

**CLASS "C"**

**WATER and/or WASTEWATER UTILITIES**

(Gross Revenue of Less Than \$200,000 Each)

**ANNUAL REPORT**

WU536-12-AR  
SU535-12-AR

**East Marion Sanitary Systems, Inc.**  
EXACT LEGAL NAME OF RESPONDENT

**490-W / 425-S**  
Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**



RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
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DIVISION OF  
ACCOUNTING & FINANCE

**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 2012**



*James L. Carlstedt, CPA  
Anthony Q. De Santis, CPA  
Thomas K Ford, CPA  
Katherine U. Jackson, CPA  
Robert H. Jackson, CPA*

*Jeffrey K. Jones, CPA  
Robert C. Nixon, CPA  
Benjamin T Simmons, CPA  
Jeanette Sung, CPA  
James L. Wilson, CPA*

## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Officers and Directors  
East Marion Sanitary Systems, Inc.  
Silver Springs, Florida

We have compiled the balance sheet of East Marion Sanitary Systems, Inc., as of December 31, 2012 and 2011, and the related statements of income and retaining earnings for the year ended December 31, 2012 included in the accompanying prescribed form. We have not audited or reviewed the financial statements in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Florida Public Service Commission.

Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by the Florida Public Service Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

These financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the Florida Public Service Commission and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

The report is intended solely for information and use of the Florida Public Service Commission and is not intended to be and should not be used by anyone other than this specified party.

*CJN&W CPAs*

CJN&W CPAs  
May 21, 2013

## GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA). Commission Rules and the definitions on next page.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional pages should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.

Florida Public Service Commission  
Division of Economic Regulation  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850
11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Economic Regulation, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

## GENERAL DEFINITIONS

**ADVANCES FOR CONSTRUCTION** - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

**ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION** - this account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

**AMORTIZATION** - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

**CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)** - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement or construction costs of the utilities property, facilities, or equipment used to provide services to the public. (Section 367.021 (3), Florida Statutes)

**CONSTRUCTION WORK IN PROGRESS (CWIP)** - This account shall include the cost of water and wastewater plant in process of construction, but not yet ready for services. (USOA)

**DEPRECIATION** - The loss of service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

**EFFLUENT REUSE** - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

**EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER)-** (Rule 25-30.515 (8), Florida Administrative Code)  
(a) 350 gallons per day  
(b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or  
(c) The number of gallons which has been approved by the DEP for a single family residential unit.

**EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER )-** Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

**GUARANTEED REVENUE CHARGE** - A charge designed to cover the utility's costs including, but not limited to, the cost of operation, maintenance, depreciation and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

**LONG TERM DEBT** - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

**PROPRIETARY CAPITAL** - (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

**RETAINED EARNINGS** - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

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# **FINANCIAL SECTION**

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REPORT OF

East Marion Sanitary Systems, Inc.

(Exact name of utility)

P.O. Box 245 Silver Springs, FL 34489-0245 Mailing Address	600 NE 130 Trail Street Address	Marion County
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Telephone Number 352-625-0117 Date Utility First Organized 6/24/1986

Fax Number \_\_\_\_\_ E-mail Address \_\_\_\_\_

Sunshine State One-Call of Florida, Inc. Member No. \_\_\_\_\_

Check the business entity of the utility as filed with the Internal Revenue Service:

Individual     Sub Chapter S Corporation     1120 Corporation     Partnership

Location where books and records are located: 1112 NE 130th Terrace  
Silver Springs, FL 34488

Names of subdivisions where service is provided: Lakeview Woods/Trails East

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Herbert Hein	President	G4425 B4 Miller Road, #190 Flint MI 48507	
Person who prepared this report: CJN&W, CPAs	CPAs	2560 Gulf-to-Bay Blvd. Ste 200 Clearwater, FL 33625	
Officers and Managers: Herbert Hein	President	G4425 B4 Miller Road, #190 Flint MI 48507	None

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership In Utility	Principle Business Address	Salary Charged Utility
Marion Utility Trust	100%	G4425 B4 Miller Road, #190 Flint MI 48507	None

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 25,375	\$ 35,785		\$ 61,160
Commercial _____					-
Industrial _____					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____					-
Total Gross Revenue _____		25,375	35,785	N/A	61,160
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	23,026	30,390		53,416
Depreciation Expense _____	F-5	4,053	4,929		8,982
CIAC Amortization Expense _____	F-8	(2,302)	(1,501)		(3,803)
Taxes Other Than Income _____	F-7	2,264	2,801	-	5,065
Income Taxes _____	F-7	-	-		-
Total Operating Expenses _____		27,041	36,619		63,660
Net Operating Income (Loss)		(1,666)	(834)	-	(2,500)
Other Income:					
Nonutility Income _____					-
Interest Income _____		-	-		-
_____					-
Other Deductions:					
Miscellaneous Nonutility Expenses _____		501	500		1,001
Interest Expense _____		-	-		-
AFUDC _____		-	-		-
_____					-
_____					-
Net Income (Loss)		\$ (1,165)	\$ (334)	N/A	\$ (1,499)



UTILITY NAME: East Marion Sanitary Systems, Inc.

**YEAR OF REPORT**  
December 31, 2012

**COMPARATIVE BALANCE SHEET**

Account Name	Reference Page	Current Year	Previous Year
<b>ASSETS:</b>			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 403,560	\$ 403,560
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(221,721)	(212,739)
Net Utility Plant _____		181,839	190,821
Cash _____		6,516	4,123
Customer Accounts Receivable (141) _____		6,076	5,329
Other Assets (Specify):			
Prepaid Expenses _____			
_____ _____ _____			
Total Assets _____		\$ 194,431	\$ 200,273
<b>LIABILITIES AND CAPITAL:</b>			
Common Stock Issued (201) _____	F-6	\$ 1,000	\$ 1,000
Preferred Stock Issued (204) _____	F-6	-	-
Other Paid In Capital (211) _____		273,018	273,018
Retained Earnings (Deficit)(215) _____	F-6	(154,785)	(153,287)
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		119,233	120,731
Long Term Debt (224) _____	F-6		
Accounts Payable (231) _____		19	634
Notes Payable (232) _____			
Customer Deposits (235) _____		1,333	1,333
Accrued Taxes (236) _____	F-7	2,752	2,678
Other Liabilities (Specify):			
_____ _____ _____			
Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8	71,094	74,897
Total Liabilities and Capital _____		\$ 194,431	\$ 200,273

**GROSS UTILITY PLANT**

<b>Plant Accounts: (101 - 107) Inclusive</b>	<b>Water</b>	<b>Sewer</b>	<b>Plant Other Than Reporting Systems</b>	<b>Total</b>
Utility Plant In Service (101) _____	\$ 146,550	\$ 257,010	N/A	\$ 403,560
Construction Work In Progress (105) _____				-
Other (Specify) _____	-	-		-
_____				-
<b>Total Utility Plant</b> _____	\$ 146,550	\$ 257,010	N/A	\$ 403,560

**ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT**

<b>Account 108</b>	<b>Water</b>	<b>Wastewater</b>	<b>Other Than Reporting Systems</b>	<b>Total</b>
Balance First Of Year _____	\$ 69,172	\$ 143,567	N/A	\$ 212,739
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account _____	4,053	4,929		8,982
Salvage _____	-	-		-
Other credits (specify) _____	-	-		-
_____	-	-		-
<b>Total credits</b> _____	4,053	4,929		8,982
<b>Deduct Debits During Year:</b>				
Book cost of plant retired _____	-	-		-
Cost of removal _____	-	-		-
Other debits (specify) _____	-	-		-
_____	-	-		-
<b>Total debits</b> _____	-	-		-
<b>Balance End of Year</b> _____	\$ 73,225	\$ 148,496		\$ 221,721

UTILITY NAME: East Marion Sanitary Systems, Inc.

**YEAR OF REPORT**  
December 31, 2012

**CAPITAL STOCK (201 - 204)**

	Common Stock	Preferred Stock
Par or stated value per share _____	\$ 1.00	N/A
Shares authorized _____	1,000	
Shares issued and outstanding _____	1,000	
Total par value of stock issued _____	1,000	
Dividends declared per share for year _____	-	

**RETAINED EARNINGS (215)**

	Appropriated	Un-Appropriated
Balance first of year _____	N/A	\$ (153,287)
Charges during the year (specify):		
Current Year Loss _____	-	(1,499)
Rounding _____		1
Balance end of year _____	\$ -	\$ (154,785)

**PROPRIETARY CAPITAL (218)**

	Proprietor or Partner	Partner
Balance first of year _____	N/A	N/A
Charges during the year (specify):		
_____		-
_____		
Balance end of year _____		

**LONG TERM DEBT (224)**

Description of Obligation (Including Nominal Date of Issue and Date of Maturity)	Interest		Principal Per Balance Sheet Date
	Rate	# of Payments	
_____	____%	_____	\$ -
_____	____%	_____	-
_____	____%	_____	-
Total _____			N/A

UTILITY NAME: East Marion Sanitary Systems, Inc.

**YEAR OF REPORT**  
December 31, 2012

**TAXES ACCRUED (236)**

(a)	WATER (b)	SEWER (c)	OTHER (d)	TOTAL (e)
Income Taxes:				
Federal income tax _____	\$ -	\$ -	N/A	\$ -
State income tax _____	-	-		
Taxes Other Than Income:				
State ad valorem tax _____	-	-		
Local property tax _____	1,122	1,191		2,313
Regulatory assessment fee _____	1,142	1,610		2,752
Other (Specify):				
Total taxes accrued _____	\$ 2,264	\$ 2,801		\$ 5,065

**PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES**

Report all information concerning rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever, amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Parket Property Trust	\$ 5,437	\$ 7,667	Property Rents and billing
Waldena Trust	934	1,316	Office Equipment Rents
Donna Congden	2,054	2,896	Management
Steve McGee	415	585	Grounds Maintenance
Custom Controls and Pumps	1,397	1,970	Chemicals
Utility Operators	2,888	4,073	Plant Operation/testing
CJN&W CPAs	1,262	1,780	Accounting Services
Marty Smith	2,074	2,926	Legal
	-	-	

UTILITY NAME: East Marion Sanitary Systems, Inc.

<b>YEAR OF REPORT</b> December 31, 2012
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**CONTRIBUTIONS IN AID OF CONSTRUCTION (271)**

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	\$ 39,135	\$ 76,315	\$ 115,450
2. Add credits during year:	-	-	
3. Total _____	39,135	76,315	115,450
4. Deduct charges during year _____			-
5. Balance end of year _____	39,135	76,315	115,450
6. Less Accumulated Amortization _____	(20,713)	(23,643)	(44,356)
7. Net CIAC _____	\$ 18,422	\$ 52,672	\$ 71,094

**ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)**

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
			\$ -
Sub-total _____		NONE	NONE
<b>Report below all capacity charges, main extension charges and customer connections charges received during the year.</b>			
Description of Charge	Number of Connections	Charge per Connection	
N/A			
Total Credits During Year (Must agree with line # 2 above) _____		\$ -	\$ -

**ACCUMULATED AMORTIZATION OF CIAC**

	Water	Wastewater	Total
Balance First of Year _____	\$ 18,411	\$ 22,142	\$ 40,553
Add Debits During Year: _____	2,302	1,501	3,803
	-	-	
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ 20,713	\$ 23,643	\$ 44,356

**WATER  
OPERATION  
SECTION**

UTILITY NAME: East Marion Sanitary Systems, Inc.

**YEAR OF REPORT**  
December 31, 2012

**WATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization_____	\$ 950	\$ -	\$ -	\$ 950
302	Franchises_____	-	-	-	-
303	Land and Land Rights_____	35,000	-	-	35,000
304	Structure and Improvements_____	4,900	-	-	4,900
305	Collecting and Impounding Reservoirs_____	-	-	-	-
306	Lake, River and Other Intakes_____	-	-	-	-
307	Wells and Springs_____	8,100	-	-	8,100
308	Infiltration Galleries and Tunnels_____	-	-	-	-
309	Supply Mains_____	-	-	-	-
310	Power Generation Equipment_____	-	-	-	-
311	Pumping Equipment_____	14,200	-	-	14,200
320	Water Treatment Equipment_____	5,976	-	-	5,976
330	Distribution Reservoirs and Standpipes_____	-	-	-	-
331	Transmission and Distribution Mains_____	46,378	-	-	46,378
333	Services_____	8,622	-	-	8,622
334	Meters and Meter Installations_____	11,143	-	-	11,143
335	Hydrants_____	-	-	-	-
339	Other Plant and Miscellaneous Equipment_____	-	-	-	-
340	Office Furniture and Equipment_____	183	-	-	183
341	Transportation Equipment_____	-	-	-	-
342	Stores Equipment_____	-	-	-	-
343	Tools, Shop and Garage Equipr_____	-	-	-	-
344	Laboratory Equipment_____	-	-	-	-
345	Power Operated Equipment_____	-	-	-	-
346	Communication Equipment_____	-	-	-	-
347	Miscellaneous Equipment_____	474	-	-	474
348	Other Tangible Plant_____	10,624	-	-	10,624
	Total Water Plant_____	\$ 146,550	\$ -	\$ -	\$ 146,550

NOTE: Any adjustments made to reclassify property from one account to another must be footnotec

**ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER**

ACCT. NO. (a)	ACCOUNT NAME (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of year (f-g+h=i) (i)
301	Organization	40	- %	2.50 %	\$ 493	\$ -	\$ 24	\$ 517
302	Franchises	-	- %	- %	-	-	-	-
304	Structure and Improvements	27	- %	3.70 %	3,201	-	181	3,382
305	Collecting and Impounding Reservoirs	-	- %	- %	-	-	-	-
306	Lake, River and Other Intakes	-	- %	- %	-	-	-	-
307	Wells and Springs	27	- %	3.70 %	5,685	-	300	5,985
308	Infiltration Galleries and Tunnels	-	- %	- %	-	-	-	-
309	Supply Mains	-	- %	- %	-	-	-	-
310	Power Generation Equipment	-	- %	- %	-	-	-	-
311	Pumping Equipment	17	- %	5.88 %	14,200	-	-	14,200
320	Water Treatment Equipment	17	- %	5.88 %	3,210	-	352	3,562
330	Distribution Reservoirs and Standpipes	-	- %	- %	-	-	-	-
331	Transmission and Distribution Mains	38	- %	2.63 %	22,827	-	1,221	24,048
333	Services	35	- %	2.86 %	4,576	-	246	4,822
334	Meters and Meter Installations	17	- %	5.88 %	5,865	-	655	6,520
335	Hydrants	-	- %	- %	-	-	-	-
339	Other Plant and Miscellaneous Equipment	-	- %	- %	-	-	-	-
340	Office Furniture and Equipment	15	- %	6.67 %	141	-	12	153
341	Transportation Equipment	-	- %	- %	-	-	-	-
342	Stores Equipment	-	- %	- %	-	-	-	-
343	Tools, Shop and Garage Equipment	-	- %	- %	-	-	-	-
344	Laboratory Equipment	-	- %	- %	-	-	-	-
345	Power Operated Equipment	-	- %	- %	-	-	-	-
346	Communication Equipment	-	- %	- %	-	-	-	-
347	Miscellaneous Equipment	15	- %	6.67 %	474	-	-	474
348	Other Tangible Plant	10	- %	10.00 %	8,500	-	1,062	9,562
	Totals				\$ 69,172		\$ 4,053	\$ 73,225

\* This amount should tie to Sheet F-5



**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	
610	Purchased Water _____	
615	Purchased Power _____	
616	Fuel for Power Production _____	
618	Chemicals _____	1,397
620	Materials and Supplies _____	528
630	Contractual Services:	
	Billing _____	
	Operator and Management _____	4,734
	Testing _____	
	Other _____	5,979
640	Rents _____	7,236
650	Transportation Expense _____	
655	Insurance Expense _____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	3,152
	Total Water Operation and Maintenance Expense _____	\$ 23,026 *

\* This amount should tie to Sheet F-3.

**WATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
<b>Residential Service</b>					
5/8"	D	1.0	99	103	103
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
<b>General Service</b>					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0			-
Other (Specify):					
<b>** D = Displacement C = Compound T = Turbine</b>					
<b>Total</b>			99	103	103

UTILITY NAME: East Marion Sanitary Systems, Inc.  
 SYSTEM NAME: Same

**YEAR OF REPORT**  
 December 31, 2012

**PUMPING AND PURCHASED WATER STATISTICS**

MONTH (a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January	-	428	-	428	428
February	-	401	-	401	401
March	-	331	-	331	331
April	-	470	-	470	470
May	-	588	-	588	588
June	-	587	-	587	587
July	-	500	-	500	500
August	-	433	-	433	433
September	-	361	-	361	361
October	-	519	-	519	519
November	-	421	-	421	421
December	-	520	-	520	520
Total for year	N/A	5,559		5,559	5,559

If water is purchased for resale, indicate the following:

Vendor N/A  
 Point of Delivery N/A

If Water is sold to other water utilities for redistribution, list names of such utilities below:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**MAINS (Feet)**

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6"	200	-	-	200
PVC	4"	8,450	-	-	8,450
PVC	2"	1,675	-	-	1,675
PVC	1.5"	375	-	-	375
			-	-	-
			-	-	-
			-	-	-
			-	-	-

UTILITY NAME: East Marion Sanitary Systems, Inc.  
 SYSTEM NAME: Same

**YEAR OF REPORT**  
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**WELLS AND WELL PUMPS**  
 (If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1986			
Types of Well Construction and Casing _____				
_____				
Depth of Wells _____				
Diameters of Wells _____	6"			
Pump - GPM _____	250			
Motor - HP _____	20			
Motor Type * _____	Submersable			
Yeilds of Wells in GPD _____	360,000			
Auxillary Power _____	None			
* Submersable, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Steel			
Capacity of Tank _____	6,000			
Ground of Elevated _____	Ground			

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b><u>MOTORS</u></b>				
Manufacturer _____	None			
Type _____				
Rated Horsepower _____				
<b>(a) (b) (c) (d) (e)</b>				
<b><u>PUMPS</u></b>				
Manufacturer _____	None			
Type _____				
Capacity in GPM _____				
Average Number of Hours Operated Per Day _____				
Auxiliary Power _____				

UTILITY NAME: East Marion Sanitary Systems, Inc.

<b>YEAR OF REPORT</b> December 31, 2012
--

**SOURCE OF SUPPLY**

List for each source of supply (Ground, Surface, Purchased Water, etc):			
Gallons per day of source _____	360,000		
Type of source _____	Ground		

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type _____	N/A		
Make _____			
Permitted Capacity (GPD)			
High service pumping Gallons per minute _____ See Page W-5 _____			
Reverse Osmosis _____			
Lime treatment Unit Rating _____			
Filtration Pressure Sq. Ft. _____			
Gravity GPD/Sq. Ft. _____			
Disinfection Chlorinator _____	Chemeter		
Ozone _____			
Other _____			
Auxiliary Power _____			

**WASTEWATER  
OPERATION  
SECTION**

---

**WASTEWATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 950	\$ -	\$ -	\$ 950
352	Franchises	-	-	-	-
353	Land and Land Rights	50,000	-	-	50,000
354	Structure and Improvements	950	-	-	950
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	37,363	-	-	37,363
361	Collection Sewers - Gravity	80,831	-	-	80,831
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	14,118	-	-	14,118
364	Flow Measuring Devices	-	-	-	-
365	Flow Measuring Installations	-	-	-	-
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	-	-	-	-
380	Treatment and Disposal Equipment	62,173	-	-	62,173
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-
389	Other Plant and Miscellaneous Equipment	-	-	-	-
390	Office Furniture and Equipment	-	-	-	-
391	Transportation Equipment	-	-	-	-
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-
394	Laboratory Equipment	-	-	-	-
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	10,625	-	-	10,625
	Total Sewer Plant	\$ 257,010	\$ -	\$ -	\$ 257,010

\* This amount should tie to Sheet F-5

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT December 31, 2012
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**ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER**

Acct. No. (a)	Account Name (b)	Average Service Life in Years (c)	Average Salvage In Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
351	Organization_____	40	- %	2.50 %	494	-	24	518
352	Franchises_____	-	- %	%	-	-	-	-
354	Structure and Improvements_____	27	- %	3.70 %	458	-	35	493
355	Power Generation Equipment_____	-	- %	%	-	-	-	-
360	Collection Sewers - Force_____	27	- %	3.70 %	26,219	-	1,384	27,603
361	Collection Sewers - Gravity_____	40	- %	2.50 %	37,944	-	2,021	39,965
362	Special Collecting							
	Structures (Lift Stations)_____	-	- %	%	-	-	-	-
363	Services to Customers_____	35	- %	2.90 %	7,779	-	403	8,182
364	Flow Measuring Devices_____	-	- %	%	-	-	-	-
365	Flow Measuring Installations_____	-	- %	%	-	-	-	-
370	Receiving Wells (Lift Stations)_____	-	- %	%	-	-	-	-
371	Pumping Equipment_____	-	- %	%	-	-	-	-
380	Treatment and Disposal Equipment_____	15	- %	6.70 %	62,173	-	-	62,173
381	Plant Sewers_____	-	- %	%	-	-	-	-
382	Outfall Sewer Lines_____	-	- %	%	-	-	-	-
389	Other Plant and Miscellaneous							
	Equipment_____	-	- %	%	-	-	-	-
390	Office Furniture and Equipment_____	-	- %	%	-	-	-	-
391	Transportation Equipment_____	-	- %	%	-	-	-	-
392	Stores Equipment_____	-	- %	%	-	-	-	-
393	Tools, Shop and Garage Equipment_____	-	- %	%	-	-	-	-
394	Laboratory Equipment_____	-	- %	%	-	-	-	-
395	Power Operated Equipment_____	-	- %	%	-	-	-	-
396	Communication Equipment_____	-	- %	%	-	-	-	-
397	Miscellaneous Equipment_____	-	- %	%	-	-	-	-
398	Other Tangible Plant_____	10	- %	10.00 %	8,500	-	1,062	9,562
	Totals_____				143,567	-	4,929	148,496

\* This amount should tie to Sheet F-5

UTILITY NAME: East Marion Sanitary Systems, Inc.

**YEAR OF REPORT**  
December 31, 2012

**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	_____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	_____
704	Employee Pensions and Benefits _____	_____
710	Purchased Wastewater Treatment _____	_____
711	Sludge Removal Expense _____	_____
715	Purchased Power _____	_____
716	Fule for Power Production _____	_____
718	Chemicals _____	1,970
720	Materials and Supplies _____	745
730	Contractual Services:	
	Operator and Management _____	9,955
	Testing _____	_____
	Other _____	5,154
740	Rents _____	8,118
750	Transportation Expense _____	_____
755	Insurance Expense _____	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
770	Bad Debt Expense _____	_____
775	Miscellaneous Expenses _____	4,448
	Total Wastewater Operation and Maintenance Expense _____	\$ 30,390 *

\* This amount should tie to Sheet F-3.

**WASTEWATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
<b>Residential Service</b>					
5/8"	D	1.0	91	92	92
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
<b>General Service</b>					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0			
Other (Specify):					
<b>Total</b>			91	92	92

\*\* D = Displacement  
C = Compound  
T = Turbine



**PUMPING EQUIPMENT**

Lift station number _____	1						
Make or type and nameplate data of pump _____	S4N						
Year installed _____	1985						
Rated capacity (GPM) _____							
Size (HP) _____							
Power:							
Electric _____							
Mechanical _____							
Nameplate data of motor _____							

**SERVICE CONNECTIONS**

Size (inches) _____	3"						
Type (PVC, VCP, etc) _____	PVC						
Average length _____	40'						
Number of active service connections _____	94						
Beginning of year _____	94						
Added during year _____							
Retired during year _____							
End of year _____	94						
Give full particulars concerning inactive connections _____							

**COLLECTING AND FORCE MAINS AND MANHOLES**

	Collecting Mains			Force Mains		
Size (inches) _____	8 "			3 "	4 "	
Type of main _____	PVC			PVC	PVC	
Length of main (nearest foot):						
Beginning of year _____	9,680			825	950	
Added during year _____						
Retired during year _____						
End of year _____	9,680			825	950	

**MANHOLES:**

Size _____	48 "		
Type _____	Conc		
Number:			
Beginning of year _____	35		
Added during year _____			
Retired during year _____			
End of year _____	35		

UTILITY NAME: East Marion Sanitary Systems, Inc.

<b>YEAR OF REPORT</b> December 31, 2012
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**TREATMENT PLANT**

Manufacturer_____	McNeill	_____	_____
Type_____	Extended Air	_____	_____
"Steel" or "Concrete"_____	Concrete	_____	_____
Total Capacity_____	50,000 GPD	_____	_____
Average Daily Flow_____	15230	_____	_____
Effluent Disposal_____	Evap/Percolation Ponds	_____	_____
Total Gallons of Wastewater Treated_____	5,559,000	_____	_____

**MASTER LIFT STATION PUMPS**

Manufacturer_____	N/A	_____	_____	_____	_____	_____
Capacity_____ (PM)	_____	_____	_____	_____	_____	_____
Motor:						
Manufacturer_____	_____	_____	_____	_____	_____	_____
Horsepower_____	_____	_____	_____	_____	_____	_____
Power (Electric or Mechanical)_____	_____	_____	_____	_____	_____	_____

**PUMPING WASTEWATER STATISTICS**

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	428,000	None	428,000
February_____	401,000		401,000
March_____	331,000		331,000
April_____	470,000		470,000
May_____	588,000		588,000
June_____	587,000		587,000
July_____	500,000		500,000
August_____	433,000		433,000
September_____	361,000		361,000
October_____	519,000		519,000
November_____	421,000		421,000
December_____	520,000		520,000
Total for year_____	5,559,000		5,559,000

If Wastewater Treatment is purchased, indicate the vendor:

UTILITY NAME: East Marion Sanitary Systems, Inc.

**YEAR OF REPORT**  
December 31, 2012

**OTHER WASTEWATER SYSTEM INFORMATION**

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERC's * that system can efficiently serve.	<u>92</u>
2. Maximum number of ERC's * which can be served.	<u>179</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1,286</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>1,286</u>
5. Estimated annual increase in ERC's * .	<u>10</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. None	<u></u>
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.	
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	<u>No</u>
<u>N/A</u>	
9. Has the utility been required by the DEP or water management district to implement reuse?	<u>N/A</u>
If so, what are the utility's plans to comply with the DEP?	<u>N/A</u>
10. When did the company last file a capacity analysis report with the DEP?	<u>N/A</u>
11. If the present system does not meet the requirements of DEP rules: a. Attach a description of the plant upgrade necessary to meet the DEP rules. b. Have these plans been approved by DEP? c. When will cor d. Attach plans for funding the required upgrading. e. Is this system under any Consent Order of the DEP?	<u>N/A</u> <u>N/A</u> <u>N/A</u> <u>N/A</u> <u>N/A</u>
11. Department of Environmental Protection ID #	<u>DO01-176465</u>

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

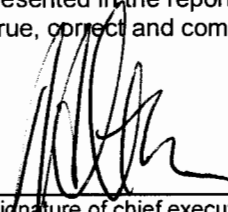
$$\text{ERC} = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day} )$$

# CERTIFICATION OF ANNUAL REPORT

I HEREBY CERTIFY, to the best of my knowledge and belief:

- |              |           |  |
|--------------|-----------|--|
| YES<br>( X ) | NO<br>( ) | 1. The utility is in substantial compliance with the Uniform System Of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.  |
| YES<br>( X ) | NO<br>( ) | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES<br>( X ) | NO<br>( ) | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.  |
| YES<br>( X ) | NO<br>( ) | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

ITEMS CERTIFIED			
1.	2.	3.	4.
( X )	( X )	( X )	( X )

  
 \_\_\_\_\_  
 (signature of chief executive officer of the utility) \*

1.	2.	3.	4.
( )	( )	( )	( )

\_\_\_\_\_  
 (signature of chief financial officer of the utility) \*

\* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Water Operations  
Class C**

*Company: East Marion Sanitary Systems, Inc.*

*For the Year Ended December 31, 2012*

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 25,375	23,661	\$ 1,714
Commercial	-	-	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other (Irrigation)	-	149	(149)
<b>Total Water Operating Revenue</b>	<b>\$ 25,375</b>	<b>\$ 23,810</b>	<b>\$ 1,565</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Water Operating Revenues</b>	<b>\$ 25,375</b>	<b>\$ 23,810</b>	<b>\$ 1,565</b>

Explanations:  
Amended return to be filed.

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Wastewater Operations  
Class C**

**Company: East Marion Sanitary Systems, Inc.**

**For the Year Ended December 31, 2012**

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	35,785	\$ 36,796	\$ (1,011)
Commercial	-	-	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other	-	-	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 35,785</b>	<b>\$ 36,796</b>	<b>\$ (1,011)</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Wastewater Operating Revenues</b>	<b>\$ 35,785</b>	<b>\$ 36,796</b>	<b>\$ (1,011)</b>
<p>Explanations: Amended return to be filed.</p>			
<p>Instructions: For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).</p>			