

# CLASS "C"

## WATER AND/OR WASTEWATER UTILITIES

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

# ANNUAL REPORT

WU536-13-AR

SU535-13-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  
14 APR 28 AM 8:08  
DIVISION OF  
ACCOUNTING & FINANCE

## PUBLIC SERVICE COMMISSION

FOR THE

## YEAR ENDED DECEMBER 31, 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 preceding year ending December 31.

Florida Public Service Commission  
Division of Water and Wastewater  
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 Water and Wastewater, 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 ( AFUDC )** - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes 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 utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

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

**DEPRECIATION** - The loss in 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 the 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)

PO Box 245, Silver Springs, Florida 34489      600 NE 130 Trail      Marion County  
 Mailing Address      Street Address      County

Telephone Number 352-625-0117      Date Utility First Organized 6/24/1996

Fax Number           E-mail Address     

☞ Sunshine State One-Call of Florida, Inc. Member No. .EM 2097

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

Name of subdivisions where services are provided: Lakeview Woods/Trails East

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Herbert Hein</u>	<u>President</u>	<u>G 4425 B4 Miller Road</u> <u>#190 Flint MI 48507</u>	\$ <u>None</u>
Person who prepared this report: <u>Gary Morse</u>	<u>Utility Consultant</u> <u>407-970-7705</u>	<u>3809 Coconut Palm Cir.</u> <u>Oviedo, Florida 32765</u>	\$ _____
Officers and Managers: <u>Herbert Hein</u>	<u>President</u>	<u>G 4425 B4 Miller Road</u> <u>#190 Flint MI 48507</u>	\$ <u>None</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

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
<u>Marion Utility Trust</u>	<u>100%</u>	<u>G 4425 B4 Miller Road</u> <u>#190 Flint MI 48507</u>	\$ <u>None</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

COMMISSION  
CLERK

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UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT DECEMBER 31, 2013
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**INCOME STATEMENT**

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
<b>Gross Revenue:</b>					
Residential _____		\$ 24,346	35,018	\$ _____	\$ 59,364
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other -Late Fees/Reconn. _____		390	390	_____	780
<b>Total Gross Revenue</b> _____		\$ 24,736	\$ 35,408	\$ _____	\$ 60,144
<b>Operation Expense (Must tie to pages W-3 and S-3)</b>	W-3				
	S-3	\$ 24,708	\$ 34,240	\$ _____	\$ 58,948
Depreciation Expense _____	F-5	4,052	4,934	_____	8,986
CIAC Amortization Expense _____	F-8	(2,302)	(1,501)	_____	(3,803)
Taxes Other Than Income _____	F-7	2,387	3,727	_____	6,114
Income Taxes _____	F-7	0	0	_____	0
<b>Total Operating Expense</b> _____		\$ 28,846	41,400	_____	\$ 70,245
<b>Net Operating Income (Loss)</b> _____		\$ (4,110)	\$ (5,992)	\$ _____	\$ (10,101)
<b>Other Income:</b>					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
<b>Other Deductions:</b>					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
<b>Net Income (Loss)</b> _____		\$ (4,110)	\$ (5,992)	\$ _____	\$ (10,101)

UTILITY NAME: East Marion Sanitary Systems, Inc.

<b>YEAR OF REPORT</b> <b>DECEMBER 31, 2013</b>
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**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	\$ <u>403,561</u>	\$ <u>403,560</u>
Accumulated Depreciation and Amortization (106) -----	F-5,W-2,S-2	<u>230,707</u>	<u>221,721</u>
<b>Net Utility Plant</b> -----		<b>\$ <u>172,854</u></b>	<b>\$ <u>181,839</u></b>
Cash -----		<u>6,444</u>	<u>6,516</u>
Customer Accounts Receivable (141) -----		<u>5,329</u>	<u>6,076</u>
Other Assets (Specify): -----		<u>-</u>	<u>-</u>
-----		<u>-</u>	<u>-</u>
-----		<u>-</u>	<u>-</u>
<b>Total Assets</b> -----		<b>\$ <u>184,627</u></b>	<b>\$ <u>194,431</u></b>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201) -----	F-6	<u>1000</u>	<u>1000</u>
Preferred Stock Issued (204) -----	F-6	<u>-</u>	<u>-</u>
Other Paid in Capital (211) -----		<u>273,018</u>	<u>273,018</u>
Retained Earnings (215) -----	F-6	<u>(164,886)</u>	<u>(154,785)</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	<u>-</u>	<u>-</u>
<b>Total Capital</b> -----		<b>\$ <u>109,132</u></b>	<b>\$ <u>119,233</u></b>
Long Term Debt (224) -----	F-6	\$ <u>-</u>	\$ <u>-</u>
Accounts Payable (231) -----		<u>614</u>	<u>19</u>
Notes Payable (232) -----		<u>-</u>	<u>-</u>
Customer Deposits (235) -----		<u>1,333</u>	<u>1,333</u>
Accrued Taxes (236) -----		<u>2,678</u>	<u>2,752</u>
Other Liabilities (Specify) -----		<u>-</u>	<u>-</u>
Due to Parent -----		<u>3,579</u>	<u>-</u>
-----		<u>-</u>	<u>-</u>
-----		<u>-</u>	<u>-</u>
Advances for Construction -----		<u>-</u>	<u>-</u>
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>67,291</u>	<u>71,094</u>
<b>Total Liabilities and Capital</b> -----		<b>\$ <u>184,627</u></b>	<b>\$ <u>194,431</u></b>



UTILITY NAME East Marion Sanitary Systems, Inc.

YEAR OF REPORT  
DECEMBER 31, 2013

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service	\$ 146,550	\$ 257,011	\$	\$ 403,561
-----				
Construction Work in				
-----				
Other (Specify) -----				
-----				
-----				
Total Utility Plant -----	\$ 146,550	\$ 257,011	\$	\$ 403,561

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year -----	\$ 73,225	\$ 148,496	\$	\$ 221,721
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account -----	\$ 4,052	\$ 4,934	\$	\$ 8,986
Salvage -----				
Other Credits (specify) -----				
-----				
Total Credits -----	\$ 77,277	\$ 153,430	\$	\$ 230,707
<b>Deduct Debits During Year:</b>				
Book cost of plant retired -----	\$	\$	\$	\$
Cost of removal -----				
Other debits (specify) -----				
-----				
Total Debits -----	\$	\$	\$	\$
Balance End of Year -----	\$ 77,277	\$ 153,430	\$	\$ 230,707

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT DECEMBER 31, 2013
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CAPITAL STOCK ( 201 - 204 )

	Common Stock	Preferred Stock
Par or stated value per share _____	\$ 1	_____
Shares authorized _____	1000	_____
Shares issued and outstanding _____	1000	_____
Total par value of stock issued _____	1000	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS ( 215 )

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ (154,785)
Changes during the year (Specify):		
<u>Net Income</u> _____	_____	(10,101)
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ (164,886)

PROPRIETARY CAPITAL ( 218 )

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify):		
<u>Retained Earnings</u> _____	_____	_____
<u>Capital Contributions(Distributions)</u> _____	_____	_____
_____	_____	_____
Balance end of year _____	\$ -	\$ _____

LONG TERM DEBT ( 224 )

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ -

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT  
DECEMBER 31, 2013

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	1,149	2,017		3,166
Regulatory assessment fee _____	1,238	1,710		2,948
Other (Specify) _____	_____	_____	_____	_____
Payroll Tax _____	_____	_____	_____	_____
Workers Comp _____	_____	_____	_____	_____
Total Taxes	\$ 2,387	\$ 3,727	\$ _____	\$ 6,114

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside 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
Parlet Property Trust	\$ 6,508	\$ 8,984	Property Rents/Billing
Waldens Trust	\$ 10,567	\$ 15,207	Office Equipment Rent
Donna Congden	\$ 1,890	\$ 2,610	Management
Stever McGee	\$ 705	\$ 974	Ground Maintenance
Utility Operators	\$ 2,885	\$ 4,135	Plant Operation/Testing
CJ&W CPAs	\$ 863	\$ 1,329	Accounting Services
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME:

East Marion Sanitary Systems, Inc.

YEAR OF REPORT

DECEMBER 31,

2013

**CONTRIBUTIONS IN AID OF CONSTRUCTION ( 271 )**

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 39,135	\$ 78,315	\$ 115,450
2) Add credits during year _____	\$ -	\$ -	\$ -
3) Total _____	39,135	78,315	115,450
4) Deduct charges during the year _____	-	-	-
5) Balance end of year _____	39,135	78,315	115,450
6) Less Accumulated Amortization _____	23,015	25,144	48,159
7) Net CIAC _____	\$ 16,120	\$ 51,171	\$ 67,291

**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 _____			\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ _____	\$ _____

**ACCUMULATED AMORTIZATION OF CIAC (272)**

	Water	Wastewater	Total
Balance First of Year _____	\$ 20,713	\$ 23,643	\$ 44,356
Add Credits During Year: _____	2,302	1,501	3,803
Deduct Debits During Year: _____	-	-	-
Balance End of Year (Must agree with line #6 above.)	\$ 23,015	\$ 25,144	\$ 48,159

**\*\* COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR \*\***

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT DECEMBER 31, 2013
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**SCHEDULE "A"**

**SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)**

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
<b>Total</b>	<b>\$ _____</b>	<b>100.00 %</b>		<b>_____ %</b>

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

**APPROVED AFUDC RATE**

Current Commission approved AFUDC rate:	_____ %
Commission Order Number approving AFUDC rate:	_____

**\*\* COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR \*\***

**UTILITY NAME:** East Marion Sanitary Systems, Inc.

<b>YEAR OF REPORT</b>
DECEMBER 31, 2013

**SCHEDULE "B"**

**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS**

<b>Class of Capital (a)</b>	<b>Per Book Balance (b)</b>	<b>Non-utility Adjustments (c)</b>	<b>Non-juris. Adjustments (d)</b>	<b>Other (1) Adjustments (e)</b>	<b>Capital Structure Used for AFUDC Calculation (f)</b>
Common Equity	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted	_____	_____	_____	_____	_____
Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
<b>Total</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>

(1) Explain below all adjustments made in Column (e):

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**WATER  
OPERATING  
SECTION**

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UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT  
DECEMBER 31, 2013

**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	Structures 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 Lines	46,378	-	-	46,378
333	Services	8,622	-	-	8,622
334	Meters and Meter Installations	11,143	-	-	11,143
335	Hydrants	-	-	-	-
336	Backflow Prevention Devices	-	-	-	-
339	Other Plant and Miscellaneous Equipment	-	-	-	-
340	Office Furniture and Equipment	183	-	-	183
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	474	-	-	474
348	Other Tangible Plant	10,624	-	-	10,624
	<b>Total Water Plant</b>	<b>\$ 146,550</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 146,550</b>



ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Lbs in Years (c)	Average Salvage In Percent (d)	Deprec. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accoun. Deprec. Balance End of Year (f+g-h) (i)
301	Organization (Original Certificate)	40	%	2.50%	517		24	541
304	Structures and Improvements	27	%	3.70%	3,382		181	3,563
305	Collecting and Impounding Reservoirs		%		-			
306	Lake, River and Other Intakes		%		-			
307	Wells and Springs	25	%	3.70%	5,885		300	6,285
308	Infiltration Galleries & Turnoffs		%		-			
308	Supply Mains		%		-		0	-
310	Power Generating Equipment		%		-		0	-
311	Pumping Equipment	17	%	5.88%	14,200		0	14,200
320	Water Treatment Equipment	17	%	5.88%	3,582		361	3,913
330	Distribution Reservoirs & Standpipes		%		-		0	-
331	Trams. & Dist. Mains	39	%	2.83%	24,048		1,220	25,268
333	Services	35	%	2.88%	4,822		247	5,069
334	Meter & Meter Installations	17	%	5.88%	6,520		685	7,175
335	Hydrants		%		-			-
336	Backflow Prevention Devices		%		-			-
338	Other Plant and Miscellaneous Equipment		%		-		0	-
340	Office Furniture and Equipment		%		-			-
341	Equipment	15	%	6.67%	153		12	165
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment		%					
344	Laboratory Equipment		%					
346	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment	15	%	6.67%	474		0	474
348	Other Tangible Plant	10	%	10.00%	9,582		1082	10,624
	Totals				73,225		4,052	77,217

\* This amount should be to Sheet F-5.

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT  
DECEMBER 31, 2013

**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
801	Salaries and Wages - Employees	\$ _____
803	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
804	Employee Pensions and Benefits	_____
810	Purchased Water	_____
815	Purchased Power	3,213
816	Fuel for Power Production	_____
818	Chemicals	1,133
820	Materials and Supplies	_____
830	Contractual Services:	
	Billing	2,442
	Professional (Contract Ops & Management)	4,768
	Testing	_____
	Other (Repair and Maintenance)	5,799
840	Rents	1,750
850	Transportation Expense	_____
855	Insurance Expense	_____
865	Regulatory Commission Expenses	_____
870	Bad Debt Expense	_____
875	Miscellaneous Expenses	5,603
	Total Water Operation And Maintenance Expense	\$ 24,708 *

\* 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	103	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 Other (Specify)	T	25	_____	_____	_____
<b>Total</b>			<u>103</u>	<u>103</u>	<u>103</u>

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

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT DECEMBER 31, 2013
-------------------------------------

**PUMPING AND PURCHASED WATER STATISTICS**

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	(f) Water Sold To Customers (Omit 000's)
January	_____	571	_____	571	413
February	_____	462	_____	462	336
March	_____	479	_____	479	447
April	_____	616	_____	616	355
May	_____	694	_____	694	578
June	_____	487	_____	487	710
July	_____	426	_____	426	592
August	_____	571	_____	571	409
September	_____	539	_____	539	477
October	_____	532	_____	532	488
November	_____	385	_____	385	456
December	_____	391	_____	391	531
<b>Total for Year</b>	_____	<b>6,153</b>	_____	<b>6,153</b>	<b>5,793</b>

If water is purchased for resale, indicate the following:

Vendor \_\_\_\_\_  
Point of delivery \_\_\_\_\_

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

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

**MAINS (FEET)**

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6 inch	200	None	None	200
PVC	4 inch	8,450	None	None	8,450
PVC	2 inch	1,675	None	None	1,675
PVC	1.5 inch	375	None	None	375
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: \_\_\_\_\_

East Marion Sanitary Systems, Inc.

YEAR OF REPORT DECEMBER 31, 2013
-------------------------------------

**WELLS AND WELL PUMPS**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1966	_____	_____	_____
Types of Well Construction and Casing _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	_____	_____	_____	_____
Diameters of Wells _____	6-inch	_____	_____	_____
Pump - GPM _____	250	_____	_____	_____
Motor - HP _____	20	_____	_____	_____
Motor Type * _____	Submersable	_____	_____	_____
Yields of Wells in GPD _____	0.36 MGD	_____	_____	_____
Auxiliary Power _____	None	_____	_____	_____
* Submersible, centrifugal, etc.				

**RESERVOIRS**

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

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b>Motors</b>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
<b>Pumps</b>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

UTILITY NAME: \_\_\_\_\_ East Marion Sanitary Systems, Inc.

YEAR OF REPORT DECEMBER 31 ###
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**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Permitted Gals. per day_____	360,000	_____	_____
Type of Source_____	Florida Aquifer	_____	_____

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type_____	_____	_____	_____
Make_____	_____	_____	_____
Permitted Capacity (GPD)_____	_____	_____	_____
High service pumping Gallons per minute_____	_____	_____	_____
Reverse Osmosis_____	_____	_____	_____
Lime Treatment Unit Rating_____	_____	_____	_____
Filtration Pressure Sq. Ft._____	_____	_____	_____
Gravity GPD/Sq.Ft._____	_____	_____	_____
Disinfection Chlorinator_____	Sodium Hypo	_____	_____
Ozone_____	_____	_____	_____
Other_____	_____	_____	_____
Auxiliary Power_____	_____	_____	_____

**GENERAL WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 103
2. Maximum number of ERC's \* which can be served. 103
3. Present system connection capacity (in ERCs \*) using existing lines. 103
4. Future connection capacity (in ERCs \*) upon service area buildout. 103
5. Estimated annual increase in ERCs \*. 0
6. Is the utility required to have fire flow capacity?  
If so, how much capacity is required? No
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of th  
\_\_\_\_\_  
\_\_\_\_\_
9. When did the company last file a capacity analysis report with the DEP? August 2009
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 the 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? No
11. Department of Environmental Protection II PWS 660-5C
12. Water Management District Consumptive Use Permit # 20012584
  - a. Is the system in compliance with the requirements of the CUP? Yes
  - b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_  
\_\_\_\_\_

\* 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 are available use:  
 $ERC = (Total\ SFR\ gallons\ sold\ (omit\ 000/365\ days/350\ gallons\ per\ day).$

**WASTEWATER  
OPERATING  
SECTION**

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT DECEMBER 31, 2013
-------------------------------------

**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	Structures and Improvements -----	950			950
355	Power Generation Equipment -----				
360	Collection Sewers - Force -----	37,363			37,363
361	Collection Sewers - Gravity -----	80,832			80,832
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
	<b>Total Wastewater Plant -----</b>	<b>\$ 257,011</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ 257,011 *</b>

\* This amount should tie to sheet F-5.



ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (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 (i-g+h=i) (i)
	Organization	40	%	2.50%	518		24	542
364	Structures and Improvements	27	%	3.70%	493		35	528
365	Power Generation Equipment		%					
360	Collection Sewers - Force	27	%	3.70%	27,803		1,382	28,885
361	Collection Sewers - Gravity	40	%	2.50%	39,985		2,021	41,886
362	Special Collecting Structures		%					
363	Services to Customers	35	%	2.90%	8,182		409	8,591
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells		%					
371	Pumping Equipment		%					
360	Treatment and Disposal Equipment	15	%	6.70%	62,173			62,173
361	Plant Sewers		%					
362	Outfall Sewer Lines		%					
369	Other Plant and Miscellaneous Equipment		%					
360	Office Furniture and Equipment		%					
361	Transportation Equipment		%					
362	Stores Equipment		%					
363	Tools, Shop and Garage Equipment		%					
364	Laboratory Equipment		%					
365	Power Operated Equipment		%					
366	Communication Equipment		%					
367	Miscellaneous Equipment		%					
368	Other Tangible Plant	10	%	10.00%	9,562		1,063	10,625
	Totals				\$ 148,498	\$ -	\$ 4,934	\$ 153,430 *

\* This amount should tie to Sheet F-5.

**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	4,820
718	Fuel for Power Production	_____
718	Chemicals	1,630
720	Materials and Supplies	_____
730	Contractual Services:	_____
	Billing	3,514
	Professional (Contract Ops & Annual Report/Legal)	6,862
	Testing	_____
	Other (Repair and Maintenance)	8,345
740	Rents	1,750
750	Transportation Expense	_____
755	Insurance Expense	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	_____
775	Miscellaneous Expenses	7,319
	<b>Total Wastewater Operation And Maintenance Expense</b>	<b>\$ 34,240 *</b>

\* 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>					
All meter sizes	D	1.0	92	92	92
<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 Other (Specify) 4-inch	T	25			
<b>Total</b>			<b>92</b>	<b>92</b>	<b>92</b>

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

Note: Number of General Service connections corrected from last years report to reflect as water only accounts.

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT  
DECEMBER 31, 2013

PUMPING EQUIPMENT

Lift Station Number	LS-1					
Make or Type and nameplate data on pump	SN4					
Year installed	1985					
Rated capacity						
Size						
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	0					
Retired during year						
End of year	94					
Give full particulars concerning inactive connections						

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches)	8"				4	3		
Type of main	PVC				PVC	PVC		
Length of main (nearest foot)								
Beginning of year	9680				950	825		
Added during year								
Retired during year								
End of year	9680				950	825		

MANHOLES

Size (inches)	48"			
Type of Manhole	concrete			
Number of Manholes:				
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> <b>DECEMBER 31, 2013</b>
---

**TREATMENT PLANT**

Manufacturer _____	<u>McNeil</u>		
Type _____	<u>Extended Aeration</u>		
"Steel" or "Concrete" _____	<u>Concrete</u>		
Total Permitted Capacity _____	<u>50,000</u>		
Average Daily Flow _____	<u>10,704</u>		
Method of Effluent Disposal _____	<u>Evap. Ponds/RIB</u>		
Permitted Capacity of Disposal _____	<u>99,000</u>		
Total Gallons of Wastewater treated _____	<u>3,907,000</u>		

**MASTER LIFT STATION PUMPS**

Manufacturer _____						
Capacity (GPM's) _____						
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 _____	<u>419,000</u>		
February _____	<u>488,000</u>		
March _____	<u>535,000</u>		
April _____	<u>374,000</u>		
May _____	<u>244,000</u>		
June _____	<u>321,000</u>		
July _____	<u>231,000</u>		
August _____	<u>278,000</u>		
September _____	<u>239,000</u>		
October _____	<u>288,000</u>		
November _____	<u>206,000</u>		
December _____	<u>308,000</u>		
Total for year _____	<u>3,907,000</u>		

If Wastewater Treatment is purchased, indicate the vendor: \_\_\_\_\_

UTILITY NAME:

East Marion Sanitary Systems, Inc.

YEAR OF REPORT  
DECEMBER 31, 2013

GENERAL WASTEWATER SYSTEM INFORMATION

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

- 1. Present number of ERCs\* now being served. 92
- 2. Maximum number of ERCs\* which can be served. 179
- 3. Present system connection capacity (in ERCs\*) using existing lines. 92
- 4. Future connection capacity (in ERCs\*) upon service area buildout. 92
- 5. Estimated annual increase in ERCs\*. 0
- 6. Describe any plans and estimated completion dates for any enlargements or improvements of this system N/A

7. If the utility uses reuse as a means of effluent disposal, provide 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? N/A

If so, when? \_

9. Has the utility been required by the DEP or water management district to implement reuse? No

If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_

10. When did the company last file a capacity analysis report with the C N/A

11. 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 the 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? No

12. Department of Environmental Protection ID # DO01-176465

\* 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 are available use:  
ERC = (Total SFR gallons sold (omit 000/365 days/260 gallons per day).

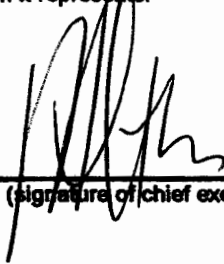
# CERTIFICATION OF ANNUAL REPORT

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

- |  |                                |   |
|--|--------------------------------|---|
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 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><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.  |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 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><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 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.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



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

1.	2.	3.	4.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\_\_\_\_\_  
(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.