
Insurance Expense	19,475.74	2.0 %
Legal Expense	3,881.25	0.4 %
Engineering Expense	3,000.00	0.3 %
Advertising Expense	173.00	0.0 %
Bad Debt	1,352.06	0.1 %
Bank Charges	2,654.62	0.3 %
Bond Issue-Administrative Fees	1,000.00	0.1 %
Professional Services	5,692.47	0.6 %
Interest Expense	27,092.70	2.8 %
Misc Expense	342.09	0.0 %
CASH OVER/SHORT	(0.10)	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	400,752.70	42.0 %
DEPRECIATION & AMORTIZATION EXPENSE		
Amortization Expense	(111,859.58)	-11.7 %
Depreciation Expense	183,869.78	19.2 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	72,010.20	7.5 %
WATER EXPENSE		
Supplies	900.86	0.1 %
Tools	178.49	0.0 %
Utilities	7,437.57	0.8 %
Chemicals	2,275.35	0.2 %
Repairs & Maintenance	20,253.42	2.1 %
Safety Supplies/Equipment	414.71	0.0 %
General Equipment - Distribution System	1,637.63	0.2 %
Vehicle Expense	1,459.89	0.2 %
Vehicle/Equipment Gas Expense	4,450.86	0.5 %
Water Testing	1,885.00	0.2 %
Water Purchases	104,625.00	11.0 %
Water Operations Expense	251.50	0.0 %
Engineering - MESI	1,202.00	0.1 %
Misc Expense	738.22	0.1 %
Uniform Expense	68.86	0.0 %
TOTAL WATER EXPENSE	147,779.36	15.5 %
WASTEWATER EXPENSE		
Supplies	1,088.78	0.1 %
Tools	504.72	0.1 %
Utilities	30,399.49	3.2 %
Chemicals - HBTS	3,856.15	0.4 %
Polymers	2,417.54	0.3 %
Repairs & Maintenance	76,314.35	8.0 %
General Equipment - Collection System	1,637.63	0.2 %
Safety Supplies/Equipment	438.97	0.0 %
Sludge Removal Expense - HBTS	9,000.00	0.9 %

*1 Month Ended
September 30, 2017*

	<u>2,552.49</u>	0.3 %
Vehicle Expense	2,552.49	0.3 %
Vehicle/Equipment Gas Expense	4,639.33	0.5 %
Wastewater Testing - HBTS	1,941.00	0.2 %
Wastewater Testing - HWWTP	882.00	0.1 %
Plant Operations Expense - HBTS	609.24	0.1 %
Engineering - MESI	6,808.00	0.7 %
Misc Expense	508.02	0.1 %
Uniform Expense	68.86	0.0 %
TOTAL WASTEWATER EXPENSE	<u>143,666.57</u>	15.0 %
TOTAL EXPENSES	<u>764,208.83</u>	80.0 %
***** OPERATING INCOME/LOSS	<u>191,001.24</u>	20.0 %
*****	<u>191,001.24</u>	20.0 %
***** NET INCOME/LOSS	<u>191,001.24</u>	20.0 %