

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

DATE: May 28, 2026

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

FROM: Lynn M. Deamer, Chief of Auditing, Office of Auditing and Performance Analysis *LD*

RE: Docket No.: 20250052-WS
Company Name: CSWR-Florida Utility Operating Company, LLC
Company Code: WS985
Audit Purpose: A1a: File & Suspend Rate Case
Audit Control No.: 2025-224-1-1

By this memorandum, the Bureau of Auditing withdraws Audit Finding 2 of the audit report filed in Docket 20250052-WS on January 22, 2026. (Document number 00560-2026).

Attached is Revised Finding 3 of the audit report filed in Docket 20250052-WS on January 22, 2026. (Document number 00560-2026).

attachment

Finding 3: Land & Land Rights

Audit Analysis: Audit staff verified the Land balances and observed variances while tracing to MFR Schedule A-5. See the details as below.

- **Aquarina**

Water:

Audit staff verified the Land balance of the Aquarina Potable Water system in the amount of \$37,582, but the Utility reflected a Land balance in the amount of \$83,093 in its MFRs. Based on the Commission Order No. PSC-2022-0115-PAA-WS, and the supporting documentation, the Land balance of the Aquarina Potable Water system should be decreased by \$45,511.

Non-Potable Water:

Audit staff verified the Land balance of the Aquarina Non-Potable Water system in the amount of \$24,498, but the Utility reflected a Land balance in the amount of \$27,487 in its MFRs. Based on the Commission Order No. PSC-2022-0115-PAA-WS, and the supporting documentation, the Land balance of the Aquarina Non-Potable Water system should be decreased by \$2,989.

Wastewater:

Audit staff verified the Land balance of the Aquarina Wastewater system in the amount of \$33,680, but the Utility reflected a Land balance in the amount of \$67,076 in its MFRs. Based on the Commission Order No. PSC-2022-0115-PAA-WS, and the supporting documentation, the Land balance of the Aquarina Wastewater system should be decreased by \$33,396.

- **Sunshine**

Audit staff verified the Land balance of the Sunshine Water system in the amount of \$70,777, but the Utility reflected a Land balance in the amount of \$475,568 in its MFRs. Based on the Commission Order No. PSC-2012-0357-PAA-WU, and the supporting documentation, the Land balances of the Sunshine Water system should be decreased by \$404,791.

- **Sunshine PP QR**

Audit staff verified the Land balance of the Sunshine PP QR Water system in the amount of \$10,000, but the Utility reflected a Land balance in the amount of \$32,768 in its MFRs. Based on the Commission Order No. PSC-2012-0357-PAA-WU, and the supporting documentation, the Land balances of the Sunshine PP QR Water system should be decreased by \$22,768.

- **North Peninsula**

Audit staff verified the Land balance of the North Peninsula Wastewater system in the amount of \$46,800, but the Utility reflected a Land balance in the amount of \$93,203 in its MFRs. Based on the Commission Order No. PSC-2022-0116-PAA-SU, and the supporting documentation, the Land balance of the North Peninsula Wastewater system should be decreased by \$46,403.

- **Neighborhood**

Audit staff verified the Land balance of the Neighborhood Water system in the amount of \$1,000, but the Utility reflected a Land balance in the amount of \$39,628 in its MFRs. Based on

the Commission Order No. PSC-2022-0364-PAA-WU, and the supporting documentation, the Land balance of the Neighborhood Water system should be decreased by \$38,628.

▪ **BFF**

Audit staff verified the Land balance of the BFF Wastewater system in the amount of \$1,579, but the Utility reflected a Land balance in the amount of \$34,751 in its MFRs. Based on the Commission Order No. PSC-2023-0257-PAA-SU, and the supporting documentation, the Land balance of the BFF Wastewater system should be decreased by \$33,172.

▪ **C.F.A.T. H20**

Water:

Audit staff verified the Land balance of the C.F.A.T. H20 Water system in the amount of \$19,500, but the Utility reflected a Land balance in the amount of \$54,295 in its MFRs. Based on the Commission Order No. PSC-2023-0266-PAA-WS, and the supporting documentation, the Land balance of the C.F.A.T. H20 Water system should be decreased by \$34,795.

Wastewater:

Audit staff verified the Land balance of the C.F.A.T. H20 Wastewater system in the amount of \$39,000, but the Utility reflected a Land balance in the amount of \$55,948 in its MFRs. Based on the Commission Order No. PSC-2023-0266-PAA-WS, and the supporting documentation, the Land balance of the C.F.A.T. H20 Wastewater system should be decreased by \$16,948.

▪ **Tradewinds**

Water:

Audit staff verified the Land balance of the Tradewinds Water system in the amount of \$70,000, but the Utility reflected a Land balance in the amount of \$119,988 in its MFRs. Based on the Commission Order No. PSC-2023-0245-PAA-WS, and the supporting documentation, the Land balance of the Tradewinds Water system should be decreased by \$49,988.

Wastewater:

Audit staff verified the Land balance of the Tradewinds Wastewater system in the amount of \$0, but the Utility reflected a Land balance in the amount of \$33,938 in its MFRs. Based on the Commission Order No. PSC-2023-0245-PAA-WS, and the supporting documentation, the Land balance of the Tradewinds Wastewater system should be decreased by \$33,938.

▪ **Tymber Creek**

Water:

Audit staff verified the Land balance of the Tymber Creek Water system in the amount of \$1,131, but the Utility reflected a Land balance in the amount of \$24,067 in its MFRs. Based on the Commission Order No. PSC-2023-0305-PAA-WS, and the supporting documentation, the Land balance of the Tymber Creek Water system should be decreased by \$22,936.

Wastewater:

Audit staff verified the Land balance of the Tymber Creek Wastewater system in the amount of \$4,524, but the Utility reflected a Land balance in the amount of \$26,794 in its MFRs. Based on

the Commission Order No. PSC-2023-0305-PAA-WS, and the supporting documentation, the Land balance of the Tymber Creek Wastewater system should be decreased by \$22,270.

▪ **Sebring Ridge**

Audit staff verified the Land balance of the Sebring Ridge Wastewater system in the amount of \$45,716, but the Utility reflected a Land balance in the amount of \$103,019 in its MFRs. Based on the Commission Order No. PSC-2023-0216-PAA-SU, and the supporting documentation, the Land balance of the Sebring Ridge Wastewater system should be decreased by \$57,303.

▪ **TKCB**

Audit staff verified the Land balance of the TKCB Wastewater system in the amount of \$36,203, but the Utility reflected a Land balance in the amount of \$83,755 in its MFRs. Based on the Commission Order No. PSC-2023-0359-PAA-SU, and the supporting documentation, the Land balance of the TKCB Wastewater system should be decreased by \$47,552.

▪ **Rolling Oaks**

Water:

Audit staff verified the Land balance of the Rolling Oaks Water system in the amount of \$9,928, but the Utility reflected a Land balance in the amount of \$2,443,987 in its MFRs. Based on the supporting documentation, the Land balance of the Rolling Oaks Water system should be decreased by \$2,434,059.

Wastewater:

Audit staff verified the Land balance of the Rolling Oaks Wastewater system in the amount of \$9,861, but the Utility reflected a Land balance in the amount of \$2,694,945 in its MFRs. Based on the supporting documentation, the Land balance of the Rolling Oaks Wastewater system should be decreased by \$2,685,084.

Effect on the General Ledger: The Utility should determine the effect on the general ledger.

Effect on the Filing: Technical staff should evaluate the adjustments to the Land Balances described above.