

**CLASS "C"**

**OFFICIAL COPY**  
Public Service Commission  
The Not Revenue of ...

**WATER and/or WASTEWATER UTILITIES**

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

**ANNUAL REPORT**

*WS961-12-AR*

**MHC OL Utility Systems LLC**

EXACT LEGAL NAME OF RESPONDENT

**625-W, 536S**

Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**



**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 2012**

RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
15 FEB 27 AM 9:10  
DIVISION OF  
ACCOUNTING & FINANCE

## 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**

**MHC OL Utility Systems LLC**

(Exact name of utility)

15840 SR 50 Lot 32, Clermont, FL 34711  
Mailing Address

Same  
Street Address

Lake  
County

Telephone Number 407-877-3001

Date Utility First Organized

06/22/11

Fax Number 407-887-3025

E-mail Address

NA

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

NA

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:

Two North Riverside Plaza, STE 800  
Chicago, IL 60606 - (312) 279-1400

Names of subdivisions where service is provided:

MHC Orange Lake LLC

**CONTACTS:**

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Anthony Q. De Santis	CPA	2560 Gulf-to-Bay Blvd. Clearwater, Fla. 33765	
Person who prepared this report: CJN&W CPAs	CPAs	2560 Gulf-to-Bay Blvd. Clearwater, Fl. 33765	
Officers and Managers: Roger Maynard	Regional Vice President	28050 US 19 North Clearwater, Fl.	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
Liquid Assets, LLC	100%	Same As Above	None

**INCOME STATEMENT**

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 171,892	\$ 94,292		\$ 266,184
Commercial _____					-
Industrial _____					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____					-
<b>Total Gross Revenue _____</b>		<b>171,892</b>	<b>94,292</b>	<b>N/A</b>	<b>266,184</b>
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	32,536	44,428		76,964
Depreciation Expense _____	F-5	9,537	16,258		25,795
CIAC Amortization Expense _____	F-8	(1,692)	(4,664)		(6,356)
Taxes Other Than Income _____	F-7	7,735	4,243	-	11,978
Income Taxes _____	F-7	-	-		-
<b>Total Operating Expenses _____</b>		<b>48,116</b>	<b>60,265</b>		<b>108,381</b>
<b>Net Operating Income (Loss)</b>		<b>123,776</b>	<b>34,027</b>	<b>-</b>	<b>157,803</b>
Other Income:					
Nonutility Income _____				-	-
Interest Income _____		-	-		-
_____					-
Other Deductions:					
Miscellaneous Nonutility Expenses _____		837	668		1,505
Interest Expense _____		-			-
AFUDC _____		-	-		-
_____					-
_____					-
<b>Net Income (Loss)</b>		<b>\$ 122,939</b>	<b>\$ 33,359</b>	<b>N/A</b>	<b>\$ 156,298</b>





**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) _____	\$ 631,236	\$ 646,049	N/A	\$ 1,277,285
Construction Work In Progress (105) _____				-
Other (Specify) _____				-
Rounding _____		-		-
				-
<b>Total Utility Plant</b> _____	<b>\$ 631,236</b>	<b>\$ 646,049</b>	<b>N/A</b>	<b>\$ 1,277,285</b>

**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 _____	\$ 359,244	\$ 406,871	N/A	\$ 766,115
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account _____	9,537	16,258		25,795
Salvage _____	-	-		-
Other credits (specify) _____	-	-		-
Rounding _____	(1)	1		-
<b>Total credits</b> _____	<b>9,536</b>	<b>16,259</b>		<b>25,795</b>
<b>Deduct Debits During Year:</b>				
Book cost of plant retired _____	-	-		-
Cost of removal _____	-	-		-
Other debits (specify) _____				
<b>Total debits</b> _____	<b>-</b>	<b>-</b>		<b>-</b>
<b>Balance End of Year</b> _____	<b>\$ 368,780</b>	<b>\$ 423,130</b>	<b>N/A</b>	<b>\$ 791,910</b>

UTILITY NAME: MHC OL Utility Systems LLC

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

**CAPITAL STOCK (201 - 204)**

	Common Stock	Preferred Stock
Par or stated value per share _____	N/A	N/A
Shares authorized _____		
Shares issued and outstanding _____		
Total par value of stock issued _____		
Dividends declared per share for year _____		

**RETAINED EARNINGS (215)**

	Appropriated	Un-Appropriated
Balance first of year _____	N/A	\$ -
Charges during the year (specify):		
Current Year Income _____	-	-
_____		
_____		
Balance end of year _____	\$	

**PROPRIETARY CAPITAL (218)**

	Proprietor or Partner	Partner
Balance first of year _____	\$ 366,380	N/A
Charges during the year (specify):		
Net income _____	156,298	-
_____	-	
_____		
Balance end of year _____	\$ 522,678	

**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: MHC OL Utility Systems LLC

<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 _____	\$ 107,789	\$ 178,699	\$ 286,488
2. Add credits during year:			
3. Total _____	107,789	178,699	286,488
4. Deduct charges during year _____			-
5. Balance end of year _____	107,789	178,699	286,488
6. Less Accumulated Amortization _____	(73,520)	(130,798)	(204,318)
7. Net CIAC _____	\$ 34,269	\$ 47,901	\$ 82,170

**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
Report below all capacity charges, main extension charges and customer connections charges received during the year.					
Description of Charge	Number of Connections	Charge per Connection			
None					
_____					
_____					
_____					
Total Credits During Year (Must agree with line # 2 above) _____				\$ -	\$ -

**ACCUMULATED AMORTIZATION OF CIAC**

	Water	Wastewater	Total
Balance First of Year _____	\$ 71,828	\$ 126,134	\$ 197,962
Add Debits During Year: _____	1,692	4,664	
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ 73,520	\$ 130,798	\$ 204,318

**WATER  
OPERATION  
SECTION**

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**WATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ -	\$ -	\$ -	\$ -
302	Franchises	-	-	-	-
303	Land and Land Rights	24,706	-	-	24,706
304	Structure and Improvements	3,145	-	-	3,145
305	Collecting and Impounding Reservoirs	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-
307	Wells and Springs	270,468	-	-	270,468
308	Infiltration Galleries and Tunnels	-	-	-	-
309	Supply Mains	9,535	-	-	9,535
310	Power Generation Equipment	6,373	-	-	6,373
311	Pumping Equipment	21,536	-	-	21,536
320	Water Treatment Equipment	57,720	-	-	57,720
330	Distribution Reservoirs and Standpipes	95,884	-	-	95,884
331	Transmission and Distribution Mains	84,948	-	-	84,948
333	Services	27,417	-	-	27,417
334	Meters and Meter Installations	17,080	-	-	17,080
335	Hydrants	7,234	-	-	7,234
339	Other Plant and Miscellaneous Equipment	-	-	-	-
340	Office Furniture and Equipment	5,190	-	-	5,190
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	-	-	-	-
348	Other Tangible Plant	-	-	-	-
	Total Water Plant	\$ 631,236	\$ -	\$ -	\$ 631,236

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

**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 %	\$ -	\$ -	\$ -	\$ -
302	Franchises	-	- %	- %	-	-	-	-
304	Structure and Improvements	-	- %	- %	2,751	-	56	2,807
305	Collecting and Impounding Reservoirs	-	- %	- %	-	-	-	-
306	Lake, River and Other Intakes	-	- %	- %	-	-	-	-
307	Wells and Springs	-	- %	- %	111,400	-	5,004	116,404
308	Infiltration Galleries and Tunnels	-	- %	- %	-	-	-	-
309	Supply Mains	32	- %	3.13 %	7,308	-	149	7,457
310	Power Generation Equipment	-	- %	- %	6,373	-	-	6,373
311	Pumping Equipment	17	- %	5.88 %	15,834	-	633	16,467
320	Water Treatment Equipment	-	- %	- %	57,720	-	-	57,720
330	Distribution Reservoirs and Standpipes	-	- %	- %	76,487	-	1,596	78,083
331	Transmission and Distribution Mains	38	- %	2.63 %	43,105	-	1,062	44,167
333	Services	35	- %	2.86 %	19,205	-	392	19,597
334	Meters and Meter Installations	12	- %	8.33 %	9,544	-	502	10,046
335	Hydrants	40	- %	2.50 %	4,431	-	90	4,521
339	Other Plant and Miscellaneous Equipment	20	- %	5.00 %	-	-	-	-
340	Office Furniture and Equipment	-	- %	- %	5,086	-	52	5,138
341	Transportation Equipment	-	- %	- %	-	-	-	-
342	Stores Equipment (1)	-	- %	- %	-	-	1	-
343	Tools, Shop and Garage Equipment	-	- %	- %	-	-	-	-
344	Laboratory Equipment	-	- %	- %	-	-	-	-
345	Power Operated Equipment	-	- %	- %	-	-	-	-
346	Communication Equipment	-	- %	- %	-	-	-	-
347	Miscellaneous Equipment	-	- %	- %	-	-	-	-
348	Other Tangible Plant	-	- %	- %	-	-	-	-
	Totals				\$ 359,244		\$ 9,537	\$ 368,780

\* This amount should tie to Sheet F-5  
(1) Rounding

**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	15,884
616	Fuel for Power Production	
618	Chemicals	1,754
620	Materials and Supplies	760
630	Contractual Services:	
	Billing	
	Operator and Management	
	Testing	596
	Other	12,907
640	Rents	
650	Transportation Expense	155
655	Insurance Expense	
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	
675	Miscellaneous Expenses	480
	Total Water Operation and Maintenance Expense	\$ 32,536 *
	* 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) (1)	
<b>Residential Service</b>					
5/8"	D	1.0	235	240	240
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	7	7	7
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>			<b>242</b>	<b>247</b>	<b>247</b>

Note: (1) Per Ordinance No. 2008-22, the City of Margate charges for purchased water and wastewater service based on 818 units although there are only 730 active customers.



UTILITY NAME: MHC OL Utility Systems LLC  
 SYSTEM NAME: \_\_\_\_\_

**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	-	1,944	-	1,944	1,944
February	-	1,833	-	1,833	1,833
March	-	1,774	-	1,774	1,774
April	-	2,104	-	2,104	2,104
May	-	2,049	-	2,049	2,049
June	-	1,658	-	1,658	1,658
July	-	1,577	-	1,577	1,577
August	-	1,627	-	1,627	1,627
September	-	1,313	-	1,313	1,313
October	-	1,360	-	1,620	1,620
November	-	1,292	-	1,292	1,292
December	-	1,399	-	1,399	1,399
Total for year	N/A	19,931		20,191	20,191

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: N/A

**MAINS (Feet)**

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
2" PVC		2,717		-	2,717
6" PVC		5,448		-	5,448
				-	
				-	
				-	
				-	
				-	
				-	

UTILITY NAME: MHC OL Utility Systems LLC  
 SYSTEM NAME: \_\_\_\_\_

**YEAR OF REPORT**  
 December 31, 2012

**WELLS AND WELL PUMPS**  
 (If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1986	1985	2004	
Types of Well Construction and Casing _____		Abandoned		
Depth of Wells _____	245	475	600	
Diameters of Wells _____	6	6	8	
Pump - GPM _____	650		650	
Motor - HP _____	30		30	
Motor Type * _____				
Yeilds of Wells in GPD _____				
Auxillary Power _____	Generator		Generator	
* Submersable, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Steel	Steel		
Capacity of Tank _____	7,500	75,000		
Ground of Elevated _____	Hydro	Ground		

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b><u>MOTORS</u></b>				
Manufacturer _____	None			
Type _____				
Rated Horsepower _____				
<b><u>PUMPS</u></b>				
Manufacturer _____	None			
Type _____				
Capacity in GPM _____	650	650		
Average Number of Hours Operated Per Day _____				
Auxiliary Power _____				

UTILITY NAME: MHC OL Utility Systems LLC

**YEAR OF REPORT**  
December 31, 2012

**SOURCE OF SUPPLY**

List for each source of supply (Ground, Surface, Purchased Water, etc):

Gallons per day of source _____	-		
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 _____	Chen Trak 30 GPD		
Ozone _____			
Other _____			
Auxiliary Power _____			

UTILITY NAME: MHC OL Utility Systems LLC  
SYSTEM NAME: \_\_\_\_\_

**YEAR OF REPORT**  
**December 31, 2012**

**OTHER WATER SYSTEM INFORMATION**

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

1.	Present ERC's * the system can efficiently serve	<u>247</u>
2.	Maximum number of ERC's * which can be served	<u>242</u>
3.	Present system connection capacity (in ERC's *) using existing lines	<u>250</u>
4.	Future connection capacity (in ERC's *) upon service area buildout	<u>250</u>
5.	Estimated annual increase in ERC's*	<u>None</u>
6.	Is the utility required to have fire flow capacity?	<u>Yes</u>
	If so, how much capacity is required?	<u>500 GPM</u>
7.	Attach a description of the fire fighting facilities	_____
8.	Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
		_____
		_____
9.	When did the company last file a capacity analysis report with the DEP?	<u>None</u>
10.	If the present system does not meet the requirements of DEP rules, submit the following:	
	a.	Attach a description of the plant upgrade necessary to meet DEP rules.
	b.	Have these plans been approved by DEP? _____
	c.	When will construction begin? _____
	d.	Attach plans for funding the required upgrading.
	e.	Is this system under any Consent Order with DEP? _____
11.	Department of Environmental Protection ID #	<u>PWS No 3354646</u>
12.	Water Management District Consumptive Use Permit #	<u>2565 issued May 1, 2001</u>
	a.	Is the system in compliance with the requirements of the CUP? <u>YES</u>
	b.	If not, what are the utility's plans to gain compliance? <u>N/A</u>
		_____
		_____

\* An ERC is determined based on 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 residents (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 available are available for use:  
ERC = (Total SFR gallons sold (omit 000)/365 days/350 gallons per day).

**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	\$ -	\$ -	\$ -	\$ -
352	Franchises	-	-	-	-
353	Land and Land Rights	23,856	-	-	23,856
354	Structure and Improvements	1,832	-	-	1,832
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	2,411	-	-	2,411
361	Collection Sewers - Gravity	83,580	-	-	83,580
362	Special Collecting Structures	37,875	-	-	37,875
363	Services to Customers	54,833	-	-	54,833
364	Flow Measuring Devices	-	-	-	-
365	Flow Measuring Installations	-	-	-	-
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	29,209	-	-	29,209
380	Treatment and Disposal Equipment	393,478	-	-	393,478
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-
389	Other Plant and Miscellaneous Equipment	-	18,975	-	18,975
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	-	-	-	-
	<b>Total Sewer Plant</b>	<b>\$ 627,074</b>	<b>\$ 18,975</b>	<b>\$ -</b>	<b>\$ 646,049</b>

\* This amount should tie to Sheet F-5

**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(1) (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
351	Organization	40	- %	2.50 %	-	-	-	-
352	Franchises	-	- %	%	-	-	-	-
354	Structure and Improvements	-	- %	%	1,661	-	34	1,695
355	Power Generation Equipment	-	- %	%	-	-	-	-
360	Collection Sewers - Force	27	- %	3.70 %	2,186	-	45	2,231
361	Collection Sewers - Gravity	40	- %	2.50 %	51,193	-	1,045	52,238
362	Special Collecting							
	Structures (Lift Stations)	-	- %	%	34,344	-	701	35,045
363	Services to Customers	35	- %	2.90 %	38,411	-	784	39,195
364	Flow Measuring Devices	-	- %	%	-	-	-	-
365	Flow Measuring Installations	-	- %	%	-	-	-	-
370	Receiving Wells (Lift Stations)	25	- %	4.00 %	-	-	-	-
371	Pumping Equipment	-	- %	%	29,209	-	-	29,209
380	Treatment and Disposal Equipment	-	- %	%	249,867	-	13,122	262,989
381	Plant Sewers	-	- %	%	-	-	-	-
382	Outfall Sewer Lines	-	- %	%	-	-	-	-
389	Other Plant and Miscellaneous							
	Equipment	15	- %	6.70 %	-	-	528	528
390	Office Furniture and Equipment	-	- %	%	-	-	-	-
391	Transportation Equipment	-	- %	%	-	-	-	-
392	Stores Equipment	-	- %	%	-	-	-	-
393	Tools, Shop and Garage Equipment	-	- %	%	-	-	-	-
394	Laboratory Equipment (1)	-	- %	%	-	-	(1)	-
395	Power Operated Equipment	-	- %	%	-	-	-	-
396	Communication Equipment	-	- %	%	-	-	-	-
397	Miscellaneous Equipment	-	- %	%	-	-	-	-
398	Other Tangible Plant	-	- %	%	-	-	-	-
	Totals				406,871		16,258	423,130

\* This amount should tie to Sheet F-5

Notes: (1) Rounding

**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 3,391
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	609
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	7,000
715	Purchased Power	3,839
716	Fuel for Power Production	
718	Chemicals	4,066
720	Materials and Supplies	3,363
730	Contractual Services:	
	Operator and Management	
	Testing	
	Other	19,597
740	Rents	
750	Transportation Expense	
755	Insurance Expense	
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	
770	Bad Debt Expense	
775	Miscellaneous Expenses	2,563
	Total Wastewater Operation and Maintenance Expense	\$ 44,428 *

\* 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) (1)	
<b>Residential Service</b>					
5/8"	D	1.0	235	240	240
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	1	1	1
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>			<b>236</b>	<b>241</b>	<b>241</b>

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

Note: (1) Per Ordinance No. 2008-22, the City of Margate charges for purchased water and wastewater service based on 818 units although there are only 730 active customers.



**PUMPING EQUIPMENT**

Lift station number _____	No 1	_____	_____	_____	_____	_____	_____
Make or type and nameplate data of pump _____	Hydro	_____	_____	_____	_____	_____	_____
Year installed _____	1985	_____	_____	_____	_____	_____	_____
Rated capacity (GPM) _____	Unk	_____	_____	_____	_____	_____	_____
Size (HP) _____	_____	_____	_____	_____	_____	_____	_____
Power:	_____	_____	_____	_____	_____	_____	_____
Electric _____	230v	_____	_____	_____	_____	_____	_____
Mechanical _____	2HP	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____	_____

**SERVICE CONNECTIONS**

Size (inches) _____	4"	_____	_____	_____	_____	_____	_____
Type (PVC, VCP, etc) _____	PVC	_____	_____	_____	_____	_____	_____
Average length _____	_____	_____	_____	_____	_____	_____	_____
Number of active service connections _____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	244	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	244	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____	_____

**COLLECTING AND FORCE MAINS AND MANHOLES**

	Collecting Mains				Force Mains			
Size (inches) _____	6"	8"	_____	_____	4"	_____	_____	_____
Type of main _____	PVC	PVC	_____	_____	PVC	_____	_____	_____
Length of main (nearest foot):	_____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	344	7,069	_____	_____	360	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	344	7,069	_____	_____	360	_____	_____	_____

**MANHOLES:**

Size _____	4 ft	_____	_____	_____
Type _____	Precast	_____	_____	_____
Number:	_____	_____	_____	_____
Beginning of year _____	33	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of year _____	33	_____	_____	_____

UTILITY NAME: MHC OL Utility Systems LLC

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

**TREATMENT PLANT**

Manufacturer _____	Extended Aration _____	_____	_____
Type _____	Concrete _____	_____	_____
"Steel" or "Concrete" _____	50,000 GPD _____	_____	_____
Total Capacity _____	14,676 _____	_____	_____
Average Daily Flow _____	Perc Ponds _____	_____	_____
Effluent Disposal _____	_____	_____	_____
Total Gallons of Wastewater Treated _____	10,603,000 _____	_____	_____

**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 _____	906,000	None	906,000
February _____	861,000		861,000
March _____	941,000		941,000
April _____	888,000		888,000
May _____	875,000		875,000
June _____	902,000		902,000
July _____	874,000		874,000
August _____	845,000		845,000
September _____	806,000		806,000
October _____	834,000		834,000
November _____	914,000		914,000
December _____	957,000		957,000
Total for year _____	10,603,000		10,603,000

If Wastewater Treatment is purchased, indicate the vendor:

**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>241</u>
2. Maximum number of ERC's * which can be served.	<u>241</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>250</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>250</u>
5. Estimated annual increase in ERC's * .	<u>None - System is built - out</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</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?	<u>N/A</u>
c. When will construction begin?	<u>N/A</u>
d. Attach plans for funding the required upgrading.	<u>N/A</u>
e. Is this system under any Consent Order of the DEP?	<u>N/A</u>
11. Department of Environmental Protection ID #	<u>N/A</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:

ERC = ( Total SFR gallons sold (Omit 000) / 365 days / 280 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. ( )
1. ( X )	2. ( X )	3. ( X )	4. ( X )

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

  
\_\_\_\_\_\*  
(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: MHC OL Utility Systems LLC**

**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	\$ 171,892	171,892	\$ -
Commercial	-	-	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other (Irrigation)	-	-	-
<b>Total Water Operating Revenue</b>	<b>\$ 171,892</b>	<b>\$ 171,892</b>	<b>\$ -</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>\$ 171,892</b>	<b>\$ 171,892</b>	<b>\$ -</b>

Explanations:

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: MHC OL Utility Systems LLC**

**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	94,292	\$ 94,292	\$ -
Commercial	-	-	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other	-	-	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 94,292</b>	<b>\$ 94,292</b>	<b>\$ -</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>\$ 94,292</b>	<b>\$ 94,292</b>	<b>\$ -</b>

Explanations:

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).