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COMMISSION
CLERK

**FLORIDA UTILITY SERVICES 1, LLC
5911 TROUBLE CREEK ROAD
NEW PORT RICHEY, FLORIDA 34652**

October 23, 2023

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

RE: Docket No. 20230071-WU – Application for staff-assisted rate case in Polk County by Pinecrest Utilities, LLC.

Commission Clerk

Pinecrest Utilities, LLC, (PCU) respectfully request the inclusion and consideration of the following proforma allocated Operating & Maintenance and Taxes Other Than Income Expense items in the above referenced docket.

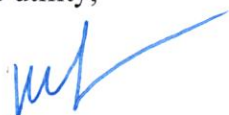
1. Florida Utility Services 1, LLC (FUS1) engaged OCBOA Consulting, LLC, to prepare a Salary Compensation Study of its current employees. The purpose of the request was to determine the future salary compensation levels needed to retain and attract qualified employees in the current economic climate. Additionally, FUS1 requested an estimated salary compensation level for a new Salary & Benefits Administrator employee to assume some of the payroll responsibilities of the Chief Financial Officer and to oversee a new retirement benefit that will be offered to all FUS1 employees. The Compensation Study was provided in Docket No. 20220026-WU – Application for a staff-assisted rate case in Marion County by Leighton Estates Utilities, LLC (Document No. 08830-2022).
2. FUS1 desires to provide its employees a retirement benefit beginning in 2023. FUS1 believes that the addition of this employee benefit is necessary to retain and attract future qualified employees to serve its existing and future base of customers. FUS1 proposes to establish a “Simple IRA Plan” as defined under Section 408(b) of the Internal Revenue Code. FUS1 contemplates establishing such a plan with a discount brokerage firm to minimize the annual cost and administrative responsibilities. FUS1 anticipates offering the plan to its employees at the non-elective fixed contribution rate of 2.00% per employee of their gross annual salary. Each employee will be afforded the opportunity to make additional contributions from their salary based on their individual needs. FUS1 estimated proforma cost for this plan is \$10,142 which includes the annual administrative fee applied to each employee’s account. An example of such a plan for T.Rowe Price was provided in Docket No. 20220026-WU – Application for a staff-assisted rate case in Marion County by Leighton Estates Utilities, LLC (Document No. 08830-2022).

		Fee	Amount
Number of Employee's	10	\$20	\$200
Requested Gross Salary	\$497,091	2.00%	\$9,942
Total			\$10,142

The adjustments and calculations for the Salary Compensation Study and the new Employee Pension Benefit amounts for PCU are displayed in Table 1.

If you have any further questions, please do not hesitate to contact me.

On behalf of the utility,



Michael Smallridge

Table 1

Adjustments Requested

PCU Account	Actual	Adjustment	Requested
601 - Employee Salaries	\$16,421	\$3,463	\$19,884
603 - Officer Salaries	\$3,201	\$795	\$3,996
604 - Employee Benefits	\$4	\$402	\$406
Total O&M Expense	\$19,625	\$4,660	\$24,285
408 - Payroll Tax	\$1,275	\$269	\$1,544

Calculations

FUS1 Account	Number of Customers		Salary Compensation		
	Actual	Percent	Actual	Requested	Increase
601 - Employee Salaries			\$410,516	\$497,091	\$86,575
Pinecrest Utilities, LLC	143	4%	\$16,421	\$19,884	\$3,463
Other FUS1 Systems	3422	96%	\$394,096	\$477,207	\$83,112
Total	3,565	100%	\$410,516	\$497,091	\$86,575

FUS1 Account	Number of Customers		Salary Compensation		
	Actual	Percent	Actual	Requested	Increase
603 - Officer Salary			\$80,016	\$99,900	\$19,884
Pinecrest Utilities, LLC	143	4%	\$3,201	\$3,996	\$795
Other FUS1 Systems	3422	96%	\$76,815	\$95,904	\$19,089
Total	3,565	100%	\$80,016	\$99,900	\$19,884

Total All			\$490,532	\$596,991	\$106,459
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FUS1 Account	Number of Customers		Pension Expense		
	Actual	Percent	Actual	Requested	Increase
604 - Pension & Benefits			\$100	\$10,142	\$10,042
Pinecrest Utilities, LLC	143	4%	\$4	\$406	\$402
Other FUS1 Systems	3422	96%	\$96	\$9,736	\$9,640
Total	3,565	100%	\$100	\$10,142	\$10,042

FUS1 Account	Number of Customers		Payroll Tax		
	Actual	Percent	Actual	Requested	Increase
408 - Payroll Tax			\$31,885	\$38,610	\$6,724
Pinecrest Utilities, LLC	143	4%	\$1,275	\$1,544.39	\$269
Other FUS1 Systems	3422	96%	\$30,610	\$37,065	\$6,455
Total	3,565	100%	\$31,885	\$38,610	\$6,724

Actual dollars were updated for 2022 operations.