

GASPARILLA ISLAND WATER ASSOCIATION, INC.

FINANCIAL STATEMENTS FOR THE

YEARS ENDED SEPTEMBER 30, 2014 AND 2013

AND

INDEPENDENT AUDITORS' REPORT

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## Independent Auditors' Report

To the Board of Directors  
Gasparilla Island Water Association, Inc.

We have audited the accompanying financial statements of Gasparilla Island Water Association, Inc., which comprise the statements of financial position as of September 30, 2014 and 2013, and the related statements of revenue and expenses, changes in equity, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gasparilla Island Water Association, Inc. as of September 30, 2014 and 2013, and the changes in its equity and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules on pages 15 through 16 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Suplee Shea Cramer & Rocklein PA*

SUPLEE, SHEA, CRAMER, & ROCKLEIN, P.A.  
December 22, 2014

GASPARILLA ISLAND WATER ASSOCIATION, INC.

BALANCE SHEETS

SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>Assets</u>		
UTILITY PLANT		
Property, plant and equipment, at cost	\$ 26,837,756	\$ 26,815,145
Less accumulated depreciation	15,102,463	14,540,520
Net property, plant and equipment	<u>11,735,293</u>	<u>12,274,625</u>
Construction in progress	<u>286,437</u>	<u>152,800</u>
 Total Utility Plant	 <u>12,021,730</u>	 <u>12,427,425</u>
CURRENT ASSETS		
Cash and cash equivalents	1,884,062	1,160,422
Accounts receivable, members	365,283	319,672
Inventory	60,250	55,727
Other current assets	<u>3,881</u>	<u>17,271</u>
 Total Current Assets	 <u>2,313,476</u>	 <u>1,553,092</u>
RESTRICTED ASSETS, cash and cash equivalents	<u>99,928</u>	<u>143,275</u>
DEFERRED CHARGES AND OTHER ASSETS		
Non-marketable participation certificates	505,578	516,770
Unamortized debt expense	60,127	68,949
Unamortized regulatory expenses	115,993	70,005
Utility deposits	<u>165</u>	<u>405</u>
 Total Deferred Charges and Other Assets	 <u>681,863</u>	 <u>656,129</u>
TOTAL ASSETS	 <u><u>\$ 15,116,997</u></u>	 <u><u>\$ 14,779,921</u></u>

The accompanying notes are an integral part of these financial statements.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

BALANCE SHEETS

SEPTEMBER 30, 2014 AND 2013

Equity and Liabilities

	<u>2014</u>	<u>2013</u>
<b>EQUITY</b>		
Members' contributions	\$ 5,547,838	\$ 5,453,918
Developers' contributions	945,167	1,031,272
Retained earnings:		
Board designated for capital improvements	<u>3,999,040</u>	<u>3,197,431</u>
Total Equity	<u>10,492,045</u>	<u>9,682,621</u>
<b>LONG-TERM LIABILITIES</b>		
Notes payable, net of current portion	<u>3,814,222</u>	<u>4,350,390</u>
<b>CURRENT LIABILITIES</b>		
Current portion of notes payable	536,168	515,914
Accounts payable, trade	162,825	121,426
Accrued interest	23,843	26,726
Accrued wages	<u>13,968</u>	<u>10,208</u>
Total Current Liabilities	<u>736,804</u>	<u>674,274</u>
Deposits payable from restricted assets	<u>73,926</u>	<u>72,636</u>
Total Liabilities	<u>4,624,952</u>	<u>5,097,300</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>\$ 15,116,997</u></u>	<u><u>\$ 14,779,921</u></u>

The accompanying notes are an integral part of these financial statements.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

STATEMENTS OF REVENUES AND EXPENSES

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<b>OPERATING REVENUES</b>		
Water services	\$ 2,660,859	\$ 2,545,593
Sewer services	1,379,244	1,360,185
Water hook-up fees	5,200	2,560
Sewer hook-up fees	<u>3,740</u>	<u>2,040</u>
 Total Operating Revenues	 <u>4,049,043</u>	 <u>3,910,378</u>
<b>OPERATING EXPENSES</b>		
Water system	1,338,892	1,255,469
Sewer system	759,898	805,931
General and administrative	717,300	686,684
Depreciation	<u>648,754</u>	<u>650,068</u>
 Total Operating Expenses	 <u>3,464,844</u>	 <u>3,398,152</u>
 Operating Income	 <u>584,199</u>	 <u>512,226</u>
<b>OTHER REVENUES (EXPENSES)</b>		
Interest income	2,111	1,290
Patronage dividends	51,027	55,702
Capital improvement assessment	495,260	494,000
Interest expense and amortization of debt expenses	(315,026)	(349,952)
Membership fees	720	360
Loss on disposal of assets	(25,630)	(5,413)
Other income	<u>8,948</u>	<u>10,581</u>
 Total Other Revenues (Expenses)	 <u>217,410</u>	 <u>206,568</u>
 <b>EXCESS OF REVENUES OVER EXPENSES</b>	 <u><u>\$ 801,609</u></u>	 <u><u>\$ 718,794</u></u>

The accompanying notes are an integral part of these financial statements.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	<u>Contributed Capital in Aid of Construction</u>			<u>Total</u>
	<u>Members' Contributions</u>	<u>Developers' Contributions</u>	<u>Retained Earnings</u>	
Balance, September 30, 2012	\$ 5,405,335	\$ 1,120,865	\$ 2,478,637	\$ 9,004,837
Contributions received	48,583	-	-	48,583
Amortization of developers' contributions	-	(89,593)	-	(89,593)
Excess of Revenues over Expenses	-	-	718,794	718,794
Balance, September 30, 2013	\$ 5,453,918	\$ 1,031,272	\$ 3,197,431	\$ 9,682,621
Contributions received	93,920	-	-	93,920
Amortization of developers' contributions	-	(86,105)	-	(86,105)
Excess of Revenues over Expenses	-	-	801,609	801,609
Balance, September 30, 2014	<u>\$ 5,547,838</u>	<u>\$ 945,167</u>	<u>\$ 3,999,040</u>	<u>\$ 10,492,045</u>

The accompanying notes are an integral part of these financial statements.



GASPARILLA ISLAND WATER ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Excess of revenues over expenses	\$ 801,609	\$ 718,794
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:		
Depreciation	648,754	650,068
Amortization	46,205	48,787
Loss on disposal of assets	25,630	5,413
Patronage equity distributions	(12,484)	(13,712)
Changes in assets and liabilities		
(Increase) decrease in accounts receivable, members	(45,611)	36,857
(Increase) decrease in inventory	(4,523)	1,529
(Increase) decrease in other current assets	13,390	13,648
Increase in unamortized regulatory expenses	(83,371)	(675)
Decrease in utility deposits	240	-
Increase (decrease) in accounts payable, trade	41,399	42,399
Increase (decrease) in other liabilities	877	142
Increase in deposits payable from restricted assets	1,290	1,023
Total adjustments	631,796	785,479
Net cash provided by operating activities	1,433,405	1,504,273
Cash flows from investing activities:		
Patronage equity retirement payment	23,677	18,369
Capital expenditures	(354,795)	(839,060)
Net cash used by investing activities	(331,118)	(820,691)

The accompanying notes are an integral part of these financial statements.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS (continued)

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Cash flows from financing activities:		
Repayment of long-term debt	(515,914)	(496,920)
Contributed capital in aid of construction	<u>93,920</u>	<u>48,583</u>
Net cash used by financing activities	<u>(421,994)</u>	<u>(448,337)</u>
Increase (decrease) in cash and cash equivalents	680,293	235,245
Cash transferred from (to) restricted funds	<u>43,347</u>	<u>97,891</u>
Net increase (decrease) in cash and cash equivalents	723,640	333,136
Cash and cash equivalents at beginning of year	<u>1,160,422</u>	<u>827,286</u>
Cash and cash equivalents at end of year	<u><u>\$ 1,884,062</u></u>	<u><u>\$ 1,160,422</u></u>

The accompanying notes are an integral part of these financial statements.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

Note 1 - Organization and Significant Accounting Policies

Organization

The Association was incorporated under the laws of the State of Florida on September 12, 1966, as a corporation not for profit. The purpose of the Association is to provide water and sewer services to its subscribers (members) in the areas of Gasparilla Island.

Significant Accounting Policies

Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Accounts Receivable

Management has determined the amount of uncollectible accounts to be de minimis; therefore, no provision has been made for uncollectible accounts as of September 30, 2014 and 2013. An account is considered past due ten days after the due date. Past due accounts are charged interest at 18% per annum.

Inventory

Inventory is recorded at the lower of cost (first-in, first-out) or market. Inventory consists of supplies and materials to maintain the Association's equipment.

Income Taxes

No provision has been made for income taxes. The Association is a tax-exempt organization under IRC Section 501(c)(12), whereby only unrelated business income is subject to income tax. For the fiscal years ended September 30, 2014 and 2013, the Association's entire gross income has come under Section 115(a) and, therefore, includes no unrelated business income.

The Association files a U.S. Federal return of an organization exempt from income tax (Form 990). The Federal returns for the tax years 2012 through 2014 remain subject to examination by the Internal Revenue Service.

Utility Plant

Utility plant is recorded at cost at the time of acquisition or commencement of service for assets transferred from construction in progress. Maintenance and repairs, which significantly extend the life or enhance the value of an asset, are capitalized. Depreciation of utility plant is computed on the straight-line basis over the estimated useful lives of the related assets.

Revenue Recognition

Revenue is recognized when billed. Rates for water are based on a minimum fee plus a consumption charge. Sewer rates are based on a fixed charge plus a factor of water usage.

Deferred Charges

Costs associated with procuring loans and certain regulatory expenses are recorded as deferred charges when incurred and are amortized over the life of the related loan or regulatory permits.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

Note 1 - Organization and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Utility Plant

Details of utility plant at September 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Land	\$ 495,774	\$ 495,774
Utility plant in service	25,797,825	25,800,500
Automotive equipment	275,787	251,416
Office building	92,073	90,292
Office furniture and fixtures	73,800	75,342
Tools	<u>102,497</u>	<u>101,821</u>
	26,837,756	26,815,145
Less accumulated depreciation	<u>15,102,463</u>	<u>14,540,520</u>
	11,735,293	12,274,625
Construction in progress	<u>286,437</u>	<u>152,800</u>
	<u>\$ 12,021,730</u>	<u>\$ 12,427,425</u>

Note 3 - Capitalization of Interest

The Association follows the policy of capitalizing interest as a component of the cost of utility plant constructed for its own use. Total interest incurred was \$306,204 for 2014 and \$341,130 for 2013, of which \$-0- and \$-0- was capitalized in 2014 and 2013, respectively.

The capitalization rate is based on the rate paid on the Association's long-term debt.

Note 4 - Restricted Assets

Details of restricted cash and equivalents as of September 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Customer deposits	\$ 73,926	\$ 72,636
Capital improvement assessment	<u>26,002</u>	<u>70,639</u>
	<u>\$ 99,928</u>	<u>\$ 143,275</u>

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

Note 5 - Long-Term Debt

Following is a summary of long-term debt at September 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Mortgage note payable to CoBank, ACB, in the original aggregate principal amount of \$6,166,000. Interest payable monthly under fixed rate option, currently ranging from 7.09% to 7.92%. Principal repayable in 288 consecutive monthly installments beginning July 20, 1995 and ending June 20, 2019. Secured by all accounts, inventory, equipment, land, buildings and improvements, structures and income.	\$ 1,208,293	\$ 1,447,501
Mortgage note payable to CoBank, ACB, in the original principal amount of \$2,200,000. Interest payable monthly under fixed rate option, currently 7.11%. Principal repayable in 240 consecutive monthly installments beginning January 20, 2002 and ending December 20, 2021. Secured by all accounts, inventory, equipment, land, buildings and improvements, structures and income.	1,162,730	1,281,485
Mortgage note payable to CoBank, ACB, in the original principal amount of \$1,500,000. Interest payable monthly under a fixed rate option, currently 6.99%. Principal repayable in 228 consecutive monthly installments beginning January 20, 2005 and ending December 20, 2023. Secured by all accounts, inventory, equipment, land, buildings and improvements, structures and income.	871,213	947,537
Mortgage note payable to CoBank, ACB, in the original principal amount of \$1,500,000. As of September 2010, interest is payable monthly at a fixed rate of 4.62%. Principal repayable in 186 consecutive monthly installments beginning June 20, 2009 and ending November 20, 2024. Secured by all accounts, inventory, equipment, land, buildings and improvements, structures and income.	<u>1,108,154</u>	<u>1,189,781</u>
Total Long-term debt	4,350,390	4,866,304
Less current maturities	<u>(536,168)</u>	<u>(515,914)</u>
	<u>\$ 3,814,222</u>	<u>\$ 4,350,390</u>

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

Note 5 - Long-Term Debt (continued)

Following are maturities of long-term debt for each of the next five years:

2015	\$ 536,168
2016	557,575
2017	580,812
2018	605,393
2019	569,762
Thereafter	<u>1,500,680</u>
	<u>\$ 4,350,390</u>

The Association has an agreement with CoBank, ACB for an unsecured line of credit in the amount of \$363,750. As of September 30, 2014, there was \$-0- drawn on this line.

In March 2012, the Association entered into a loan supplement agreement with CoBank, ACB for a loan commitment in an aggregate principal amount not to exceed \$1,500,000 to finance capital expenditures. The loan commitment was extended during the fiscal year, and is now available through June 30, 2015. As of September 30, 2014, there was \$-0- drawn on this line.

Note 6 - Contributions in Aid of Construction

Monies received as connection fees for hooking up to the Association's system obligate the Association to provide services; however, the Association is under no obligation to refund or return any part of these monies. For the years ended September 30, 2014 and 2013, a portion of this fee was recognized as income to offset the expenses involved with this connection. The remaining monies are recorded as contributed capital in aid of construction. Total connection fees recognized as income for the years ended September 30, 2014 and 2013 were \$8,940 and \$4,600, respectively.

System facilities constructed by land developers, which are contributed to the Association, are recorded at an amount equal to the construction cost incurred by the developer. The cost of these contributions is recorded as property and plant with an equal and corresponding credit to contributed capital in aid of construction. These contributions are being amortized on a straight-line basis over their estimated useful lives. This amortization is being charged to the related equity account and amounted to \$86,105 and \$89,593 for the years ended September 30, 2014 and 2013, respectively.

Note 7 - Pension Plan

The Association sponsors a 401(k) pension plan for the benefit of its employees. The Association's contribution may be 0% to 15% of the compensation of each participant. Contributions to the plan were \$80,104 and \$82,488 for the year ended September 30, 2014 and 2013, respectively.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

Note 8 - Statement of Cash Flows

For purposes of the statement of cash flows, the Association considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. However, restricted assets will not be considered highly liquid debt instruments for these purposes.

The Association paid cash for interest in the amount of \$306,204 and \$341,130 for the years ended September 30, 2014 and 2013, respectively.

The Association received Class B - Participation Certificates from CoBank as a patronage equity distribution in the amount of \$12,484 and \$13,712 for the years ended September 30, 2014 and 2013, respectively.

Note 9 - Concentrations of Credit Risk

The Association has a portion of cash deposits invested in CoBank's overnight cash investment service account. Cash deposits in the account are not secured or insured by the FDIC; however, CoBank is a member of the Farm Credit system and is backed by an implied guarantee of the U.S. Government. The Association's balance in this account was \$283,577 and \$283,434 as of September 30, 2014 and 2013, respectively.

The Association maintains its cash accounts at commercial banks. Such amounts on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. The Association had \$300,542 and \$70,138 on deposit at commercial banks exceeding the portion insured by the FDIC as of September 30, 2014 and 2013, respectively.

Note 10 - Non-marketable Participation Certificates

The Association receives patronage distributions from CoBank. A portion of the distributions are made in cash and the remainder of the distributions is made in Class B Participation Certificates in CoBank. The certificates are issued at par value and are not marketable.

They are redeemable by CoBank when the Association reaches certain debt levels. The balances of the certificates were \$505,578 and \$516,770 as of September 30, 2014 and 2013, respectively. As of September 30, 2014 and 2013, \$23,677 and \$18,369 of Class B Participation Certificates have been redeemed, respectively.

Note 11 - Capital Improvement Assessment

The Association has to relocate water and sewer mains on three bridges due to new bridge construction of the Gasparilla Island Causeway bridges. In order to help pay for the cost of relocating the water and sewer mains, the Association membership approved a monthly assessment of \$12 for each account for a period of five years, totaling \$720.00 per member. The Association began charging the assessment in April 2011. In June 2012, the membership approved an increase in the assessment to \$20 a month for each account for a total of \$1,096.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

Note 11 – Capital Improvement Assessment (continued)

The total amount of assessment revenue for 2014 and 2013 was \$495,260 and \$494,000, respectively. The funds are held in a separate bank account and are used only to pay costs related to the relocation of the water and sewer mains on the Gasparilla Island Causeway bridges. As of September 30, 2014, funds in the amount of \$1,669,652 have been paid to relocate water and sewer mains on the Gasparilla Island Causeway Bridge. Of the amount expended, \$1,433,562 has been spent from the assessment cash account and \$238,590 has been spent from the operating reserves. As more assessment funds are collected, the operating account will be replenished from the assessment account.

Note 12 – Commitments

The Association has a letter of credit from CoBank, dated June 22, 2009 in the amount of \$136,250, to provide funding for plugging and abandonment and/or post-closure monitoring of the Association's injection wells if such need arises. The letter of credit expires January 31, 2015, but is automatically extended for successive periods of one year, unless the Association is notified in advance by CoBank that the letter of credit will not be extended.

The Association has certain contract commitments related to water and sewer system improvements outstanding as of September 30, 2014. The remaining commitment on those contracts is approximately \$192,000 as of September 30, 2014.

Note 13 – Subsequent Events

Subsequent events were evaluated through December 22, 2014, which is the date the financial statements were available to be issued.



GASPARILLA ISLAND WATER ASSOCIATION, INC.

WATER AND SEWER SYSTEM OPERATING EXPENSES

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>Water System Operating Expenses</u>		
Purchased water	\$ 27,200	\$ 46,501
Operations and maintenance	346,577	268,689
Regulatory expenses - permits	18,233	20,169
Electricity	268,025	259,863
Chemicals	103,138	103,694
Lab fees	20,067	16,042
Salaries and payroll taxes	413,429	402,322
Pensions and employee benefits	141,438	136,311
Training	785	1,878
	<u>\$ 1,338,892</u>	<u>\$ 1,255,469</u>
<u>Sewer System Operating Expenses</u>		
Operations and maintenance	\$ 131,363	\$ 190,418
Regulatory expenses - permits	19,151	19,796
Electricity	68,254	60,198
Chemicals	92,871	121,333
Lab fees	38,156	36,631
Salaries and payroll taxes	317,799	287,413
Pensions and employee benefits	92,034	87,996
Training	270	2,146
	<u>\$ 759,898</u>	<u>\$ 805,931</u>

GASPARILLA ISLAND WATER ASSOCIATION, INC.

GENERAL AND ADMINISTRATIVE EXPENSES

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>General and Administrative Expenses</u>		
Auto and truck expenses	56,477	\$ 48,543
General repairs and maintenance	29,139	27,952
Insurance	242,955	238,898
Miscellaneous	12,175	13,105
Office supplies and postage	24,224	21,714
Professional fees - accounting	14,074	13,733
Professional fees - engineering	30,280	17,102
Professional fees - legal	1,275	11,040
Salaries and payroll taxes, office	216,830	210,891
Pensions and employee benefits, office	65,670	61,318
Communications	24,190	22,247
Training	11	141
	<hr/>	<hr/>
Total General and Administrative Expenses	<u>\$ 717,300</u>	<u>\$ 686,684</u>