

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: March 1, 2019

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Charles Johnson, ^{CAT}Public Utility Analyst I, Division of Accounting & Finance

RE: Docket No. 20180202-SU: Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

Please place the attached documents into the docket file as staff's second data request.

STATE OF FLORIDA

COMMISSIONERS:
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DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
DIRECTOR
(850) 413-6900

Public Service Commission

March 1, 2019 March 1, 2019

Michael Smallridge
3336 Grand Blvd. Suite 102
Holiday, FL 34690

Re: Docket No. 20180202-SU Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

Dear Mr. Smallridge :

1. Staff's audit report was filed on January 29, 2019, in Document No. 00452-2019. The following items relate to audit Work Paper No. 59-1 which shows the deferred legal fees approved in Order No. PSC-16-0030-PAA-SU.
 - a. Please provide all the invoices related with the \$6,245 of legal fees which should include all tasks completed, hours of work completed for each task, and the associated hourly rates for each of the tasks.
 - b. Rule 25-30.433, Florida Administrative Code, states that nonrecurring expenses shall be amortized over a 5-year period unless a shorter or longer period can be justified. Please justify the Utility's request to amortize the fees over three years instead of five years.
2. In a discussion with staff, Mr. Smallridge indicated the Utility's old truck had been totaled and a replacement truck was already purchased. Please provide the original cost of the former truck that was totaled before purchasing the new truck, including a breakdown of the truck's allocation to West Lakeland.
3. Please provide a breakdown of all pensions and benefits expense associated with current employees of FUS1.
4. In the current docket, FUS1 is requesting the allocation of two new maintenance technicians to West Lakeland. Please provide any pensions and benefits expense associated with the two requested maintenance technicians for FUS1.

5. Please provide West Lakeland's accounts receivable aging report that details the Utility's calculation of its 2018 calendar year end bad debt expense amount.

6. According to the Audit of West Lakeland, completed on January 29, 2019, West Lakeland's general ledger reflects that the Utility spent \$21,934 on employees salaries and wages for the test year ended October 31, 2018. West Lakeland's 2017 Annual Report reflects that the Utility spent \$33,715 on employees salaries and wages expense for the year 2017. Please provide a detailed reconciliation of the difference in salaries and wages expense between these two 12-month periods.