

Pinecrest Utilities, LLC
1902 BARTON PARK RD #201
AUBURNDALE, FL. 33840
863-904-5574

September 16, 2013

Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL. 32399

RECEIVED-FPSC
13 SEP 18 AM 9:21
COMMISSION
CLERK

RE: Docket # 120269-SU

Dear Commission Clerk:

In accordance with commission order, enclosed please find proof of adjustments made to the utilities books as result of the rate case.

On behalf of the utility,



Mike Smallridge

PINECREST UTILITIES, LLC
 TEST YEAR ENDING 09/30/12
 ADJUSTMENTS TO RATE BASE

SCHEDULE NO. 1-B
 DOCKET NO. 120269-WU

	<u>WATER</u>	
<u>UTILITY PLANT IN SERVICE</u>		
1. To reflect the appropriate Allocated Plant (AF 8 - WP 15).	\$1,589	(A)
2. To remove utility pick-up truck.	(8,000)	(B)
3. To reflect pro forma plant repairs.	1,861	(C)
Total	<u>(4,549)</u>	
<u>ACCUMULATED DEPRECIATION</u>		
1. To remove utility pick-up truck (AF 8 - WP 15).	\$834	(D)
2. To reflect the appropriate test year accumulated depreciation (Audit Finding 1).	(6,054)	(E)
3. To reflect the appropriate AD of allocated plant.	(244)	(F)
4. To reflect pro forma plant repairs.	2,780	(G)
Total	<u>(2,684)</u>	
<u>AMORTIZATION OF CIAC</u>		
To reflect the appropriate amortization of CIAC (Audit Finding 2).	<u>\$2,104</u>	(H)
<u>WORKING CAPITAL ALLOWANCE</u>		
To reflect 1/8 of test year O & M expenses.	<u>\$3,922</u>	(I)

9:54 AM
 09/03/13
 Accrual Basis

Pinecrest Utilities, LLC
General Journal Transaction
 January 1, 2012

Num	Name	Memo	Account	Class	Debit	Credit
68		Per PSC - Re...	101 · Utility Plant in ...		1,589.00	
		Per PSC - Re...	101 · Utility Plant in ...			8,000.00
		Per PSC - Re...	101 · Utility Plant in ...		1,861.00	
		Per PSC - Re...	108 · Accumulated ...		834.00	
		Per PSC - Re...	108.1 · Accumulate...			6,054.00
		Per PSC - Re...	108.1 · Accumulate...			244.00
		Per PSC - Re...	108.1 · Accumulate...		2,780.00	
		Per PSC - Re...	272 · CIAC-Accumu...		2,104.00	
		Per PSC - 1/...	32000 · Members E...		3,922.00	
		Per PSC - Re...	32000 · Members E...		1,208.00	
					14,298.00	14,298.00
TOTAL					14,298.00	14,298.00

PINECREST UTILITIES, LLC
TEST YEAR ENDING 09/30/12
ADJUSTMENTS TO OPERATING INCOME

SCHEDULE NO. 3-B
PAGE 1 OF 3

	<u>WATER</u>
OPERATING REVENUES	
To adjust utility revenues to audited test year amount.	<u>\$46,358</u> ✓
OPERATION AND MAINTENANCE EXPENSES	
Salaries and Wages - Employees (601)	
To reflect allocated salaries (Audit Finding 8).	<u>\$3,622</u> ✓
Salaries and Wages - Officers (603)	
1. Remove loan payments & credits (Audit Finding 6).	\$230 ✓
2. Remove out of period expenses (Audit Finding 6).	(150) ✓
3. To reflect allocated salaries (Audit Finding 8).	908 ✓
Total	<u>\$988</u>
Employee Pension & Benefits (604)	
To reflect pro forma health insurance expense.	<u>\$977</u> ✓
Purchased Power (615)	
1. To reflect allocated expense (Audit Finding 8).	\$187 ✓
2. To reflect actual test year expense.	<u>(141)</u> ✓
Total	<u>\$46</u>
Materials and Supplies (620)	
1. Transfer credit from revenue to Account 620.	(S90) ✓
2. Remove undocumented expenses.	<u>(1,794)</u> ✓
Total	<u>(S1,884)</u>
Contractual Services - Billing (630)	
1. To reflect allocated expense (Audit Finding 8).	\$2,670 ✓
2. Reclassify meter reading expenses to Account 636.	<u>(290)</u> ✓
Total	<u>\$2,380</u>
Contractual Services - Professional (631)	
To reflect allocated expense (Audit Finding 8).	<u>\$2,279</u> ✓

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PINECREST UTILITIES, LLC
 TEST YEAR ENDING 09/30/12
 ADJUSTMENTS TO OPERATING INCOME

(CONTINUED FROM PREVIOUS PAGE)

Contractual Services - Testing (635)	
To reflect allocated expense (Audit Finding 8).	<u>(\$192)</u> ✓

Contractual Services - Other (636)	
1. To reflect appropriate amount of meter reading expense (Audit Finding 7).	\$1,827 ✓
2. To reflect allocated expense (Audit Finding 8).	<u>(4,869)</u> ✓
3. Include amount for meter reading incorrectly recorded in Account 630.	290 ✓
4. Amortization of tank inspection costs.	<u>(600)</u> ✓
Total	<u>(\$3,352)</u>

Rents (640)	
1. Reclassified air valve rental to Account 675.	(\$126) ✓
2. To reflect allocated expense (Audit Finding 8).	<u>251</u> ✓
Total	<u>\$125</u>

Transportation Expense (650)	
1. Removed an out of period journal adjustment.	\$410 ✓
2. To reflect the appropriate allocation of transportation expense.	172 ✓
3. To reflect allocated expense (Audit Finding 8).	<u>25</u> ✓
Total	<u>\$606</u>

Insurance Expenses (655)	
1. Removed an out of period journal adjustment (Audit Finding 6).	\$322 ✓
2. To reflect pro forma expense. (Audit Finding 7).	\$792 ✓
3. To reflect allocated expense (Audit Finding 8).	<u>(2,831)</u> ✓
Total	<u>(\$1,717)</u>

Regulatory Commission Expense (665)	
To reflect the appropriate amount of rate case expense.	<u>\$188</u> ✓

Bad Debt Expense (670)	
To reflect the appropriate 3-year average.	<u>\$267</u> ✓

(CONTINUED ON NEXT PAGE)

PINECREST UTILITIES, LLC
TEST YEAR ENDING 09/30/12
ADJUSTMENTS TO OPERATING INCOME

SCHEDULE NO. 3-B
PAGE 3 OF 3

(CONTINUED FROM PREVIOUS PAGE)

Miscellaneous Expense (675)	
1. Air valve rental.	\$126 ✓
2. Removing an undocumented adjustment.	(145) ✓
3. Removed an undocumented adjustment - late fee.	(82) ✓
4. To reflect allocated expense (Audit Finding 8).	630 ✓
Total	<u>\$529</u>

TOTAL OPERATION & MAINTENANCE ADJUSTMENTS \$4,863

WATER

DEPRECIATION EXPENSE

1. To reflect the appropriate test year depreciation expense (Audit Finding 1).	\$8,386 ✓
2. Include depreciation for pro-forma plant.	464 ✓
3. To remove utility pick-up truck.	(1,334) ✓
4. To reflect pro forma plant repairs depreciation expense.	118 ✓
Total	<u>\$7,634</u>

AMORTIZATION

To reflect the appropriate Amortization of CIAC (Audit Finding 2) (\$2,806) ✓

TAXES OTHER THAN INCOME

1. To include regulatory assessment fees on test year revenue.	\$423 ✓
2. To reflect allocated payroll taxes (Audit Finding 8).	481 ✓
3. To adjust property taxes to audited amount. (Audit Finding 11).	(681) ✓
Total	<u>\$223</u>

PINECREST UTILITIES	GJE ADJUSTMENTS	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Acct #	Totals
PER PSC		403	408	461.1	601	603	604	615	620	630	631	635	636	640	650	655	665	670	675	
Service Revenues				(46,358.00)																(46,358.00)
Reflect Allocated Salaries					3,622.00															3,622.00
Remove Loan Payments						230.00														230.00
Remove out of period expxenses						(150.00)														(150.00)
Reflect Allocated Salaries						908.00														908.00
Reflect ProForma Health Insurance							977.00													977.00
Purchased Power - Allocated Portion								187.00												187.00
Purchased Power - Reflect Actual test year exp								(141.00)												(141.00)
Materials & Supplies - Trnsfr credit from revenue									(90.00)											(90.00)
Materials & Supplies - Remove undocumented expenses									(1,794.00)											(1,794.00)
Contrctl Services - Billing Reflect allocated exp										2,670.00										2,670.00
Contrctl Services - Billing Reclass meter reading										(290.00)										(290.00)
Contrctl Services - Professional Reflect Allocated Exp											2,279.00									2,279.00
Contrctl Services - Testing Reflect Allocated Exp												(192.00)								(192.00)
Contrctl Srvc - Other Appropriate Meter Reading													1,827.00							1,827.00
Contrctl Srvc - Other Reflect Allocated Expense													(4,869.00)							(4,869.00)
Contrctl Srvc - Other Meter Reading Reclass													290.00							290.00
Contrctl Srvc - Amortization of Tank Inspection Costs													(600.00)							(600.00)
Rent Expense- Reclass air valve rental														(126.00)						(126.00)
Rent Expense - reflect allocated exp.														251.00						251.00
Transportation - Remove out of period															410.00					410.00
Transportation - Reflect appropriate allocation															172.00					172.00
Transportation - Reflect Allocated Expense															25.00					25.00
Insurance - Remove out of period																322.00				322.00
Insurance - Reflect proforma expense																792.00				792.00
Insurance - Reflect Allocated Expense															(2,831.00)					(2,831.00)
Reflect appropriate amount of rate case exp																	188.00			188.00
Bad Debt Exp - reflect appropriate 3 yr avg																		267.00		267.00
Miscellaneous Exp - Air Valve Rental																			126.00	126.00
Miscellaneous Exp - Remove Undocumented																			(145.00)	(145.00)
Miscellaneous Exp - Remove Undocumented - Late Fee																			(82.00)	(82.00)
Miscellaneous Exp - Reflect Allocated Expense																			630.00	630.00
Depreciation - Reflect appropriate test yr exp		8,386.00																		8,386.00
Depreciation - Include Proforma Plant		464.00																		464.00
Depreciation - Remove Pick-up Truck		(1,334.00)																		(1,334.00)
Depreciation - Reflect proforma plant repairs		118.00																		118.00
Depreciation - Reflect appropriate Amortization CIAC		(2,806.00)																		(2,806.00)
Taxes Other than Income - test year RAF			423.00																	423.00
Taxes Other than Income - Allocated Payroll Taxes			481.00																	481.00
Taxes Other than Income - Property Taxes to audited amount			(681.00)																	(681.00)
		4,828.00	223.00	(46,358.00)	3,622.00	988.00	977.00	46.00	(1,884.00)	2,380.00	2,279.00	(192.00)	(3,352.00)	125.00	607.00	(1,717.00)	188.00	267.00	529.00	(36,444.00)

9:53 AM
 09/03/13
 Accrual Basis

Pinecrest Utilities, LLC
General Journal Transaction
 January 1, 2012

Num	Name	Memo	Account	Class	Debit	Credit
69		Per PSC - Re...	403 Depreciation ...		8,386.00	
		Per PSC - In...	403 Depreciation ...		464.00	
		Per PSC - Re...	403 Depreciation ...			1,334.00
		Per PSC - In...	403 Depreciation ...		118.00	
		Per PSC - Re...	403 Depreciation ...			2,806.00
		Per PSC - Re...	408.3 Regulatory ...		423.00	
		Per PSC - All...	408 Taxes-Other...		481.00	
		Per PSC - Pr...	408.2 Polk Co Pro...			681.00
		Per PSC - Se...	461.1 Metered Sal...			46,358.00
		Per PSC - Re...	603 Officers Salary		3,622.00	
		Per PSC - Re...	603 Officers Salary		230.00	
		Per PSC - Re...	603 Officers Salary			150.00
		Per PSC - Re...	603 Officers Salary		908.00	
		Per PSC - Re...	604 Health Insura...		977.00	
		Per PSC - Re...	615 Purchased Po...		187.00	
		Per PSC - Re...	615 Purchased Po...			141.00
		Per PSC - Tr...	620 Material & Su...			90.00
		Per PSC - Re...	620 Material & Su...			1,794.00
		Per PSC - Re...	630 Contractual S...		2,670.00	
		Per PSC - Re...	630 Contractual S...			290.00
		Per PSC - Re...	631 Contractual S...		2,279.00	
		Per PSC - Re...	635 Contractual S...			192.00
		Per PSC - Re...	636 Contractual S...		1,827.00	
		Per PSC - Re...	636 Contractual S...			4,869.00
		Per PSC - Re...	636 Contractual S...		290.00	
		Per PSC - Re...	636 Contractual S...			600.00
		Per PSC - Re...	640 Rent			126.00
		Per PSC - Re...	640 Rent		251.00	
		Per PSC - Re...	650 Transportatio...		410.00	
		Per PSC - Re...	650 Transportatio...		172.00	
		Per PSC - Re...	650 Transportatio...		25.00	
		Per PSC - Re...	655 Insurance Exp...		322.00	
		Per PSC - Re...	655 Insurance Exp...		792.00	
		Per PSC - Re...	655 Insurance Exp...			2,831.00
		Per PSC - Re...	665 Regulatory Co...		188.00	
		Per PSC - Re...	670 Bad Debt Exp...		267.00	
		Per PSC - Ex...	675 Miscellaneous		126.00	
		Per PSC - Re...	675 Miscellaneous			145.00
		Per PSC - Re...	675 Miscellaneous			82.00
		Per PSC - Re...	675 Miscellaneous		630.00	
		Per PSC - Re...	32000 Members E...		36,444.00	
					<u>62,489.00</u>	<u>62,489.00</u>
					<u>62,489.00</u>	<u>62,489.00</u>
TOTAL					<u>62,489.00</u>	<u>62,489.00</u>