

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

January 2015

ASSETS

CURRENT ASSETS

Regions Operating	693,987.51
Petty Cash	850.00
Regions - Customer Water Deposits	484,172.32
AmSouth - Customer Sewer Deposits	299,757.58
AmSouth - Checking	1,346,103.85
AmSouth - Investments	506,592.25
Hancock Bank - HNWS14 Project Fund	2,459,139.72
Hancock Bank - HNWS14 Bond Fund	157,005.75
AmSouth - Time Deposit	122,481.51
Accounts Receivable	349,105.46
Unbilled Accounts Receivable	347,000.63
Accrued Interest Receivable	8.45
Accounts Receivable - Taps	39,739.21
Accounts Receivable - Employee HSA	32,760.00
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	266,890.37
Investment in THE CLUB AT HIDDEN CREEK	4,025,467.38
Investment in MUNICIPAL ENGINEERING SERV	133,983.70
Allowance for Bad Debt	(25,000.00)
Materials Inventory	336,275.85
Deposits	11,048.50
Prepaid Insurance	145,421.01
Prepaid Expenses	25,785.68

TOTAL CURRENT ASSETS

12,019,276.96

OTHER ASSETS

Land	1,259,048.18
Water Distribution System	20,635,582.14
Utility Plant Water	500,920.96
Utility Plant Water Facility	11,168.25
Well #3	803,386.00
Sewer Facility	42,035,248.33
Wastewater Sprayfield Rights	305,000.00
Greskovich Wastewater Sprayfield	333,244.39
Office and Storage Buildings	661,448.88
Improvements O/T Buildings	234,474.35
Office Equipment	180,553.35
Equipment	1,822,905.85
Telemetry	102,078.00
Trucks	1,340,434.06
Water - Line Extensions	410,670.91
Sewer - Line Extensions	1,088,661.35
CIP - Warehouse #2 Storage	15,725.00
CIP - Golf Course Reuse line Replacemen	34,597.40
CIP - Panhandle Trail L/S Relocation	2,560.00
Debt Issue Costs	225,477.37
Loan Discount	81,344.25

Bond Issue Costs	0.46	
Accum Amort - Bond Issue Costs	(2,505.00)	
Accum Amort - Bond Discount	(904.00)	
Accumulated Depreciation	(22,973,298.33)	
Pension Liability - Current Portion	135,829.00	
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TOTAL OTHER ASSETS		49,243,651.15
TOTAL ASSETS		<hr/> <hr/>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	144,929.11
Accrued Taxes	25,605.45
Social Security Taxes	5,126.50
Medicare Taxes	1,198.94
Federal W/H Taxes	4,857.61
Employee Deduction - Life Insurance	1.84
Employee Deduction - Prepaid Legal	395.60
Employee Deduction - Vision	819.54
Accrued Interest Payable	53,995.13

TOTAL CURRENT LIABILITIES

236,929.72

LONG-TERM LIABILITIES

Water Deposits	427,035.00
Sewer Deposits	262,243.04
Pension Obligation	8,831,280.00
Pension Asset	(5,409,451.00)
Loan Payable - CTA	7,000,000.00

TOTAL LONG-TERM LIABILITIES

11,111,107.04

TOTAL LIABILITIES

11,348,036.76

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	18,419,002.31
Contri-aid-Construction Sewer	32,945,980.12
Accum Amort - Construction	(15,636,667.21)
Membership Certificates	237,665.00
Contributed Capital	12,200.00
Capital Federal Grant	237,765.65
Pension - Deferred Amendments	(333,327.00)
Pension - Deferred Gain (loss)	(3,465,963.00)
Retained Earnings	17,333,925.66
Year-to-Date Earnings	164,309.82

TOTAL CONTRIB/PROPRIETARY CAPITAL

49,914,891.35

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

61,262,928.11

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month-to-Date Only, January 2015 - 10 months back, Consolidated by account

	<i>1 Month Ended</i> <i>January 31, 2015</i>	
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REVENUE		
Taps - Water	31,050.00	4.7 %
Water Sales	280,769.29	42.9 %
Penalties	6,708.76	1.0 %
Disconnect Fees	2,950.00	0.5 %
NSF Fees	1,275.00	0.2 %
Service Charge - Water	7,365.00	1.1 %
Handling Fees	26.22	0.0 %
Recovery of Bad Debt	613.99	0.1 %
Interest Income	306.87	0.0 %
Interest Income - THE CLUB	6,322.88	1.0 %
Misc Revenue - Water	30.00	0.0 %
Taps - Sewer	55,860.00	8.5 %
Wastewater Sales	266,566.81	40.7 %
Pension - Deferred Gain (Loss)	(5,461.00)	-0.8 %
TOTAL REVENUE	<u>654,383.82</u>	100.0 %
***** TOTAL REVENUE	<u>654,383.82</u>	100.0 %
***** GROSS PROFIT	<u>654,383.82</u>	100.0 %
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EXPENSES		
GENERAL & ADMINISTRATIVE EXPENSE		
Wages	193,865.16	29.6 %
Capitalized Labor	(12,568.59)	-1.9 %
Payroll Taxes	16,072.05	2.5 %
Group Insurance	58,222.73	8.9 %
Net Periodic Pension Cost	54,872.00	8.4 %
Other Taxes/License/Dues	(4,611.85)	-0.7 %
Computer Expense	529.70	0.1 %
Supplies	387.41	0.1 %
Utilities	1,072.68	0.2 %
Repairs & Maintenance	54.89	0.0 %
Vehicle Expense	(30.40)	0.0 %
Education & Training	4,375.00	0.7 %
Travel Expense	(198.00)	0.0 %
Office Equipment	(2,580.00)	-0.4 %
Office Expense	13,875.30	2.1 %

*1 Month Ended
January 31, 2015*

Postage	9,689.95	1.5 %
Insurance Expense	17,977.79	2.7 %
Legal Expense	989.25	0.2 %
Accounting/Auditing Expense	1,500.00	0.2 %
Bad Debt	1,881.48	0.3 %
Bank Charges	1,958.87	0.3 %
Bond Issue-Administrative Fees	1,000.00	0.2 %
Professional Services	2,685.25	0.4 %
Interest Expense	10,650.00	1.6 %
Misc Expense	1,002.35	0.2 %
Uniform Expense	48.83	0.0 %
CASH OVER/SHORT	3.37	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	372,725.22	57.0 %
DEPRECIATION & AMORTIZATION EXPENSE		
Amortization Expense	(101,359.15)	-15.5 %
Depreciation Expense	158,053.68	24.2 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	56,694.53	8.7 %
WATER EXPENSE		
Supplies	611.07	0.1 %
Tools	60.75	0.0 %
Utilities	1,450.45	0.2 %
Chemicals	2,484.84	0.4 %
Repairs & Maintenance	11,288.55	1.7 %
Safety Supplies/Equipment	36.98	0.0 %
Vehicle/Equipment Gas Expense	(432.44)	-0.1 %
Water Testing	1,959.00	0.3 %
Water Operations Expense	103.98	0.0 %
Engineering - MESI	6,773.75	1.0 %
Uniform Expense	20.03	0.0 %
TOTAL WATER EXPENSE	24,356.96	3.7 %
WASTEWATER EXPENSE		
Supplies	1,198.61	0.2 %
Tools	3,604.39	0.6 %
Utilities	1,361.30	0.2 %
Chemicals - HBTS	2,795.41	0.4 %
Polymers	2,844.00	0.4 %
Sewer Lab Equip/Supplies - HBTS	155.03	0.0 %
Repairs & Maintenance	12,325.33	1.9 %
Safety Supplies/Equipment	36.99	0.0 %
Wastewater Testing - HBTS	1,206.00	0.2 %
Wastewater Testing - HWWTP	1,330.50	0.2 %
Wastewater Permits	500.00	0.1 %
Plant Operations Expense - HBTS	215.98	0.0 %
Engineering - MESI	8,723.75	1.3 %
TOTAL WASTEWATER EXPENSE	36,297.29	5.5 %

*1 Month Ended
January 31, 2015*

TOTAL EXPENSES	490,074.00	74.9 %
***** OPERATING INCOME/LOSS	<u>164,309.82</u>	25.1 %
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***** NET INCOME/LOSS	<u>164,309.82</u>	25.1 %