

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

June 2016

ASSETS

CURRENT ASSETS

Regions Operating	421,923.50
Petty Cash	850.00
Regions - Customer Water Deposits	466,384.72
Regions - Customer Sewer Deposits	281,770.79
Regions - Checking	2,321,296.12
Regions - Investments	1,140,639.59
Hancock Bank - HNWS14 Project Fund	907,619.33
Hancock Bank - HNWS14 Bond Fund	68,620.85
Regions - Time Deposit	122,947.65
Accounts Receivable	477,609.82
Unbilled Accounts Receivable	395,162.63
Accrued Interest Receivable	104.56
Accounts Receivable - Taps	31,665.72
Notes Receivable - FRUS	161,773.95
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	18,789.64
Due From The Club At Hidden Creek	88,376.77
Due From Municipal Engineering Services	17,277.98
Allowance for Bad Debt	(25,000.00)
Materials Inventory	324,833.04
Deposits	11,048.50
Prepaid Insurance	146,078.33
Prepaid Expenses	25,826.95

TOTAL CURRENT ASSETS

7,666,300.67

OTHER ASSETS

Land	1,583,746.13
Water Distribution System	21,767,801.78
Utility Plant Water	500,920.96
Utility Plant Water Facility	11,168.25
Well #3	803,386.00
Sewer Facility	42,620,168.13
Wastewater Sprayfield Rights	305,000.00
Greskovich Property RIBS	376,256.36
Office and Storage Buildings	670,997.38
Improvements O/T Buildings	260,213.80
Office Equipment	201,595.52
Equipment	2,186,280.28
Telemetry	126,471.60
Trucks	1,574,413.19
Water - Line Extensions	410,670.91
Sewer - Line Extensions	1,088,661.35
Investment in THE CLUB AT HIDDEN CREEK	4,211,257.52
CIP - Hwy 87 L-S Upgrade	3,508.92
CIP - Elevated Tank #6	29,487.58
CIP - Warehouse #2 Storage	46,563.65
CIP - Golf Course Reuse line Replacemen	806,140.88

CIP - Panhandle Trail L/S Relocation	60,071.55	
CIP - 8562 Turkey Bluff Road	11,914.98	
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	53,725.00	
CIP - Navarre Beach	23,716.28	
CIP - Highway 399 Connection	1,795.83	
CIP - Reuse Capacity	17,869.95	
CIP - Inflow & Infiltration	72,030.96	
CIP - SR 87 Booster Station & GST	16,704.30	
CIP - Eglin Reuse/RIBS	14,533.50	
CIP - Gulf Breeze Reuse	1,450.00	
Debt Issue Costs	225,477.37	
Loan Discount	81,344.25	
Bond Issue Costs	0.46	
Accum Amort - Bond Issue Costs	(13,185.90)	
Accum Amort - Bond Discount	(4,760.00)	
Accumulated Depreciation	(25,995,803.98)	
TOTAL OTHER ASSETS		<u>54,190,384.74</u>
TOTAL ASSETS		<u><u>61,856,685.41</u></u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	243,285.35
Accrued Taxes	75,474.82
Employee Deduction - Life Insurance	(177.02)
Accrued Interest Payable	42,394.49

TOTAL CURRENT LIABILITIES

360,977.64

LONG-TERM LIABILITIES

Water Deposits	400,900.00
Sewer Deposits	236,543.04
Pension Obligation	8,984,733.50
Pension Asset	(4,938,025.46)
Loan Payable - CTA	6,710,000.00

TOTAL LONG-TERM LIABILITIES

11,394,151.08

TOTAL LIABILITIES

11,755,128.72

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	19,490,339.14
Contri-aid-Construction Sewer	34,367,237.52
Accum Amort - Construction	(17,503,847.34)
Membership Certificates	253,505.00
Contributed Capital	12,200.00
Capital Federal Grant	532,765.65
Pension - Deferred Amendments	(279,701.71)
Pension - Deferred Gain (loss)	(3,603,668.21)
Retained Earnings	16,744,281.00
Year-to-Date Earnings	88,445.64

TOTAL CONTRIB/PROPRIETARY CAPITAL

50,101,556.69

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

61,856,685.41

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month-to-Date Only, June 2016 - 1 month back, Consolidated by account

	<i>1 Month Ended June 30, 2016</i>	
REVENUE		
Taps - Water	20,475.00	2.4 %
Water Sales	401,481.91	47.0 %
Penalties	6,339.90	0.7 %
Disconnect Fees	3,050.00	0.4 %
NSF Fees	1,125.00	0.1 %
Service Charge - Water	10,765.00	1.3 %
Handling Fees	25.08	0.0 %
Recovery of Bad Debt	1,205.40	0.1 %
Interest Income	578.92	0.1 %
Misc Revenue - Water	24.00	0.0 %
Reimbursement From FRUS	17,682.55	2.1 %
Taps - Sewer	37,086.00	4.3 %
Wastewater Sales	354,844.39	41.5 %
TOTAL REVENUE	854,683.15	100.0 %
***** TOTAL REVENUE	854,683.15	100.0 %
***** GROSS PROFIT	854,683.15	100.0 %
EXPENSES		
GENERAL & ADMINISTRATIVE EXPENSE		
Wages	218,592.02	25.6 %
Capitalized Labor	(9,797.44)	-1.1 %
Payroll Taxes	14,433.70	1.7 %
Contract Labor	2,506.37	0.3 %
Group Insurance	63,773.77	7.5 %
Net Periodic Pension Cost	37,560.84	4.4 %
Other Taxes/License/Dues	735.00	0.1 %
Computer Expense	2,771.85	0.3 %
Supplies	752.62	0.1 %
Utilities	2,445.29	0.3 %
Repairs & Maintenance	33.06	0.0 %
Vehicle Expense	428.53	0.1 %
Education & Training	1,556.25	0.2 %
Travel Expense	3,716.69	0.4 %
Office Equipment	1,158.90	0.1 %
Office Expense	8,624.46	1.0 %
Postage	4,082.75	0.5 %

***1 Month Ended
June 30, 2016***

Insurance Expense	15,222.25	1.8 %
Accounting/Auditing Expense	2,600.00	0.3 %
Bad Debt	1,223.08	0.1 %
Bank Charges	2,789.28	0.3 %
Bond Issue-Administrative Fees	1,000.00	0.1 %
Professional Services	5,870.83	0.7 %
Interest Expense	21,473.75	2.5 %
Misc Expense	421.35	0.0 %
Uniform Expense	200.72	0.0 %
Charitable Contribution	5,000.00	0.6 %
CASH OVER/SHORT	4.92	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	409,180.84	47.9 %
DEPRECIATION & AMORTIZATION EXPENSE		
Amortization Expense	(111,725.68)	-13.1 %
Depreciation Expense	181,639.72	21.3 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	69,914.04	8.2 %
WATER EXPENSE		
Supplies	933.52	0.1 %
Tools	320.55	0.0 %
Utilities	6,499.47	0.8 %
Chemicals	2,068.31	0.2 %
Repairs & Maintenance	11,188.88	1.3 %
Safety Supplies/Equipment	6.45	0.0 %
Vehicle Expense	864.85	0.1 %
Vehicle/Equipment Gas Expense	2,411.76	0.3 %
Water Testing	1,390.00	0.2 %
Water Purchases	99,975.00	11.7 %
Water Operations Expense	116.78	0.0 %
Engineering - MESI	210.00	0.0 %
Misc Expense	605.22	0.1 %
Uniform Expense	1,628.24	0.2 %
TOTAL WATER EXPENSE	128,219.03	15.0 %
WASTEWATER EXPENSE		
Supplies	1,705.94	0.2 %
Tools	626.60	0.1 %
Utilities	28,972.92	3.4 %
Chemicals - HBTS	3,724.15	0.4 %
Chemicals - HWWTP	207.04	0.0 %
Polymers	2,844.00	0.3 %
Sewer Lab Equip/Supplies - HBTS	1,897.40	0.2 %
Sewer Lab Equip/Supplies - HWWTP	294.45	0.0 %
Repairs & Maintenance	58,513.63	6.8 %
Safety Supplies/Equipment	6.45	0.0 %
Sludge Removal Expense - HBTS	8,000.00	0.9 %
Vehicle Expense	930.45	0.1 %
Vehicle/Equipment Gas Expense	3,815.50	0.4 %

*1 Month Ended
June 30, 2016*

Wastewater Testing - HBTS	2,325.00	0.3 %
Wastewater Testing - HWWTP	1,135.00	0.1 %
Plant Operations Expense - HBTS	121.79	0.0 %
Misc Expense	460.02	0.1 %
Uniform Expense	1,334.89	0.2 %
TOTAL WASTEWATER EXPENSE	<u>116,915.23</u>	13.7 %
TOTAL EXPENSES	<u>724,229.14</u>	84.7 %
***** OPERATING INCOME/LOSS	<u>130,454.01</u>	15.3 %
*****	<u>130,454.01</u>	15.3 %
***** NET INCOME/LOSS	<u>130,454.01</u>	15.3 %