

GASPARILLA ISLAND WATER ASSOCIATION, INC.  
FINANCIAL STATEMENTS FOR THE  
YEARS ENDED SEPTEMBER 30, 2015 AND 2014  
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 balance sheets as of September 30, 2015 and 2014, 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, 2015 and 2014, 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, P.A.  
December 10, 2015

GASPARILLA ISLAND WATER ASSOCIATION, INC.

BALANCE SHEETS

SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>Assets</u>		
UTILITY PLANT		
Property, plant and equipment, at cost	\$ 27,156,426	\$ 26,837,756
Less accumulated depreciation	15,792,792	15,102,463
Net property, plant and equipment	<u>11,363,634</u>	<u>11,735,293</u>
Construction in progress	522,332	286,437
Total Utility Plant	<u>11,885,966</u>	<u>12,021,730</u>
CURRENT ASSETS		
Cash and cash equivalents	1,907,160	1,884,062
Accounts receivable, members	299,248	365,283
Inventory	63,404	60,250
Other current assets	32,323	3,881
Total Current Assets	<u>2,302,135</u>	<u>2,313,476</u>
RESTRICTED ASSETS, cash and cash equivalents	<u>140,523</u>	<u>99,928</u>
DEFERRED CHARGES AND OTHER ASSETS		
Non-marketable participation certificates	489,204	505,578
Unamortized debt expense	51,306	60,127
Unamortized regulatory expenses	167,464	115,993
Utility deposits	165	165
Total Deferred Charges and Other Assets	<u>708,139</u>	<u>681,863</u>
TOTAL ASSETS	<u>\$ 15,036,763</u>	<u>\$ 15,116,997</u>

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

GASPARILLA ISLAND WATER ASSOCIATION, INC.

BALANCE SHEETS

SEPTEMBER 30, 2015 AND 2014

Equity and Liabilities

	<u>2015</u>	<u>2014</u>
<b>EQUITY</b>		
Members' contributions	\$ 5,617,879	\$ 5,547,838
Developers' contributions	873,242	945,167
Retained earnings:		
Board designated for capital improvements	4,499,785	3,999,040
Total Equity	<u>10,990,906</u>	<u>10,492,045</u>
<b>LONG-TERM LIABILITIES</b>		
Notes payable, net of current portion	<u>3,256,647</u>	<u>3,814,222</u>
<b>CURRENT LIABILITIES</b>		
Current portion of notes payable	557,575	536,168
Accounts payable, trade	116,832	162,825
Accrued interest	20,759	23,843
Accrued wages	18,716	13,968
Total Current Liabilities	<u>713,882</u>	<u>736,804</u>
Deposits payable from restricted assets	<u>75,328</u>	<u>73,926</u>
Total Liabilities	<u>4,045,857</u>	<u>4,624,952</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>\$ 15,036,763</u></u>	<u><u>\$ 15,116,997</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, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<b>OPERATING REVENUES</b>		
Water services	\$ 2,633,252	\$ 2,660,859
Sewer services	1,369,218	1,379,244
Water hook-up fees	4,155	5,200
Sewer hook-up fees	<u>2,380</u>	<u>3,740</u>
 Total Operating Revenues	 <u>4,009,005</u>	 <u>4,049,043</u>
<b>OPERATING EXPENSES</b>		
Water system	1,290,746	1,338,892
Sewer system	860,834	759,898
General and administrative	727,735	717,300
Depreciation	<u>653,284</u>	<u>648,754</u>
 Total Operating Expenses	 <u>3,532,599</u>	 <u>3,464,844</u>
 Operating Income	 <u>476,406</u>	 <u>584,199</u>
<b>OTHER REVENUES (EXPENSES)</b>		
Interest income	3,323	2,111
Patronage dividends	44,846	49,938
Capital improvement assessment	252,904	495,260
Interest expense and amortization of debt expenses	(278,678)	(315,026)
Membership fees	480	720
Loss on disposal of assets	(8,303)	(25,630)
Other income	<u>9,767</u>	<u>10,037</u>
 Total Other Revenues (Expenses)	 <u>24,339</u>	 <u>217,410</u>
 <b>EXCESS OF REVENUES OVER EXPENSES</b>	 <u><u>\$ 500,745</u></u>	 <u><u>\$ 801,609</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, 2015 AND 2014

	Contributed Capital in Aid of Construction			
	Members' Contributions	Developers' Contributions	Retained Earnings	Total
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	\$ 5,547,838	\$ 945,167	\$ 3,999,040	\$ 10,492,045
Contributions received	70,041	-	-	70,041
Amortization of developers' contributions	-	(71,925)	-	(71,925)
Excess of Revenues over Expenses	-	-	500,745	500,745
Balance, September 30, 2015	\$ 5,617,879	\$ 873,242	\$ 4,499,785	\$ 10,990,906

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, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Excess of revenues over expenses	\$ 500,745	\$ 801,609
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:		
Depreciation	653,284	648,754
Amortization	43,880	46,205
Loss on disposal of assets	8,303	25,630
Patronage equity distributions	(11,211)	(12,484)
Changes in assets and liabilities		
(Increase) decrease in accounts receivable, members	66,035	(45,611)
(Increase) in inventory	(3,154)	(4,523)
(Increase) decrease in other current assets	(28,442)	13,390
(Increase) in unamortized regulatory expenses	(86,529)	(83,371)
Decrease in utility deposits	-	240
Increase (decrease) in accounts payable, trade	(45,993)	41,399
Increase in other liabilities	1,664	877
Increase in deposits payable from restricted assets	1,402	1,290
Total adjustments	<u>599,239</u>	<u>631,796</u>
Net cash provided by operating activities	<u>1,099,984</u>	<u>1,433,405</u>
Cash flows from investing activities:		
Patronage equity retirement payment	27,585	23,677
Capital expenditures	<u>(597,749)</u>	<u>(354,795)</u>
Net cash used by investing activities	<u>\$ (570,164)</u>	<u>\$ (331,118)</u>

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, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flows from financing activities:		
Repayment of long-term debt	\$ (536,168)	\$ (515,914)
Contributed capital in aid of construction	<u>70,041</u>	<u>93,920</u>
Net cash used by financing activities	<u>(466,127)</u>	<u>(421,994)</u>
Increase in cash and cash equivalents	63,693	680,293
Cash transferred from (to) restricted funds	<u>(40,595)</u>	<u>43,347</u>
Net increase in cash and cash equivalents	23,098	723,640
Cash and cash equivalents at beginning of year	<u>1,884,062</u>	<u>1,160,422</u>
Cash and cash equivalents at end of year	<u>\$ 1,907,160</u>	<u>\$ 1,884,062</u>

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

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015 AND 2014

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, 2015 and 2014. 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, 2015 and 2014, the Association's entire gross income has come under Section 115(a) and, therefore, includes no unrelated business income.

ASC Topic 740 requires the Organization to recognize in the financial statements the impact of a tax position, if that position is more likely than not of being sustained on audit, based on technical merits of the position. The Organization has determined that it does not have any material unrecognized tax benefits or obligations as of September 30, 2015 and 2014.

The Association files a U.S. Federal information 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.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015 AND 2014

Note 1 - Organization and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

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.

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.

Reclassifications

Certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Note 2 - Utility Plant

Details of utility plant at September 30, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Land	\$ 495,774	\$ 495,774
Utility plant in service	26,095,101	25,797,825
Automotive equipment	287,352	275,787
Office building	92,073	92,073
Office furniture and fixtures	73,158	73,800
Tools	<u>112,968</u>	<u>102,497</u>
	27,156,426	26,837,756
Less accumulated depreciation	<u>15,792,792</u>	<u>15,102,463</u>
	11,363,634	11,735,293
Construction in progress	<u>522,332</u>	<u>286,437</u>
	<u>\$ 11,885,996</u>	<u>\$ 12,021,730</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 \$269,856 for 2015 and \$306,204 for 2014, of which \$-0- and \$-0- was capitalized in 2015 and 2014, respectively.

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

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015 AND 2014

Note 4 - Restricted Assets

Details of restricted cash and equivalents as of September 30, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Customer deposits	75,328	73,926
Capital improvement assessment	<u>65,195</u>	<u>26,002</u>
	<u>\$ 140,523</u>	<u>\$ 99,928</u>

Note 5 - Long-Term Debt

Following is a summary of long-term debt at September 30, 2015 and 2014:

	<u>2015</u>	<u>2014</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.	\$ 964,702	\$ 1,208,293
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.	1,035,390	1,162,730
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.	791,779	871,213

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015 AND 2014

Note 5 - Long-Term Debt (continued)

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>1,022,351</u>	<u>1,108,154</u>
Total Long-term debt	3,814,222	4,350,390
Less current maturities	<u>(557,575)</u>	<u>(536,168)</u>
	<u>\$ 3,256,647</u>	<u>\$ 3,814,222</u>

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

2016	\$ 557,575
2017	580,812
2018	605,393
2019	569,762
2020	387,437
Thereafter	<u>1,113,243</u>
	<u>\$ 3,814,222</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, 2015, 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, 2016. As of September 30, 2015, 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, 2015 and 2014, 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, 2015 and 2014 were \$6,535 and \$8,940, respectively.

GASPARILLA ISLAND WATER ASSOCIATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015 AND 2014

Note 6 - Contributions in Aid of Construction (continued)

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 \$71,925 and \$86,105 for the years ended September 30, 2015 and 2014, 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 \$89,206 and \$80,104 for the year ended September 30, 2015 and 2014, respectively.

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 \$269,856 and \$306,204 for the years ended September 30, 2015 and 2014, respectively.

The Association received Class B - Participation Certificates from CoBank as a patronage equity distribution in the amount of \$11,211 and \$12,484 for the years ended September 30, 2015 and 2014, 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 \$283,721 and \$283,577 as of September 30, 2015 and 2014, 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 \$848,137 and \$300,542 on deposit at commercial banks exceeding the portion insured by the FDIC as of September 30, 2015 and 2014, respectively.

# GASPARILLA ISLAND WATER ASSOCIATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015 AND 2014

### 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 \$489,204 and \$505,578 as of September 30, 2015 and 2014, respectively. As of September 30, 2015 and 2014, \$27,585 and \$23,677 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. As of March 31, 2015 the majority of the Association members, those connected as of April 2011, have completed the assessment requirements. Members connected after that date will continue paying the assessment until the requirements are met. The total amount of assessment revenue for 2015 and 2014 was \$252,904 and \$495,260, 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, 2015, funds in the amount of \$1,685,577 have been paid to relocate water and sewer mains on the Gasparilla Island Causeway Bridge.

### 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, 2015. The remaining commitment on those contracts is approximately \$94,335 as of September 30, 2015.

### Note 13 – Subsequent Events

Subsequent events were evaluated through December 10, 2015, 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, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>Water System Operating Expenses</u>		
Purchased water	\$ 34,112	\$ 27,200
Operations and maintenance	284,065	346,577
Regulatory expenses - permits	17,623	18,233
Electricity	264,961	268,025
Chemicals	101,292	103,138
Lab fees	19,037	20,067
Salaries and payroll taxes	436,919	413,429
Pensions and employee benefits	130,058	141,438
Training	2,679	785
	<hr/>	<hr/>
Total Water System Operating Expenses	<u>\$ 1,290,746</u>	<u>\$ 1,338,892</u>
 <u>Sewer System Operating Expenses</u>		
Operations and maintenance	\$ 192,760	\$ 131,363
Regulatory expenses - permits	17,435	19,151
Electricity	72,526	68,254
Chemicals	114,720	92,871
Lab fees	37,359	38,156
Salaries and payroll taxes	334,172	317,799
Pensions and employee benefits	90,913	92,034
Training	949	270
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Total Sewer System Operating Expenses	<u>\$ 860,834</u>	<u>\$ 759,898</u>

GASPARILLA ISLAND WATER ASSOCIATION, INC.

GENERAL AND ADMINISTRATIVE EXPENSES

FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>General and Administrative Expenses</u>		
Auto and truck expenses	\$ 57,992	\$ 56,477
General repairs and maintenance	29,578	29,139
Insurance	249,188	242,955
Miscellaneous	13,687	12,175
Office supplies and postage	22,838	24,224
Professional fees - accounting	14,224	14,074
Professional fees - engineering	17,450	30,280
Professional fees - legal	2,823	1,275
Salaries and payroll taxes, office	222,838	216,830
Pensions and employee benefits, office	71,590	65,670
Communications	25,527	24,190
Training	-	11
	<hr/>	<hr/>
Total General and Administrative Expenses	<u>\$ 727,735</u>	<u>\$ 717,300</u>