

Shawna Senko

From: Joseph Gabay <jgabay@uswatercorp.net>
Sent: Saturday, February 08, 2014 12:39 PM
To: Filings@psc.state.fl.us
Cc: Vickie Penick
Attachments: The Woods 2015 PSC Proforma PSC.pdf

Commission Clerk:

I am filing the attached document on behalf of Mr. Gary Deremer.

The PSC docket number is 130171.

The document of 14 pages includes:

Cover Letter Signed by Mr. Gary Deremer – 1pg.
Buyer’s Closing Statement – 1 pg.
2015 Pro Forma for the Woods Utility Co. – 12 pgs.

These documents are submitted by:

Joseph G. Gabay
Utilities Controller
U.S. Water Services Corporation



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THE WOODS UTILITY COMPANY

February 3, 2014

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

RE: The Woods – Certificate No's 507-W & 441-S
System Docket: 130171-WS

- 1) Please accept the attached submitted proformas 2014-2016 as requested.
- 2) Purchase price totals \$10 – please see attached 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 \$13,940 hand written on the recorded documents – is a number written in by the respective county staff at the time of recording in reference to their internal county records.
- 3) Please find attached asset listings effective at time of purchase.

We are hopeful that the submitted documents are in keeping with the requests.

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

Respectfully Submitted,



s/Gary Deremer

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: 13-099

Name of Buyer: The Woods Utility Company, a Florida corporation

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

Property: Water and Sewer Utility Systems and all associated easements and appurtenances

Settlement Agent: Booth & Cook, P.A.

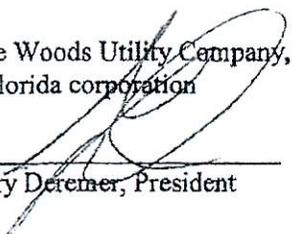
Place of Settlement: 7510 Ridge Road, Port Richey, FL 34668

Settlement Date: March 28, 2013

PURCHASE PRICE	\$10.00
Down Payment to Seller	\$0.00
Record Bill of Sale	\$18.50
Record Quit Claim Deed (two parcels of real estate)	\$27.00
Prorate taxes, 1/1/13 through 3/27/13 (\$176.98/yr for 86 days) (Note: assessed to Crystal River Utilities c/o Aqua Utilities)	(\$42.14)
Prorate tangible taxes, 1/1/13 through 3/27/13 (\$2,213.54/yr)	(\$522.02)
Attorney fees to Booth & Cook, P.A.	\$250.00
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	(\$10.00)
BALANCE DUE TO BUYER:	(\$268.66)

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

The Woods Utility Company,
a Florida corporation



Gary Deremer, President

THE WOODS: Assumptions

System Pruchased for less than 50% of Rate Base - Impacted by NBV 20% Rule.

Rate Base:	Net Plant Brought forth Balance Remaining at Purchase Net CIAC Brought forth Balance Remaining at Purchase Factored New CIP Additions After Purchase by by 30 yr schedule
Cost of Capital:	Purchase Price, New CIP Additions
P&L:	(1) Annual Revenue Index Utilized 1.5%

The Woods Utility
Capital and R&R

Blue WTR / Green WW

							Totals	2013	2014	2015	2016
							\$	\$	\$	\$	
County	Point weighting scale Site	Type	Priority 1 = High	CIP / R&R	Problem	Solution	Regulatory Complete,	2013	2014	2015	2016
Sumter	The Woods	W		CIP	Treatment plant flows prior to the ground storage tank are not configured to give the most efficient method of treatment	Reconfigure the plant piping to improve water quality. And install injection system for KMnO3 system.	M		\$ 20,000		
Sumter	The Woods	W		CIP	Backwash Flow meter, there needs to be a reliable means to account for the water use	Install Backwash Flow meter to account for flows and flow rates to properly operate filters and account for water loss	M		\$ 2,500		
Sumter	The Woods	W		CIP	Aerator Bypass does not exist for cleaning and removing unit from service for Maintenance and or inspection	Install bypass piping to pump directly to Adegde filters or to Hydropneumatic tank	E			\$ 3,000	
Sumter	The Woods	W		CIP	Plant has only one (1) high service pump (HSP) and if there is a failure there is no back-up unit	Install another HSP for reliability	M		\$ 4,000		
Sumter	The Woods	W		CIP	Water Meter Replacement, Customer; The water meters are 10 years old and need to be replaced and or tested per FPSC rules	Replace water meters that have exceeded 1,000,000 gallons or 10% of meters in the distribution system	M		\$ 2,000	\$ 2,000	\$ 2,000
Sumter	The Woods	S		CIP	No screening device for treatment plant headworks. Unit needed to prevent objects from entering plant and damaging equipment and piping	Install Stainless Steel screening device	E		\$ -	\$ 3,500	
Sumter	The Woods	S		CIP	No back-up chlorine feed pump, needed for treatment reliability	Install back-up chlorinator for reliability	M		\$ 500		
Sumter	The Woods	S		CIP	Existing lift station pumps do not meet the manufacturers specifications for pump curves to provide reliable operation	Replace lift station pumps that meet the specifications for this system	M		\$ 4,000	\$ 4,000	
Sumter	The Woods	S		CIP	Existing treatment plant has no worker protection from falling into the tank openings.	Install grating over open tanks for worker safety	M		\$ -	\$ 20,000	
Sumter	The Woods	S		CIP	Pumps are aged and require replacement.	Install new pumps and controls in lift station.	M		\$ 12,000	\$ 8,000	\$ -
									\$ 45,000	\$ 40,500	\$ 2,000
							WATER		\$ 28,500	\$ 5,000	\$ 2,000
							WW		\$ 16,500	\$ 35,500	\$ -
							Proof		\$ 45,000	\$ 40,500	\$ 2,000

UTILITY NAME:

The Woods Utility Company

YEAR OF REPORT
2015

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 85,510	100.00%	8.74%	8.74%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	0	0.00%		0.00%
Customer Deposits	0	0.00%		0.00%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	0	0.00%		0.00%
Other (Explain)	0	0.00%		0.00%
	0	0.00%		0.00%
Total	\$ 85,510	100.00%		8.74%

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	_____
Commission order approving Return on Equity:	_____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	_____
Commission order approving AFUDC rate:	_____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

AQUA UTILITIES FLORIDA
 NBV SUMMARY
 AS OF 2/28/13

BUYER	major_location	WATER										NBV-Water
		101-UPIS	105-AD	106-CCNC	108-AD	105-CWIP	114-UPAA	115-AA	271-CIAC	272-AA		
BREVARD	Kingwood	21,440.93	4,816.31						(288.79)	(87.46)		16,423.29
	Oakwood	77,671.39	26,263.61	184.13	4.11				(7,513.60)	(1,388.27)		45,462.47
HIGHLANDS	Lake Josephine	2,094,983.47	277,623.89						(347,588.31)	(198,859.52)		1,668,630.79
	Leisure Lakes	894,703.12	170,370.24	313.34	0.09				(156,728.28)	(101,931.07)		669,848.92
	Sebring Lakes	721,466.65	137,774.52						(334,164.70)	(143,784.89)		393,312.32
PALM BEACH	Lake Osborne Est	265,904.02	144,357.41						(21,028.89)	(20,572.36)		121,090.08
SUMTER	Jumper Creek Manor	513,041.91	119,910.94					(197,095.00)	(28,508.95)	(157,236.00)	(26,508.73)	93,817.65
	The Woods	492,503.62	171,721.37							(50,582.76)	(91,519.93)	321,819.42
WASHINGTON	Sunny Hills	4,082,577.48	1,621,469.44							(692,445.60)	(174,457.00)	1,943,119.44
Grand Total		9,164,292.59	2,674,307.73	497.47	4.20			(197,095.00)	(28,508.95)	(1,807,576.83)	(759,209.23)	5,273,524.38
			320,782.25							Over Budget		
		2.30%								(90,582.76) zeroed out		
		11,327.58										
		943.97										

Rate Base (2/28/13)	As of 2/28/13	accounts for only 1 month		Rate Base (3/28/13)
		-2.30%	(-1%)	
SYSTEM	Initial Balance	1 month Depr	1 month Amortiz	Balance as of:
Brevard (both):	\$ 61,885.76	\$ (118.61)	\$ 51.57	\$ 61,818.72
HC Waterworks (N)	\$ 2,731,792.03	\$ (5,235.93)	\$ 2,276.49	\$ 2,728,832.59
HC Waterworks (W)	\$ 67,812.33	\$ (129.97)	\$ 56.51	\$ 67,738.87
Total:	\$ 2,799,604.36	\$ (5,365.91)	\$ 2,333.00	\$ 2,796,571.46
Lake Osborne:	\$ 121,090.08	\$ (232.09)	\$ 100.91	\$ 120,958.90
Sumter (Both - W)	\$ 415,637.07	\$ (796.64)	\$ 346.36	\$ 415,186.80
Sumter (Both - W)	\$ 144,826.48	\$ (277.58)	\$ 120.69	\$ 144,669.58
Total:	\$ 560,463.55	\$ (1,074.22)	\$ 467.05	\$ 559,856.38
Sunny Hills (W):	\$ 1,943,119.44	\$ (3,724.31)	\$ 1,619.27	\$ 1,941,014.39
Sunny Hills (WW)	\$ 136,772.12	\$ (262.15)	\$ 113.98	\$ 136,623.95
Total:	\$ 2,079,891.56	\$ (3,986.46)	\$ 1,733.24	\$ 2,077,638.34
Grand Total:	\$ 5,622,935.31	\$ (10,777.29)	\$ 4,685.78	\$ 5,616,843.80

\$ (1,423.37)	\$ 618.86
\$ -	\$ -
\$ (62,831.22)	\$ 27,317.92
\$ (1,559.68)	\$ 678.12
\$ (64,390.90)	\$ 27,996.04
\$ -	\$ -
\$ (2,785.07)	\$ 1,210.90
\$ -	\$ -
\$ (9,559.65)	\$ 4,156.37
\$ (3,331.01)	\$ 1,448.26
\$ (12,890.66)	\$ 5,604.64
\$ -	\$ -
\$ (44,691.75)	\$ 19,431.19
\$ (3,145.76)	\$ 1,367.72
\$ (47,837.51)	\$ 20,798.92
\$ -	\$ -
\$ (129,327.51)	\$ 56,229.35

WASTEWATER										
101-UPIS	108-AD	106-CCNC	108-AD	105-CWIP	114-UPAA	115-AA	271-CIAC	272-AA	NBV-Wastewater	Grand Total
									-	16,423.29
									-	45,462.47
386,655.71	274,502.38						(278,949.85)	(234,608.85)	-	1,666,630.79
									67,812.33	737,661.25
									-	393,312.32
									-	121,090.08
407,199.33	100,924.96			(106,165.00)	(15,356.36)	(221,828.00)	(47,380.80)		41,018.53	134,836.18
192,984.26	101,315.24			14,461.11		(65,285.33)	(62,963.15)		103,807.95	425,527.37
763,118.33	621,795.61					(6,976.96)	(2,426.36)		136,772.12	2,079,891.56
77,243,735.27	34,496,787.52	36,025.10	762.70	368,286.39	(156,525.00)	(53,455.06)	(22,579,379.93)	(12,920,911.90)	348,410.93	5,622,935.31
	106,130.13						(2,322.18)			
2.30%							1.00%			
4,438.64							(652.85)			
369.89							(54.40)			

UTILITY NAME:

The Woods Utility Company

YEAR OF REPORT
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						
400	Operating Revenues	F-3(b)	\$ _____	\$ 73,178	36,388	36,789	\$ _____
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)					
	Net Operating Revenues		\$ _____ 0	\$ 73,178	36,388	36,789	\$ _____ 0
401	Operating Expenses	F-3(b)	\$ _____	\$ 66,087	34,555	31,531	\$ _____
403	Depreciation Expense:	F-3(b)	\$ _____	\$ 14,667	12,444	2,223	_____
	Less: Amortization of CIAC	0		(653)	0	(653)	
	Net Depreciation Expense		\$ _____ 0	\$ 14,014	12,444	1,570	\$ _____ 0
406	Amortization of Utility Plant Acquisition	F-3(b)	_____	29,996	22,680	7,316	_____
407	Amortization Expense (Other than CIAC)	F-3(b)	_____	(29,996)	(22,680)	(7,316)	_____
408	Taxes Other Than Income	W/S-3	_____	5,636	2,803	2,833	_____
409	Current Income Taxes	W/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 - Crs	W/S-3	_____	_____	_____	_____	_____
412.1	Investment Tax Credits Deferred to Future	W/S-3	_____	_____	_____	_____	_____
412.11	Investment Tax Credits Restored to Opera	W/S-3	_____	_____	_____	_____	_____
	Utility Operating Expenses		\$ _____ 0	\$ 85,737	49,802	35,935	\$ _____ 0
	Net Utility Operating Income		\$ _____ 0	\$ (12,559)	(13,414)	854	\$ _____ 0
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 F-3(c)]			\$ _____ 0	\$ (12,559)	(13,414)	854	\$ _____ 0

* 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:

The Woods Utility Company

YEAR OF REPORT 2015

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-3(a)]			\$ 0	\$ (12,559)
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		_____	_____
426	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		_____	_____
412.3	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	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			<u>\$ 0</u>	<u>\$ (12,559)</u>

Explain Extraordinary Income:

Proposed Operating Budget

Revision: 1/10/14

FY - 2014

		2014		
USAN's		Woods	WTR	WW
400	System Revenues (Note 1)			
461	Water Revenues:	\$ 33,676.20	\$ 33,676.20	
522	Wastewater Revenues:	\$ 35,842.41		\$ 35,842.41
461	Other Revenues:	\$ 1,822.50	\$ 1,822.50	
	Index on WTR/WST Revenues (Aqua 2012):	\$ -		
	Index Wtr for 2014 = Estimated 1.5% (April thru Dec)	\$ 378.86	\$ 378.86	
	Index WW for 2014 = Estimated 1.5% (April thru Dec)	\$ 403.23		\$ 403.23
	Total Utility Revenues:	\$ 72,123.19	\$ 35,877.56	\$ 36,245.64
			49.74%	50.26%
	Operating Expenses:			
636	USW O & M Customer Service & Billing - Water	\$ 17,338.68	\$ 17,338.68	
	<i>USW O & M Customer Service & Billing - Water w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract</i>	\$ 273.08	\$ 273.08	
736	USW O & M Customer Service & Billing - Wastewater (Jan -Mar 2014)	\$ 20,916.24		\$ 20,916.24
	<i>USW O & M Customer Service & Billing - Wastewater w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract</i>	\$ 329.43		\$ 329.43
603	Officer Salaries	\$ 6,000.00	\$ 6,000.00	
618/718	Chemicals	\$ 1,823.25	\$ 906.97	\$ 916.28
711	Sludge	\$ 3,422.25		\$ 3,422.25
670/770	Bad Debt	\$ 1,677.27	\$ 834.36	\$ 842.91
610/710	Purchase Water	\$ -	\$ -	\$ -
615/715	Purchased Power	\$ 4,764.12	\$ 2,369.90	\$ 2,394.22
657	Insurance	\$ 1,500.00	\$ 746.17	\$ 753.83
640/740	Rents (land, etc.)	\$ -	\$ -	\$ -
675.4	Sunshine Locates	\$ 50.00	\$ 50.00	
6758	Misc. Expenses (Includes Minor Repairs)	\$ 3,000.00	\$ 1,492.34	\$ 1,507.66
675.1	SCADA/Phones	\$ -		
801	Bank Fees	\$ 51.18	\$ 51.18	
813	Office Supplies for the Utility	\$ 125.00	\$ 125.00	
630/730	Legal	\$ 2,000.00	\$ 2,000.00	
630/730	Professional Fees (Accounting Costs)	\$ 2,000.00	\$ 2,000.00	
	Total Direct Operating Expenses	\$ 65,270.50	\$ 34,187.69	\$ 31,082.81
	Net Operating Revenues Before Other Deductions	\$ 6,852.69	\$ 1,689.87	\$ 5,162.82
	Allowances for Other Deductions:			
666/766	FPSC Fee:	\$ 3,245.54	\$ 1,614.49	\$ 1,631.05
	Property Taxes:	\$ 2,343.00	\$ 1,165.52	\$ 1,177.48
419.1	Interest Cost	\$ -		
	Total Other Cost:	\$ 5,588.54	\$ 2,780.01	\$ 2,808.53
	Total Net Operating Funds:	\$ 1,264.15	\$ (1,090.15)	\$ 2,354.29
	ROR 8.74% (20% Rule 2014 CIP)	\$ 123,651.05	\$ 10,807.10	\$ 7,195.78
	Working Capital 1/8 of O&M Exp	\$ 8,158.81	\$ 713.08	\$ 373.50
	Net Requirements	\$ (10,256.04)	\$ (8,659.42)	\$ (1,596.61)
403.1/2	Depreciation/ RESET BY 20% Rule	\$ 13,317.22	\$ 12,277.58	\$ 1,039.64
334 & 330's	CIP & Meter Change Out	\$ 45,000.00	\$ 28,500.00	\$ 16,500.00
	Minor Repairs Included in Misc Exp			

Proposed Operating Budget

Revision: 1/10/14

FY - 2015

2015

USAN's		Woods	WTR	WW
400	System Revenues (Note 1)			
461	Water Revenues:	\$ 34,181.34	\$ 34,181.34	
522	Wastewater Revenues:	\$ 36,380.05		\$ 36,380.05
461	Other Revenues:	\$ 1,822.50	\$ 1,822.50	
	Index on WTR/WST Revenues (Aqua 2012):	\$ -		
	Index Wtr for 2014 = Estimated 1.5% (April thru Dec)	\$ 384.54	\$ 384.54	
	Index WW for 2014 = Estimated 1.5% (April thru Dec)	\$ 409.28		\$ 409.28
	Total Utility Revenues:	\$ 73,177.70	\$ 36,388.38	\$ 36,789.32
			49.73%	50.27%
	Operating Expenses:			
636	USW O & M Customer Service & Billing - Water	\$ 17,702.79	\$ 17,702.79	
	USW O & M Customer Service & Billing - Water w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract	\$ 278.82	\$ 278.82	
736	USW O & M Customer Service & Billing - Wastewater (Jan -Mar 2014)	\$ 21,355.48		\$ 21,355.48
	USW O & M Customer Service & Billing - Wastewater w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract	\$ 336.35		\$ 336.35
603	Officer Salaries	\$ 6,000.00	\$ 6,000.00	
618/718	Chemicals	\$ 1,823.25	\$ 906.63	\$ 916.62
711	Sludge	\$ 3,422.25		\$ 3,422.25
670/770	Bad Debt	\$ 1,677.27	\$ 834.04	\$ 843.23
610/710	Purchase Water	\$ -	\$ -	\$ -
615/715	Purchased Power	\$ 4,764.12	\$ 2,369.01	\$ 2,395.11
657	Insurance	\$ 1,500.00	\$ 745.89	\$ 754.11
640/740	Rents (land, etc.	\$ -	\$ -	\$ -
675.4	Sunshine Locates	\$ 50.00	\$ 50.00	
6758	Misc. Expenses (Includes Minor Repairs)	\$ 3,000.00	\$ 1,491.78	\$ 1,508.22
675.1	SCADA/Phones	\$ -		
801	Bank Fees	\$ 51.18	\$ 51.18	
813	Office Supplies for the Utility	\$ 125.00	\$ 125.00	
630/730	Legal	\$ 2,000.00	\$ 2,000.00	
630/730	Professional Fees (Accounting Costs)	\$ 2,000.00	\$ 2,000.00	
	Total Direct Operating Expenses	\$ 66,086.51	\$ 34,555.14	\$ 31,531.37
	Net Operating Revenues Before Other Deductions	\$ 7,091.19	\$ 1,833.24	\$ 5,257.95
	Allowances for Other Deductions:			
666/766	FPSC Fee:	\$ 3,293.00	\$ 1,637.48	\$ 1,655.52
	Property Taxes:	\$ 2,343.00	\$ 1,165.08	\$ 1,177.92
419.1	Interest Cost	\$ -		
	Total Other Cost:	\$ 5,636.00	\$ 2,802.56	\$ 2,833.44
	Total Net Operating Funds:	\$ 1,455.20	\$ (969.32)	\$ 2,424.52
	ROR 8.74% (20% Rule 2014 CIP)	\$ 85,510.00	\$ 10,807.10	\$ 3,611.33
	Working Capital 1/8 of O&M Exp	\$ 8,260.81	\$ 722.00	\$ 344.48
	Net Requirements	\$ (10,073.90)	\$ (8,542.61)	\$ (1,531.29)
403.1/.2	Depreciation/ RESET BY 20% Rule	\$ 14,667.22	\$ 12,444.25	\$ 2,222.97
334 & 330's	CIP & Meter Change Out	\$ 40,500.00	\$ 5,000.00	\$ 35,500.00
	Minor Repairs Included in Misc Exp			

UTILITY NAME:

The Woods Utility Company

**YEAR OF REPORT
2015**

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)	
101	Utility Plant In Service	0	\$ 526,004	\$ 230,523	756,527
	Less:				0
	Nonused and Useful Plant (1)				0
108	Accumulated Depreciation Prev. '13, '14, '15	0	(204,939)	(66,715)	(271,654)
110	Accumulated Amortization	0	0	0	0
271	Contributions in Aid of Construction	0	(90,583)	(65,285)	(155,868)
252	Advances for Construction	0			0
Subtotal			\$ 230,482	\$ 98,522	329,004
	Add:				0
272	Accumulated Amortization of Contributions in Aid of Construction	0	90,583	64,976	155,559
Subtotal			\$ 321,065	\$ 163,499	484,563
	Plus or Minus:				0
114	Acquisition Adjustments (2)	0	(257,451)	(83,041)	(340,492)
115	Accumulated Amortization of Acquisition Adjustments (2)	0	62,370	20,118	82,488
	Working Capital Allowance (3)		4,319	3,941	8,261
	Other (Specify):				0
					0
					0
					0
					0
RATE BASE			\$ 130,304	\$ 104,516	234,820
NET UTILITY OPERATING INCOME			\$ (13,414)	\$ 854	(12,559)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-10.29%	0.82%	-5.35%

Analysis of Current Acquisition Rule
Rule 25-30.371

Negative Acquisition Adjustments

- 1 Rule:** (3) Negative Acquisition Adjustments. If the purchase price is **greater than 80 percent** of net book value, a negative acquisition adjustment will not be included in rate base. When the purchase price is equal to or less than 80 percent of net book value, a negative acquisition adjustment shall be included in rate base and will be equal to 80 percent of net book value less the purchase price. Amortization of a negative acquisition adjustment shall be pursuant to subparagraph (4)(b)1. or (4)(b)2. below.
- Amortization if**
- Greater than 50%:** 1. If the purchase price is **greater than 50 percent of net book value**, the negative acquisition adjustment shall be amortized over a 7-year period from the date of issuance of the order approving the transfer of assets. In this case, the negative acquisition adjustment shall not be recorded on the books for ratemaking purposes or used for any earnings review unless the purchaser files for a rate increase pursuant to Section 367.081(2), 367.0814, 367.0817 or 367.0822, F.S., that will be effective during the amortization period.
- Amortization if**
- 3 Less than 50%:** 2. If the purchase price is **50 percent of net book value or less**, the negative acquisition adjustment shall be amortized from the date of issuance of the order approving the transfer of assets as follows:
- 50 percent of the negative acquisition adjustment shall be amortized over a 7-year period; and
 - 50 percent of the negative acquisition adjustment shall be amortized over the remaining life of the assets.

THE WOODS WW (3) Paid Less Than 50% Of Rate Base

Purchase Price equal to or less than 80% of Net Rate Base			Historical	2013 9 mos	2014	2015	2016	2017	2018	2019	
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Rate Base:	\$	103,808	207,445.37	\$ 103,808	\$ 103,808	\$ 119,268	\$ 152,545	\$ 150,322	\$ 148,099	\$ 145,876	6 yrs 9 mos
Purchase Pric	\$	5		\$ 16,500	\$ 35,500	\$ -	\$ -	\$ -	\$ -	\$ -	
		0.00%									
Total Plant				\$ 103,808	\$ 120,308	\$ 154,768	\$ 152,545	\$ 150,322	\$ 148,099	\$ 145,876	
Recognized Rate Base:											
Rate Base:	\$	103,808		\$ (489.64)	\$ (1,040)	\$ (2,223)	\$ (2,223)	\$ (2,223)	\$ (2,223)	\$ (2,223)	
Neg. Acqui Adj	\$	83,041		\$ 83,041	\$ 83,041	\$ 83,041	\$ 83,041	\$ 83,041	\$ 83,041	\$ 83,041	
Amortization over 7 years	\$	4,449		\$ 4,449	\$ 5,932	\$ 5,932	\$ 5,932	\$ 5,932	\$ 5,932	\$ 5,932	
Amortization over life of assets	\$	1,038		\$ 1,038	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	\$ 1,384	
Net Plant in Service	\$	20,767		\$ 25,764	\$ 27,042	\$ 41,320	\$ 74,597	\$ 72,374	\$ 70,151	\$ 67,928	
ROR				\$ 2,251.74	\$ 2,363.51	\$ 3,611.33	\$ 6,519.74	\$ 6,325.45	\$ 6,131.16	\$ 5,936.88	
Total Cumulative Acc Acq Adj					\$ 12,802	\$ 20,118	\$ 27,433	\$ 34,749	\$ 42,064	\$ 49,380	
					\$ (5,487)	\$ (12,802)	\$ (20,118)	\$ (27,433)	\$ (34,749)	\$ (42,064)	
Annual Acqui Adj Amort Net Started 3/29/13	\$	5,487		\$ 5,487	\$ 7,316	\$ 7,316	\$ 7,316	\$ 7,316	\$ 7,316	\$ 7,316	
CIAC			(65,285.33)								
Annual CIAC Adj				(652.85)	(652.85)	(652.85)	(309.22)	-	-	-	
Total Cumulative CIAC Adj			63,017.55	63,670.41	64,323.26	64,976.11	65,285.33	65,285.33	65,285.33	65,285.33	
Net CIAC			(2,267.78)	(1,614.92)	(962.07)	(309.22)	-	-	-	-	

