

**Shawna Senko**

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**From:** Amy Williams <awilliams@uswatercorp.net>  
**Sent:** Tuesday, January 28, 2014 8:56 AM  
**To:** Filings@psc.state.fl.us  
**Cc:** Vickie Penick  
**Subject:** Docket No. 130174-W - Brevard Waterworks, Inc. ~ Cert. No. 002-W  
**Attachments:** Doc. No. 130174-WU Brevard Cert. No. 002-W.pdf

FPSC,

Please allow this submission on behalf of Brevard Waterworks, Inc. in regards to Docket No. 130174-WU.

Any questions or concerns please feel free to contact my office directly at (727) 848-8292 ext. 239

Thank You,

*Amy N. Williams*

**Enterprise Systems - Accounting Admin**

*U.S. Water Services Corporation*

*4939 Cross Bayou Blvd.*

*New Port Richey, FL 34652-3434*

*P: (727) 848-8292 ext. 239*

*F: (727) 849-7809*

# BREVARD WATERWORKS, INC.

January 21, 2014

Office of Commission Clerk  
FPSC  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

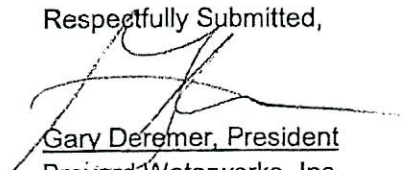
RE: Brevard Waterworks, Inc. – Certificate No 002-W  
System Docket: 130174-WU

Please note the following answers to specific inquiries to by the FPSC:

- (1) Please note 3 year proforma as requested is enclosed.
- (2) Purchase price totals \$62,650.00 – please see enclosed closing statement indicating wire for same was received. Bill of sale shows a minimum exchange of funds which is typical on most Bill of Sale documents. The \$7,130.00 hand written on the recorded documents – is a number written in by the related county staff at the time of recording in reference to their internal county documents which appears to be a value on county real or tangible records at that time.

We look forward to hearing further from the Commission. Please do not hesitate to contact us should further clarification be needed.

Respectfully Submitted,



Gary Deremer, President  
Brevard Waterworks, Inc.

xc: Carl Smith  
V. Penick  
Joseph Gabay

Enc.

5320 Captains Court, New Port Richey, FL 34652  
Mailing: 4939 Cross Bayou Boulevard, New Port Richey, FL 34652  
Tel: 727-848-8292 Fax: 727-848-7701

## BUYER CLOSING STATEMENT

**File Number:** 13-0978

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**Name of Buyer:** Brevard Waterworks, Inc., a Florida corporation

**Name of Seller:** Aqua Utilities Florida, Inc., a Florida corporation

**Property:** Water Systems and all associated easements and appurtenances

**Settlement Agent:** Booth & Cook, P.A.  
**Place of Settlement:** 7510 Ridge Road, Port Richey, FL 34668

**Settlement Date:** March 28, 2013

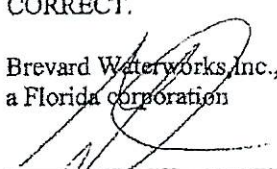
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PURCHASE PRICE	\$62,560.00
Down Payment to Seller	\$0.00
Record Quit Claim Deed transferring real property	\$27.00
Record Bill of Sale	\$18.50
Record Assignment of Easements	\$44.00
Prorate taxes, 1/1/13 through 3/27/13 (\$129.65/yr for 86 days)	(\$30.96)
Prorate tangible tax, 1/1/13 through 3/27/13 (\$257.31/yr for 86 days)	(\$61.06)
Attorney fees to Booth & Cook, P.A.	\$500.00
Title search, examination and owner policy - waived by Buyer	\$0.00
Surveys - waived by Buyer	\$0.00
Wire funds tendered from Buyer on March 28, 2013	(\$62,560.00)
<b>BALANCE DUE FROM BUYER:</b>	<b>\$497.48</b>

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RECEIVED A TRUE COPY OF ABOVE AND HEREBY APPROVE AND CERTIFY IT CORRECT.

Brevard Waterworks, Inc.,  
a Florida corporation

  
\_\_\_\_\_  
Gary Deremer, President

Brevard Waterworks, Inc.  
Proposed Operating Budget  
Revision: 1/10/14

FY - 2016		2014	2015	2016
USAN's		Brevard	Brevard	Brevard
400	<b>System Revenues (Note 1)</b>			
461	Water Revenues:	\$ 117,206.13	\$ 117,645.65	\$ 118,086.82
522	Wastewater Revenues:	\$ -		
461	Other Revenues:	\$ 4,815.00	\$ 4,815.00	\$ 4,815.00
	Index for 2014/15/16 = Estimated 1.5% (April thru Dec ea yr)	\$ 1,318.57	\$ 1,323.51	\$ 1,328.48
	<b>Total Utility Revenues:</b>	<b>\$ 123,339.70</b>	<b>\$ 123,784.17</b>	<b>\$ 124,230.30</b>
	Operating Expenses:			
636	USW O & M Customer Service & Billing - Water	\$ 40,931.88	\$ 41,146.77	\$ 41,362.79
	USW O & M Customer Service & Billing - Water w/ Est. CPI Increase of 2.1% Every April p/contract	\$ 644.68	\$ 648.06	\$ 651.46
603	Officer Salaries	\$ 8,000.04	\$ 8,000.04	\$ 8,000.04
618/718	Chemicals	\$ -		
711	Sludge	\$ -		
670/770	Bad Debt Estimated 2% of Revenue	\$ 2,466.79	\$ 2,475.68	\$ 2,484.61
610/710	Purchase Water	\$ 73,061.94	\$ 74,157.87	\$ 75,270.24
615/715	Purchased Power	\$ -		
657	Insurance	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
640/740	Rents (land, etc.	\$ -	\$ -	\$ -
675.4	Sunshine Locates	\$ 15.00	\$ 15.00	\$ 15.00
6758	Misc. Expenses / Minor Repair	\$ 1,440.00	\$ 1,440.00	\$ 1,440.00
675.1	SCADA/Phones	\$ -	\$ -	\$ -
630/730	Professional Fees (Accounting Costs)	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
	<b>Total Direct Operating Expenses</b>	<b>\$ 130,060.33</b>	<b>\$ 131,383.43</b>	<b>\$ 132,724.14</b>
	<b>Subtotal: Net Operating Revenues</b>	<b>\$ (6,720.63)</b>	<b>\$ (7,599.26)</b>	<b>\$ (8,493.84)</b>
	Allowances for Other Deductions:			
630/730	Legal	\$ -		
666/766	FPSC Fee:	\$ 5,550.29	\$ 5,570.29	\$ 5,590.36
	Other - Property Taxes:	\$ 373.32	\$ 373.32	\$ 373.32
801	Bank Fees	\$ 106.04	\$ 106.04	\$ 106.04
813	Office Supplies for the Utility	\$ 249.98	\$ 249.98	\$ 249.98
419.1	Interest Cost	\$ -		
	<b>Total Other Cost</b>	<b>\$ 6,279.63</b>	<b>\$ 6,299.63</b>	<b>\$ 6,319.70</b>

Possible 9% Purch Wtr  
Passthrough Being Assessed NOT  
CALCULATED \$ 6,774.32

	<b>Total Net Operating Revenue</b>	<u>\$ (13,000.26)</u>	<u>\$ (13,898.89)</u>	<u>\$ (14,813.54)</u>
	ROR 8.74% (PURCH Price OF \$62,560.00 (03/28/13)	\$ 5,467.74	\$ 5,638.17	\$ 5,681.87
	Working Capital 1/8 of O&M Exp	\$ 16,257.54	\$ 16,422.93	\$ 16,590.52
	<b>Net Positive / (-) Negative Cash Flow</b>	<u>\$ (34,725.54)</u>	<u>\$ (35,959.99)</u>	<u>\$ (37,085.93)</u>
403.1/.2	Depreciation	\$ 3,919.68	\$ 3,919.68	\$ 3,919.68
334	CIP / Meter Changeout	\$ 1,950.00	500	500
300's	CIP / Other	\$ -		
	R & R - (Minor Repairs Included in Misc Exp)	\$ -		



UTILITY NAME:

Brevard Waterworks

PROFORMA  
2014

COMPARATIVE OPERATING STATEMENT

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	2014 YEAR* (e)	WATER SCHEDULE W-3* (f)	WASTEWATER SCHEDULE B-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
<b>UTILITY OPERATING INCOME</b>							
400	Operating Revenues	F-3(b)	\$ _____	\$ 123,340	123,340	_____	\$ _____
469, 530	Less: Guaranteed Revenue and APF1	F-3(b)	_____	_____	0	_____	_____
Net Operating Revenues			\$ 0	\$ 123,340	123,340	_____	\$ 0
401	Operating Expenses	F-3(b)	\$ _____	\$ 136,467	136,467	_____	\$ _____
401	Depreciation Expense:	F-3(b)	\$ _____	\$ 3,920	3,920	_____	_____
	Less: Amortization of CIAC	F-22	_____	338	338	_____	_____
Net Depreciation Expense			\$ 0	\$ 3,581	3,581	_____	\$ 0
406	Amortization of Utility Plant Acquisition A	F-3(b)	_____	_____	0	_____	_____
407	Amortization Expense (Other than CIAC)	F-3(b)	_____	_____	0	_____	_____
408	Taxes Other Than Income	W/S-3	_____	373	373	_____	_____
409	Current Income Taxes	W/S-3	_____	_____	0	_____	_____
410.1	Deferred Federal Income Taxes	W/S-3	_____	_____	0	_____	_____
410.11	Deferred State Income Taxes	W/S-3	_____	_____	0	_____	_____
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	_____	_____	0	_____	_____
412.1	Investment Tax Credits Deferred to Future	W/S-3	_____	_____	0	_____	_____
412.11	Investment Tax Credits Restored to Operate	W/S-3	_____	_____	0	_____	_____
Utility Operating Expenses			\$ 0	\$ 140,401	140,401	_____	\$ 0
Net Utility Operating Income			\$ 0	\$ (17,062)	(17,062)	_____	\$ 0
469, 530	Add Back: Guaranteed Revenue and APF1	F-3(b)	_____	_____	0	_____	_____
413	Income From Utility Plant Leased to Others	_____	_____	_____	0	_____	_____
414	Gain (Loss) From Disposition of Utility Property	_____	_____	_____	0	_____	_____
420	Allowance for Funds Used During Construction	_____	_____	_____	0	_____	_____
<b>Total Utility Operating Income [Enter here and on Page F-3(c)]</b>			\$ 0	\$ (17,062)	(17,062)	_____	\$ 0

\* For each account, Column e should agree with Columns f, g and h on F-3(b)

\* Total of Schedules W-3 / B-3 for all rate groups

UTILITY NAME:

Everead Waterworks

PROFORMA  
2014

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	2014 YEAR (e)
Total Utility Operating Income (from page F-3(a))			\$ 0	\$ (17,062)
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising, Jobbing, and Contract Work			
419	Interest and Dividend Income			
421	Nonutility Income			
425	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 0	\$ 0
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.2	Taxes Other Than Income		\$	\$
409.2	Income Taxes			
410.2	Provision for Deferred Income Taxes			
411.2	Provision for Deferred Income Taxes - Credit			
412.2	Investment Tax Credits - Net			
412.3	Investment Tax Credits Returned to Operating Income			
Total Taxes Applicable To Other Income			\$ 0	\$ 0
<b>INTEREST EXPENSE</b>				
437	Interest Expense	0	\$	\$ 0
438	Amortization of Debt Discount & Expense	0		0
429	Amortization of Premium on Debt	0		0
Total Interest Expense			\$ 0	\$ 0
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			0
409.3	Income Taxes-Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
<b>NET INCOME</b>			\$ 0	\$ (17,062)

Explain Extraordinary Income:

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UTILITY NAME:

**Brevard Waterworks**

PROFORMA  
2015

COMPARATIVE OPERATING STATEMENT

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	2015 YEAR * (e)	WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
UTILITY OPERATING INCOME							
490	Operating Revenues	F-3(b)	\$ _____	\$ 123,784	123,784	_____	\$ _____
469, 530	Less: Guaranteed Revenue and AFPI	F-3(d)	_____	_____	0	_____	_____
Net Operating Revenues			\$ _____	\$ 123,784	123,784	_____	\$ _____
401	Operating Expenses	F-3(b)	\$ _____	\$ 137,310	137,310	_____	\$ _____
403	Depreciation Expense	F-3(b)	\$ _____	\$ 3,929	3,929	_____	_____
	Less: Amortization of CIAC	F-32	_____	358	358	_____	_____
Net Depreciation Expense			\$ _____	\$ 3,561	3,561	_____	\$ _____
406	Amortization of Utility Plant Acquisition A	F-3(b)	_____	_____	0	_____	_____
407	Amortization Expense (Other than CIAC)	F-3(b)	_____	_____	0	_____	_____
405	Taxes Other Than Income	W-5.3	_____	243	243	_____	_____
409	Current Income Taxes	W-5.3	_____	_____	0	_____	_____
410.1	Deferred Federal Income Taxes	W-5.3	_____	_____	0	_____	_____
410.11	Deferred State Income Taxes	W-5.3	_____	_____	0	_____	_____
411.1	Provision for Deferred Income Taxes - City	W-5.3	_____	_____	0	_____	_____
412.1	Investment Tax Credits Deferred to Future	W-5.3	_____	_____	0	_____	_____
412.11	Investment Tax Credits Returned to Operator	W-5.3	_____	_____	0	_____	_____
Utility Operating Expenses			\$ _____	\$ 141,214	141,214	_____	\$ _____
Net Utility Operating Income			\$ _____	\$ (17,430)	(17,430)	_____	\$ _____
469, 510	Add Back: Guaranteed Revenue and AFPI	F-3(b)	_____	_____	0	_____	_____
413	Income From Utility Plant Leased to Others	_____	_____	_____	0	_____	_____
414	Gains (Losses) From Disposition of Utility Property	_____	_____	_____	0	_____	_____
420	Allowance for Funds Used During Construction	_____	_____	_____	0	_____	_____
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ _____	\$ (17,430)	(17,430)	_____	\$ _____

\* For each account, Column e should agree with Columns f, g and h on F-3(b)

\* Total of Schedules W-3 / S-3 for all rate groups.



UTILITY NAME:

Brevard Waterworks

PROFORMA  
2015

COMPARATIVE OPERATING STATEMENT

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	2015 YEAR * (e)	WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
<b>UTILITY OPERATING INCOME</b>							
400	Operating Revenues	F-3(b)	\$ _____	\$ 123,784	123,784	_____	\$ _____
469.530	Less: Guaranteed Revenue and APPI	F-3(b)	_____	_____	0	_____	_____
Net Operating Revenues			\$ _____	\$ 123,784	123,784	_____	\$ _____
401	Operating Expenses	F-3(b)	\$ _____	\$ 137,310	137,310	_____	\$ _____
403	Depreciation Expense:	F-3(b)	\$ _____	\$ 3,920	3,920	_____	_____
	Less: Amortization of CIAC	F-22	_____	358	_____	_____	_____
Net Depreciation Expense			\$ _____	\$ 3,561	3,561	_____	\$ _____
406	Amortization of Utility Plant Acquisition A	F-3(b)	_____	_____	0	_____	_____
407	Amortization Expense (Other than CIAC)	F-3(b)	_____	_____	0	_____	_____
408	Taxes Other Than Income	W-5-1	_____	341	341	_____	_____
409	Current Income Taxes	W-5-3	_____	0	0	_____	_____
410.1	Deferred Federal Income Taxes	W-5-3	_____	0	0	_____	_____
410.11	Deferred State Income Taxes	W-5-3	_____	0	0	_____	_____
411.1	Provision for Deferred Income Taxes - Credit	W-5-3	_____	0	0	_____	_____
412.1	Investment Tax Credits Deferred to Future	W-5-3	_____	0	0	_____	_____
412.11	Investment Tax Credits Returned to Operator	W-5-3	_____	0	0	_____	_____
Utility Operating Expenses			\$ _____	\$ 141,214	141,214	_____	\$ _____
Net Utility Operating Income			\$ _____	\$ (17,430)	(17,430)	_____	\$ _____
469.530	ADD Back: Guaranteed Revenue and APPI	F-3(b)	_____	_____	0	_____	_____
413	Income From Utility Plant Leased to Others	_____	_____	_____	0	_____	_____
414	Gains (Losses) From Disposition of Utility Property	_____	_____	_____	0	_____	_____
420	Allowance for Funds Used During Construction	_____	_____	_____	0	_____	_____
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ _____	\$ (17,430)	(17,430)	_____	\$ _____

\* For each account, Column e should agree with Columns f, g and h see F-3(b)

\*\* Total of Schedules W-3 / S-3 for all rate groups.