

**PRESS RELEASE**

**THE BOARD OF PUBLIC WORKS  
OF THE CITY OF LEWES DELAWARE  
RECEIVES ANNUAL AUDIT REPORT**

Lewes, Delaware

The Board of Public Works, Lewes Delaware's independent certified public accountants, PKS & Company, P.A., issued their annual report on the Board's financial statements for the fiscal year ended March 31, 2015.

Auditors Andrew Haynie, CPA, CFE and Ginger A. Heatwole, CPA, CGFM presented the audit report to the Board of Public Works. Highlights of that report are shown in the attached financial highlights and supporting graphs.

The auditors issued an unmodified opinion on the financial statements.

**THE BOARD OF PUBLIC WORKS  
OF THE CITY OF LEWES, DELAWARE  
FINANCIAL HIGHLIGHTS  
YEAR ENDED MARCH 31, 2015**

**Information selected from audited financial statements  
Prepared by: PKS & Company, P.A.**

**ASSETS**

Current assets	
Cash	
Unrestricted	\$ 840,493
Investments	
Unrestricted	8,763,422
Restricted	4,113,558
Accounts receivable, net of allowance	1,500,083
Inventories	303,643
Prepaid expenses	122,839
Total current assets	<u>15,644,038</u>
Noncurrent assets	
Capital assets, net of accumulated depreciation	
	39,321,961
Other assets	61,099
Total noncurrent assets	<u>39,383,060</u>
Total assets	<u>\$ 55,027,098</u>

**LIABILITIES**

Current liabilities	
Accounts payable	\$ 1,013,987
Customer deposits	102,546
Accrued interest	39,101
Deferred revenue	11,593
Current maturities of bonds payable	678,689
Total current liabilities	<u>1,845,916</u>
Noncurrent liabilities	
Bonds payable	8,925,815
Accrued compensated absences	131,328
Total noncurrent liabilities	<u>9,057,143</u>
Total liabilities	<u>10,903,059</u>

**NET POSITION**

Invested in capital assets, net of related debt	29,717,457
Invested in inventory	303,643
Restricted	4,235,347
Unrestricted	9,867,592
Total net position	<u>\$ 44,124,039</u>

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FINANCIAL HIGHLIGHTS  
YEAR ENDED MARCH 31, 2015**

**Information selected from audited financial statements  
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**Operating revenues**

Sales and assessments	\$ 13,630,383
Other	270,366
Total operating revenues	<u>13,900,749</u>

**Operating expenses**

Purchased power	7,364,848
Payroll and employee related expenses	775,652
Utilities	13,753
Repairs and maintenance	726,196
Professional and contractual services	440,480
Other supplies and expenses	160,432
Administrative	1,318,982
In lieu of franchise	688,016
Bad debt	11,889
Depreciation and amortization	1,660,888
Total operating expenses	<u>13,161,136</u>

Operating income	<u>739,613</u>
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**Non-operating revenues (expenses)**

Interest income	245,358
Interest expense	(465,600)
Impact fees	335,546
Changes in fair value of investments	93,888
Grants	16,764
Net non-operating revenues	<u>225,956</u>

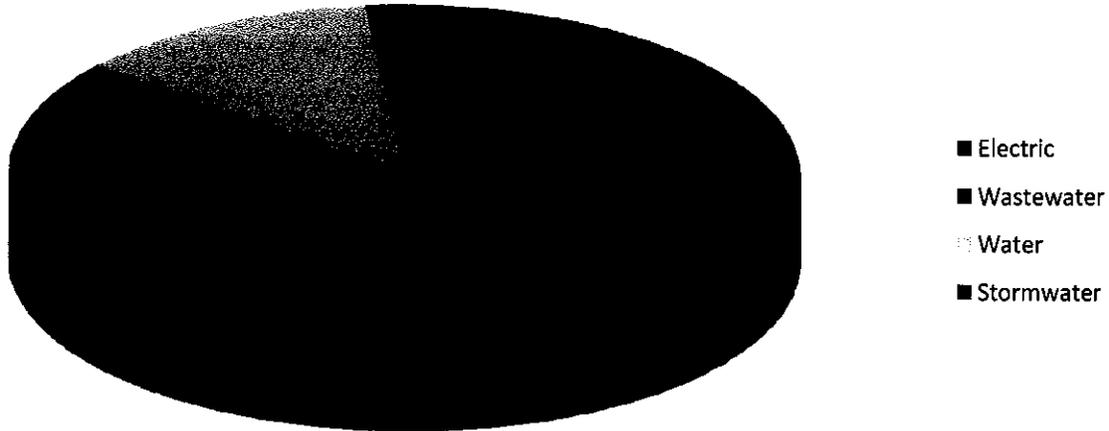
Change in net position	<u>965,569</u>
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<b>Net position, beginning of year</b>	<u>43,158,470</u>
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<b>Net position, end of year</b>	<u>\$ 44,124,039</u>
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# THE BOARD OF PUBLIC WORKS OF THE CITY OF LEWES, DELAWARE

REVENUE BY DEPARTMENT  
YEAR ENDED MARCH 31, 2015

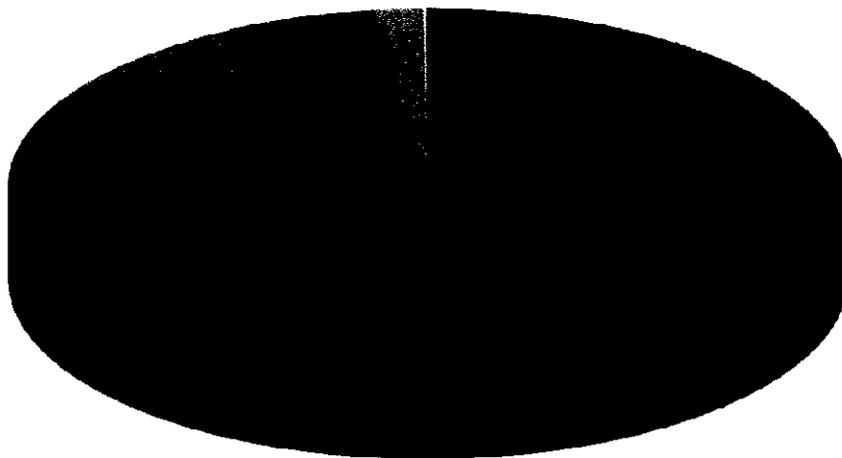


	2015		2014	
	\$	%	\$	%
Electric	\$ 9,836,601	67.41%	\$ 9,826,569	68.73%
Wastewater	2,688,081	18.42%	2,580,278	18.05%
Water	1,834,351	12.57%	1,649,706	11.54%
Stormwater	233,272	1.60%	240,109	1.68%
Totals	\$ 14,592,305	100.00%	\$ 14,296,662	100.00%

# THE BOARD OF PUBLIC WORKS OF THE CITY OF LEWES, DELAWARE

## REVENUE BY SOURCE

YEAR ENDED MARCH 31, 2015



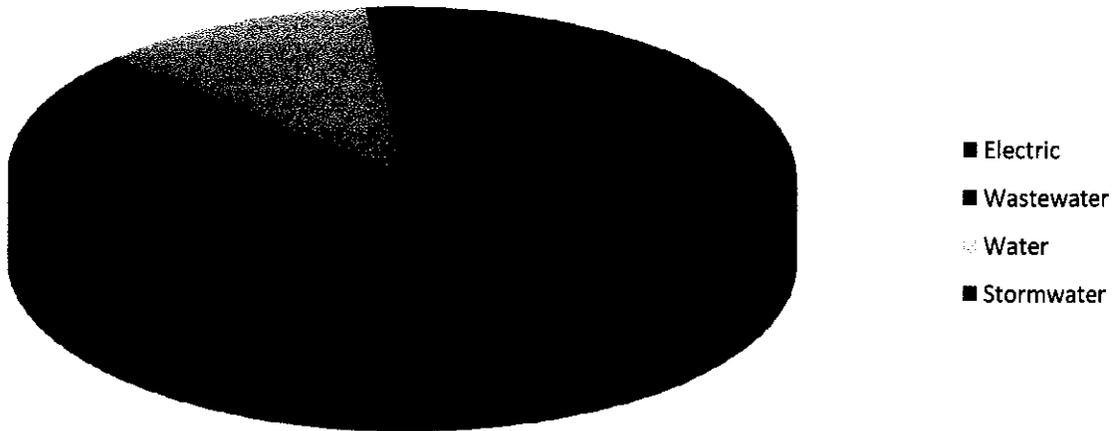
- Sale of electric energy
- Wastewater assessments
- ▣ Sale of water
- Impact fees
- Other operating revenue
- Investment income
- ▣ Stormwater assessments
- ▣ Changes in fair value of investments

	2015		2014	
	\$	%	\$	%
Sale of electric energy	\$ 9,570,251	65.58%	\$ 9,566,715	66.92%
Wastewater assessments	2,548,709	17.47%	2,464,066	17.24%
Sale of water	1,328,134	9.10%	1,242,031	8.69%
Impact fees	335,546	2.30%	209,289	1.45%
Other operating revenue	270,366	1.85%	267,076	1.87%
Investment income	245,358	1.68%	286,773	2.01%
Stormwater assessments	183,289	1.26%	178,454	1.25%
Changes in fair value of investments	93,888	0.64%	51,799	0.36%
Grants	16,764	0.12%	30,459	0.21%
Totals	\$ 14,592,305	100.00%	\$ 14,296,662	100.00%

# THE BOARD OF PUBLIC WORKS OF THE CITY OF LEWES, DELAWARE

## EXPENSES BY DEPARTMENT

YEAR ENDED MARCH 31, 2015



Electric  
Wastewater  
Water  
Stormwater  
Totals

2015	
\$	%
\$ 9,516,567	69.84%
2,342,659	17.19%
1,566,337	11.49%
201,173	1.48%
<b>\$ 13,626,736</b>	<b>100.00%</b>

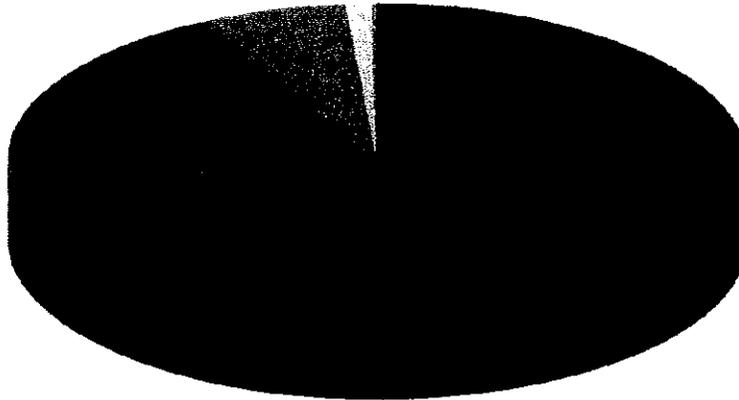
2014	
\$	%
\$ 8,986,097	70.32%
2,216,030	17.34%
1,340,142	10.49%
237,263	1.85%
<b>\$ 12,779,532</b>	<b>100.00%</b>

Graph prepared by PKS and Company, P.A.

# THE BOARD OF PUBLIC WORKS OF THE CITY OF LEWES, DELAWARE

## EXPENSES BY SOURCE

YEAR ENDED MARCH 31, 2015



- Purchased power
- Depreciation and amortization
- Administrative
- Payroll and employee related expenses
- Repairs and maintenance
- In lieu of franchise
- Interest expense
- Professional and contractual services
- Other
- Utilities
- Bad debt

	2015		2014	
	\$	%	\$	%
Purchased power	\$ 7,364,848	54.05%	\$ 6,973,576	54.57%
Depreciation and amortization	1,660,888	12.19%	1,484,219	11.61%
Administrative	1,318,982	9.68%	1,280,000	10.02%
Payroll and employee related expenses	775,652	5.69%	794,155	6.21%
Repairs and maintenance	726,196	5.33%	395,108	3.09%
In lieu of franchise	688,016	5.05%	691,022	5.41%
Interest expense	465,600	3.42%	539,074	4.22%
Professional and contractual services	440,480	3.23%	360,152	2.82%
Other	160,432	1.17%	192,412	1.50%
Utilities	13,753	0.10%	58,936	0.46%
Bad debt	11,889	0.09%	10,878	0.09%
<b>Totals</b>	<b>\$ 13,626,736</b>	<b>100.00%</b>	<b>\$ 12,779,532</b>	<b>100.00%</b>

Graph prepared by PKS and Company, P.A.