

Shawna Senko

From: Amy Williams <awilliams@uswatercorp.net>
Sent: Tuesday, January 28, 2014 9:07 AM
To: Filings@psc.state.fl.us
Cc: Vickie Penick
Subject: Docket No. 130173-WU ~ Lake Osborne Cert. No. 053-W
Attachments: Docket No. 130173-WU - Lake Osborne Waterworks, Inc. Cert. No. 053-W.pdf

FPSC,

Please allow this submission on behalf of Lake Osborne Waterworks, Inc. in regards to Docket No. 130173-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

LAKE OSBORNE WATERWORKS, INC.

January 22, 2014

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

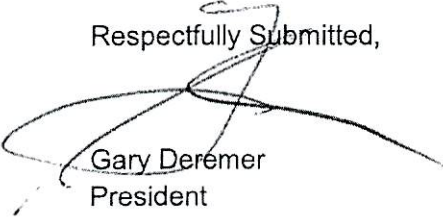
RE: Lake Osborne Waterworks, Inc. – Certificate No 053-W
System Docket: 130173-WU

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 \$119,231.55 – 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. There is no Quit Claim Deed for this System as no real estate exchanged hands. Exists as a consecutive system which relies on purchased water.

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

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: 13-102

Name of Buyer: Lake Osborne Waterworks, Inc., a Florida corporation
Name of Seller: Aqua Utilities Florida, Inc., a Florida corporation
Property: Water System 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

PURCHASE PRICE	\$119,231.55
Down Payment to Seller	\$0.00
Record Bill of Sale	\$18.50
Prorate real estate taxes (not applicable)	\$0.00
Prorate tangible tax, 1/1/13 through 3/27/13 (\$2,413.15/yr for 86 days)	(\$569.32)
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	(\$119,231.55)
BALANCE DUE TO BUYER:	(\$50.82)

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

Lake Osborne Waterworks, Inc.,
a Florida corporation



Gary DeFeiner, President

Proposed Operating Budget

Revision: 1/10/14

FY - 2014

		2014	2015	2016
USAN's		Palm Beach	Palm Beach	Palm Beach
400	System Revenues (Note 1)			
461	Water Revenues:	\$ 293,187.58	\$ 294,287.03	\$ 295,390.61
522	Wastewater Revenues:	\$ -		
461	Other Revenues:	\$ 2,704.94	\$ 2,704.94	\$ 2,704.94
	Index on WTR/WST Revenues (Aqua 2012):	\$ -		
	Index for 2014 = Estimated 1.5% (April - Dec)	\$ 3,298.36	\$ 3,310.73	\$ 3,323.14
	Total Utility Revenues:	\$ 299,190.88	\$ 300,302.70	\$ 301,418.69
	Operating Expenses:			
636	USW O & M Customer Service & Billing - Water	\$ 50,220.72	\$ 51,200.02	\$ 52,198.42
	USW O & M Customer Service & Billing - Water w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract	\$ 790.98	\$ 806.40	\$ 822.13
736	USW O & M Customer Service & Billing - Wastewater (Jan -Mar 2014)	\$ -		
	USW O & M Customer Service & Billing - Wastewater w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract	\$ -		
603	Officer Salaries	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
618/718	Chemicals	\$ -		
711	Sludge	\$ -		
670/770	Bad Debt (Est 2% of Revenue)	\$ 5,983.82	\$ 6,006.05	\$ 6,028.37
610/710	Purchase Water (Est Increase 1.5% Annually)	\$ 243,979.50	\$ 247,639.19	\$ 251,353.78
615/715	Purchased Power	\$ -		
657	Insurance	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
640/740	Rents (land, etc.	\$ -	\$ -	\$ -
675.4	Sunshine Locates	\$ 58.97	\$ 58.97	\$ 58.97
6758	Misc. Expenses (Includes Minor Repairs)	\$ 13,000.00	\$ 13,000.00	\$ 13,000.00
675.1	SCADA/Phones	\$ -	\$ -	\$ -
630/730	Professional Fees (Accounting Costs)	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
	Total Direct Operating Expenses	\$ 326,533.98	\$ 331,210.64	\$ 335,961.67
	Net Operating Revenues Before Other Deductions	\$ (27,343.10)	\$ (30,907.94)	\$ (34,542.98)
	Allowances for Other Deductions:			

630/730	Legal	\$ -	\$ -	\$ -
666/766	FPSC Fee:	\$ 13,463.59	\$ 13,513.62	\$ 13,563.84
	Other Taxes:	\$ -	\$ -	\$ -
408.21	Assumed Ad Valorem Tax deduction	\$ 2,407.92	\$ 2,407.92	\$ 2,407.92
801	Bank Fees	\$ 103.59	\$ 103.59	\$ 103.59
813	Office Supplies for the Utility	\$ 250.73	\$ 250.73	\$ 250.73
419.1	Intrest Cost	\$ -	\$ -	\$ -
	Total Other Cost:	\$ 16,225.83	\$ 16,275.86	\$ 16,326.08
Total Available Funds:		\$ (43,568.93)	\$ (47,183.80)	\$ (50,869.06)
	ROR 8.74% (PURCH Price OF \$121,139.55 (03/28/13) +\$ 3,800 CIP 2013	\$ 14,387.60	\$ 10,587.60	\$ 10,587.60
Capital 1	Working Capital 1/8 of O&M Exp	\$ 40,816.75	\$ 41,401.33	\$ 41,995.21
	Addt'l Working Capital Consideration - Purchased Water Deposit:			
Capital 2	Special Demand due to Volume	\$ 36,002.00		
	Positive / (-) Negative Cash Impact:	\$ (134,775.28)	\$ (99,172.73)	\$ (103,451.87)
403.1/.2	Depreciation	\$ 2,785.08	\$ 2,785.08	\$ 2,785.08
334	CIP / Meter Changeout	\$ 1,950.00	500	500
300's	CIP / Other (2013 CIP \$3,800)	\$ -		
	R & R - (Minor Repairs Included in Misc Exp)	\$ -		

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	R & R - (Minor Repairs Included in Misc Exp)	\$ -		

UTILITY NAME:

Lake Osborne Waterworks

YEAR OF REPORT
2016

YEAR OF REPORT
2013

COMPARATIVE OPERATING STATEMENT

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	2016 CURRENT YEAR* (e)	WATER SCHEDULE W-3* (f)	WASTEWATER SCHEDULE S-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
	UTILITY OPERATING INCOME						
400	Operating Revenues	F-3(b)	\$ _____	\$ 301,419	301,419	_____	\$ _____
465, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	\$ _____	\$ _____	_____	_____	\$ _____
	Net Operating Revenues		\$ _____	\$ 301,419	301,419	_____	\$ _____
401	Operating Expenses	F-3(b)	\$ _____	\$ 349,880	349,880	_____	\$ _____
403	Depreciation Expense	F-3(b)	\$ _____	\$ 2,783	2,783	_____	_____
	Less: Amortization of CIAC	0	0	0	0	_____	_____
	Net Depreciation Expense		\$ _____	\$ 2,783	2,783	_____	\$ _____
406	Amortization of Utility Plant Acquisition Ad	F-3(b)	_____	_____	_____	_____	_____
407	Amortization Expense (Other than CIAC)	F-3(b)	_____	_____	_____	_____	_____
428	Taxes Other Than Income	9, S-3	_____	2,498	2,498	_____	_____
399	Current Income Taxes	9, S-3	_____	_____	_____	_____	_____
410.1	Deferred Federal Income Taxes	W/S-3	_____	_____	_____	_____	_____
410.11	Deferred State Income Taxes	W/S-3	_____	_____	_____	_____	_____
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	_____	_____	_____	_____	_____
412.1	Investment Tax Credits Deferred to Future	W/S-3	_____	_____	_____	_____	_____
412.11	Investment Tax Credits Received to Operate	W/S-3	_____	_____	_____	_____	_____
	Utility Operating Expenses		\$ _____	\$ 355,011	355,011	_____	\$ _____
	Net Utility Operating Income		\$ _____	\$ (53,654)	(53,654)	_____	\$ _____
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	_____	_____	_____	_____	_____
413	Income From Utility Plant Leased to Others	_____	_____	_____	_____	_____	_____
414	Gains (Losses) From Disposition of Utility Property	_____	_____	_____	_____	_____	_____
420	Allowance for Funds Used During Construction	_____	_____	_____	_____	_____	_____
Total Utility Operating Income (Enter here and on Page P-3(c))			\$ _____	\$ (53,654)	(53,654)	_____	\$ _____

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

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

F-3(a)

YEAR OF REPORT 2016

F-3(b)

UTILITY NAME: Lake Ontario Waterworks 1816

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income (From page F-2)(a)			\$ 0	\$ (5,654)
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising, Jobbing, and Contract Work			
419	Interest and Dividend Income			
421	Nonutility Income			
424	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 0	\$ 0
TAXES APPLICABLE TO OTHER INCOME				
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			
413.2	Investment Tax Credits Reserved to Operating Income			
Total Taxes Applicable to Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	0	\$ 0	\$ 0
428	Amortization of Debt Discount & Expense	0		0
429	Amortization of Premium on Debt	0		0
Total Interest Expense			\$ 0	\$ 0
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.3	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			\$ 0	\$ (5,654)

Explain Extraordinary Income:
