

HOLLEY NAVARRE WATER SYSTEM INC

BALANCE SHEET

May 2018

ASSETS

CURRENT ASSETS

Regions Operating	2,077,899.93
Petty Cash	850.00
Regions - Customer Water Deposits	440,338.66
Regions - Customer Sewer Deposits	263,770.30
Regions - Checking	3,746,855.86
Regions - Investments	1,141,692.21
Hancock Bank - HNWS14 Bond Fund	36,857.39
Regions - Time Deposit	124,720.17
Accounts Receivable	550,427.09
Unbilled Accounts Receivable	472,935.63
Accounts Receivable - Taps	56,223.84
Notes Receivable - FRUS	128,253.29
Capital Contribution - Fairpoint	260,700.23
Due From Fairpoint	35,520.55
Due From The Club At Hidden Creek	69,317.55
Allowance for Bad Debt	(25,000.00)
Materials Inventory	324,369.73
Deposits	11,048.50
Prepaid Insurance	26,070.79
Prepaid Expenses	413,844.26

TOTAL CURRENT ASSETS

10,156,695.98

OTHER ASSETS

Land	2,150,429.97
Water Distribution System	24,029,762.71
Utility Plant Water	500,920.96
Utility Plant Water Facility	11,168.25
Sewer Facility	46,656,292.31
Office and Storage Buildings	657,750.38
Improvements O/T Buildings	261,143.80
Office Equipment	203,330.52
Equipment	1,992,621.94
Telemetry	233,043.04
Trucks	1,611,513.30
Investment in THE CLUB AT HIDDEN CREEK	4,472,862.27
CIP - Hwy 87 L-S Upgrade	14,831.75
CIP - Warehouse #2 Storage	48,856.33
CIP - Panhandle Trail L/S Relocation	97,583.53
CIP - Main Office Expansion	14,555.84
CIP - 2015 W Master Plan	26,360.00
CIP - 2015 WW Master Plan	2,290.00
CIP - 2015 W Model Project	19,440.00
CIP - 2015 WW Model Project	100,330.00
CIP - Navarre Beach	24,390.28
CIP - Highway 399 Connection	7,858.54
CIP - Reuse Capacity	19,899.95
CIP - Inflow & Infiltration	41,608.05

CIP - SR 87 Booster Station & GST	141,082.79	
CIP - Eglin Reuse/RIBS	71,434.08	
CIP - Gulf Breeze Reuse	67,541.70	
CIP - General Lift Station Upgrades	16,051.45	
CIP - General Water Line Upgrades	9,849.47	
CIP - General Sewer Line Upgrades	5,822.00	
CIP - FDOT Hwy 98 Widening -Water	420.00	
CIP - FDOT Hwy 98 Widening -Sewer	420.00	
CIP - General WWTP Upgrades	141,844.70	
Debt Issue Costs	223,977.37	
Loan Discount	81,344.25	
Bond Issue Costs	0.46	
Accum Amort - Bond Issue Costs	(28,382.05)	
Accum Amort - Bond Discount	(10,236.80)	
Accumulated Depreciation	(28,437,701.95)	
Pension Liability - Current Portion	(510,000.00)	
TOTAL OTHER ASSETS		<u>54,972,311.19</u>
TOTAL ASSETS		<u>65,129,007.17</u>

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	289,390.65
Accrued Taxes	68,683.52
Accrued Compensated Absences	209,943.00
Employee Deduction - Life Insurance	(8.57)
Accrued Interest Payable	27,853.22

TOTAL CURRENT LIABILITIES

595,861.82

LONG-TERM LIABILITIES

Water Deposits	378,682.00
Sewer Deposits	220,258.04
Net Pension Obligation	8,294,930.04
Lease Payable - Regions Bank	1,502,793.34
Loan Payable - CTA	6,410,000.00

TOTAL LONG-TERM LIABILITIES

16,806,663.42

TOTAL LIABILITIES

17,402,525.24

CONTRIB/PROPRIETARY CAPITAL

Contri-aid-Construction Water	21,383,931.70
Contri-aid-Construction Sewer	37,492,290.71
Accum Amort - Construction	(20,150,533.43)
Membership Certificates	274,685.00
Contributed Capital	12,200.00
Capital Federal Grant	532,765.65
Unfunded Pension Liability	(8,693,394.92)
Retained Earnings	16,337,933.63
Year-to-Date Earnings	536,603.59

TOTAL CONTRIB/PROPRIETARY CAPITAL

47,726,481.93

TOTAL LIABILITIES & CONTRIB/PROPRIETARY CAPITAL

65,129,007.17

HOLLEY NAVARRE WATER SYSTEM INC

INCOME STATEMENT

Month-to-Date Only, May 2018 - 1 month back, Consolidated by account

	<i>1 Month Ended May 31, 2018</i>	
REVENUE		
Taps - Water	25,764.00	2.8 %
Water Sales	405,152.98	44.3 %
Penalties	5,820.92	0.6 %
Disconnect Fees	2,401.04	0.3 %
NSF Fees	1,500.00	0.2 %
Service Charge - Water	9,765.00	1.1 %
Handling Fees	0.59	0.0 %
Recovery of Bad Debt	75.84	0.0 %
Interest Income	2,153.51	0.2 %
Misc Revenue - Water	377.00	0.0 %
Reimbursement From FRUS	34,666.80	3.8 %
Taps - Sewer	40,166.72	4.4 %
Wastewater Sales	380,959.70	41.6 %
Misc Revenue - Wastewater	6,755.00	0.7 %
TOTAL REVENUE	915,559.10	100.0 %
***** TOTAL REVENUE	915,559.10	100.0 %
***** GROSS PROFIT	915,559.10	100.0 %
EXPENSES		
GENERAL & ADMINISTRATIVE EXPENSE		
Wages	222,573.33	24.3 %
Capitalized Labor	(2,834.06)	-0.3 %
Payroll Taxes	15,771.09	1.7 %
Contract Labor	2,878.40	0.3 %
Group Insurance	66,407.82	7.3 %
Net Periodic Pension Cost	49,822.00	5.4 %
Computer Expense	7,772.34	0.8 %
Supplies	555.90	0.1 %
Utilities	2,579.44	0.3 %
Repairs & Maintenance	64.51	0.0 %
Vehicle Expense	1,952.20	0.2 %
Education & Training	435.00	0.0 %
Travel Expense	488.23	0.1 %
Office Equipment	1,196.42	0.1 %
Office Expense	11,405.08	1.2 %
Postage	4,459.10	0.5 %

***1 Month Ended
May 31, 2018***

Insurance Expense	12,783.58	1.4 %
Legal Expense	9,429.00	1.0 %
Accounting/Auditing Expense	4,750.00	0.5 %
Engineering Expense	5,432.00	0.6 %
Advertising Expense	1,098.97	0.1 %
Bad Debt	1,742.07	0.2 %
Bank Charges	5,268.93	0.6 %
Bond Issue-Administrative Fees	2,650.00	0.3 %
Professional Services	7,690.22	0.8 %
Landrum HR/Payroll Services	4,600.00	0.5 %
Interest Expense	26,773.99	2.9 %
Misc Expense	467.00	0.1 %
Charitable Contribution	150.00	0.0 %
CASH OVER/SHORT	0.70	0.0 %
TOTAL GENERAL & ADMINISTRATIVE EXPENSE	468,363.26	51.2 %
DEPRECIATION & AMORTIZATION EXPENSE		
Amortization Expense	(111,859.58)	-12.2 %
Depreciation Expense	182,406.18	19.9 %
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	70,546.60	7.7 %
WATER EXPENSE		
Supplies	3,385.88	0.4 %
Tools	495.77	0.1 %
Utilities	8,432.13	0.9 %
Chemicals	3,103.63	0.3 %
Repairs & Maintenance	11,270.02	1.2 %
Vehicle Expense	5,140.73	0.6 %
Vehicle/Equipment Gas Expense	4,119.38	0.4 %
Water Testing	1,725.00	0.2 %
Water Purchases	112,917.50	12.3 %
Water Operations Expense	116.50	0.0 %
Engineering - MESI	1,870.00	0.2 %
Engineering - System	5,308.25	0.6 %
Misc Expense	1,094.00	0.1 %
Uniform Expense	29.99	0.0 %
TOTAL WATER EXPENSE	159,008.78	17.4 %
WASTEWATER EXPENSE		
Supplies	1,956.69	0.2 %
Tools	466.61	0.1 %
Utilities	31,733.75	3.5 %
Chemicals - HBTS	5,233.59	0.6 %
Chemicals - HWWTP	206.78	0.0 %
Repairs & Maintenance	82,183.12	9.0 %
Sludge Removal Expense - HBTS	2,500.00	0.3 %
Vehicle Expense	1,597.69	0.2 %
Vehicle/Equipment Gas Expense	4,096.19	0.4 %
Wastewater Testing - HBTS	2,970.00	0.3 %

*1 Month Ended
May 31, 2018*

Wastewater Testing - HWWTP	1,247.00	0.1 %
Plant Operations Expense - HBTS	153.51	0.0 %
Engineering - MESI	2,454.00	0.3 %
Engineering - System	4,087.25	0.4 %
Misc Expense	603.00	0.1 %
Uniform Expense	293.01	0.0 %
TOTAL WASTEWATER EXPENSE	<u>141,782.19</u>	15.5 %
TOTAL EXPENSES	<u>839,700.83</u>	91.7 %
***** OPERATING INCOME/LOSS	<u>75,858.27</u>	8.3 %
*****	<u>75,858.27</u>	8.3 %
***** NET INCOME/LOSS	<u>75,858.27</u>	8.3 %