

**CLASS "C"**

**WATER AND/OR WASTEWATER UTILITIES**

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

**ANNUAL REPORT**

OF

Public Service Commission  
Do Not Remove from This Office

Alturas Utilities LLC (Alturas Water LLC)

Exact Legal Name of Respondant

WU986-18-AR

Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**

**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 2018**

2019 MAR 27 11:10:50  
PUBLIC SERVICE COMMISSION  
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 preceding 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 ( 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

REPORT OF

Alturas Utilities LLC (Alturas Water LLC)

5911 Trouble Creek Rd  
New Port Richey, FL 34652  
Mailing Address

1810 Packinghouse Rd  
Lake Wales, FL 33853 Polk  
Street Address County

Telephone Number 727-937-6275

Date Utility First Organized \_\_\_\_\_

Fax Number n/a

E-mail Address accounting@fus1llc.com

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

Name, Address and phone where records are located: 5911 Trouble Creek Rd  
New Port Richey, FL 34652

Name of subdivisions where services are provided: Alturas Community

CONTACTS:

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>Michael Smallridge</u>	<u>Managing Member</u>	<u>5911 Trouble Creek Rd</u> <u>New Port Richey, FL 34652</u>	1,844
Person who prepared this report: <u>Marianne McDonald</u>	<u>CFO</u>	<u>5911 Trouble Creek Rd</u> <u>New Port Richey, FL 34652</u>	546
Officers and Managers: <u>Michael Smallridge</u>	<u>Managing Member</u>	<u>5911 Trouble Creek Rd</u> <u>New Port Richey, FL 34652</u>	\$ 1,844
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

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	Principal Business Address	Salary Charged Utility
<u>Michael Smallridge</u>	<u>100%</u>	<u>5911 Trouble Creek Rd</u> <u>New Port Richey, FL 34652</u>	\$ 1,844
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Alturas Utilities LLC (Alturas Water LLC)

YEAR OF REPORT  
DECEMBER 31, 2018

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 22,896	\$ _____	\$ _____	\$ 22,896
Commercial _____		1,441	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) Late Fees + _____		452	_____	_____	452
Total Gross Revenue _____		\$ 24,789	\$ _____	\$ _____	\$ 24,789
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 32,272	\$ _____	\$ _____	\$ 32,272
Depreciation Expense _____	F-5	1,755	_____	_____	1,755
CIAC Amortization Expense _____	F-8	_____	_____	_____	_____
Taxes Other Than Income _____	F-7	1,345	_____	_____	1,345
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 35,372	_____	_____	\$ 35,372
Net Operating Income (Loss)		\$ (10,583)	\$ _____	\$ _____	\$ (10,583)
Other Income:					
Nonutility Income		\$ _____	\$ _____	\$ _____	\$ _____
Interest Income		0	_____	_____	0
Other Deductions:					
Miscellaneous Nonutility Expenses		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense		1,541	_____	_____	1,541
Net Income (Loss)		\$ (12,124)	\$ _____ #	\$ _____	\$ (12,124)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	ANNUAL REPORT	
		Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 65,525	\$ 62,068 a
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>43,979</u>	<u>38,984 a</u>
Net Utility Plant -----		\$ <u>21,546</u>	\$ <u>23,084 a</u>
Cash -----		<u>1,639</u>	<u>913 a</u>
Customer Accounts Receivable (141) -----		<u>2,117</u>	<u>-</u>
Other Assets (Specify):Deferred Expense -----		<u>-</u>	<u>-</u>
Due from Parent Company -----		<u>(4,533)</u>	<u>-</u>
UP Acquisition Adjustments -----		<u>25,816</u>	<u>-</u>
Deferred Costs -----		<u>10,855</u>	<u>-</u>
<b>Total Assets</b> -----		<b>\$ <u>57,439</u></b>	<b>\$ <u>23,997 a</u></b>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201) -----	F-6	<u>-</u>	<u>-</u>
Preferred Stock Issued (204) -----	F-6	<u>-</u>	<u>-</u>
Other Paid in Capital (211) -----		<u>8,298</u>	<u>58,787 a</u>
Retained Earnings (215) -----	F-6	<u>(12,124)</u>	<u>(95,892) a</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	<u>-</u>	<u>-</u>
<b>Total Capital</b> -----		<b>\$ <u>(3,826)</u></b>	<b>\$ <u>(37,105) a</u></b>
Long Term Debt (224) -----	F-6	\$ <u>48,544</u>	\$ <u>-</u>
Accounts Payable (231) -----		<u>9,719</u>	<u>1,500 a</u>
Customer Deposits (235) -----		<u>1,875</u>	<u>-</u>
Polk County Tax Payable (236) -----		<u>(11)</u>	<u>-</u>
Accrued RAF Payable (236) -----		<u>1,115</u>	<u>-</u>
Accrued Property Tax -----		<u>22</u>	<u>-</u>
Note Payable -----		<u>-</u>	<u>4,100 a</u>
Other Liability (parent) -----		<u>-</u>	<u>60,775 a</u>
Unknown difference -----		<u>-</u>	<u>(5,273) a</u>
Advances for Construction -----		<u>-</u>	<u>-</u>
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>-</u>	<u>-</u>
<b>Total Liabilities and Capital</b> -----		<b>\$ <u>57,439</u></b>	<b>\$ <u>23,997 a</u></b>

a From sellers 2017 Annual Report. Buyer does not verify their accuracy.

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ <u>65,525</u>	\$ _____	\$ _____	\$ <u>65,525</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
PSC Audit Adjustments	-	_____	_____	-
<u>Total Utility Plant</u> _____	\$ <u><u>65,525</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>65,525</u></u>

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ <u>43,329</u>	\$ _____	\$ _____	\$ <u>43,329</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ <u>945</u>	\$ _____	\$ _____	\$ <u>945</u>
Salvage _____	_____	_____	_____	-
Other Credits (specify) _____	_____	_____	_____	-
<u>Total Credits</u> _____	\$ <u><u>945</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>945</u></u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ <u>295</u>	\$ _____	\$ _____	\$ <u>295</u>
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
<u>Total Debits</u> _____	\$ <u><u>295</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>295</u></u>
Balance End of Year _____	\$ <u><u>43,979</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>43,979</u></u>

UTILITY NAME: Alturas Utilities LLC (Alturas Water LLC)

YEAR OF REPORT DECEMBER 31, 2018
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CAPITAL STOCK ( 201 - 204 )

	Common Stock	Preferred Stock
Par or stated value per share _____	_____	_____
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 _____	\$ _____	\$ 95,892
Changes during the year (Specify): Reverse sellers equity balance	_____	(95,892)
Buyers Equity at Aquisition _____	_____	0
Current Year Net Income(Loss) _____	_____	(12,124)
Balance end of year _____	\$ _____	\$ (12,124)

PROPRIETARY CAPITAL ( 218 )

	Proprietor Or Partner	Partner
Balance first of year _____	\$ 0	\$ _____
Changes during the year (Specify):	_____	_____
Paid in Capital _____	8298	_____
Balance end of year _____	\$ 8298	\$ _____

LONG TERM DEBT ( 224 )

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
Mortgage 1 Clint Smallridge (\$29,136, Issue Date 6/15/18, Matures 5/15/28)	6.00%	120	\$ 28,056
Mortgage 2 Leslie Szabo (\$24,231, Issue date 6/15/18, Matures 5/15/21)	6.00%	36	20,488
Total _____			\$ 48,544

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
Payroll Tax _____	182	_____	_____	182
Regulatory Assessment Fee _____	1,115	_____	_____	1,115
Polk County Property Tax _____	48	_____	_____	48
_____	_____	_____	_____	-
_____	_____	_____	_____	-
Total Tax Expense _____	\$ 1,345	\$ _____	\$ _____	\$ 1,345

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
Consta Flow _____	\$ _____	\$ _____	_____
Cadenhead Environmental Engineering _____	\$ 6,443	\$ _____	Contract Operations
_____	\$ 1,013	\$ _____	Tank Inspection
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

CONTRIBUTIONS IN AID OF CONSTRUCTION ( 271 )

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 18637	\$ _____	\$ 18637
2) Add credits during year _____	\$ 0	\$ _____	\$ _____
3) Total _____	18637	_____	18637
4) Deduct charges during the year _____	0	_____	0
5) Balance end of year _____	18637	_____	18637
6) Less Accumulated Amortization _____	18637	_____	18637
7) Net CIAC _____	\$ 0	\$ 0	\$ 0

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 _____	\$ 18637	\$ _____	\$ 18637
Add Debits During Year: _____	_____	_____	_____
Deduct Credits During Year: _____	_____	_____	0
Balance End of Year (Must agree with line #6 above.)	\$ 18637	\$ _____	\$ 18637

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

UTILITY NAME Alturas Water LLC

YEAR OF REPORT DECEMBER 31, 2018
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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)	_____	_____ %	_____ %	_____ %
Total	\$ _____	<u>100.00</u> %		<u>_____</u> %

(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:	_____



WATER  
OPERATING  
SECTION

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year Seller's 2017 AR (c)	Buyer's Acquisition (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 2,621		\$	\$	\$
302	Franchises					
303	Land and Land Rights	500	500			500
304	Structures and Improvements		519			519
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs	7,669	6,987			6,987
308	Infiltration Galleries and Tunnels					
309	Supply Mains		237			237
310	Power Generation Equipment	663				
311	Pumping Equipment	8,966	9,108			9,108
320	Water Treatment Equipment	950	220			220
330	Distribution Reservoirs and Standpipes	16,956	22,822			22,822
331	Transmission and Distribution Lines	20,818	18,787			18,787
333	Services					
334	Meters and Meter Installations	876	6,247	393	295	6,345
335	Hydrants	7,133				
336	Backflow Prevention Devices					
339	Other Plant and Miscellaneous Equipment					
340	Office Furniture and Equipment					
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	<u>67,152</u>	<u>65,427</u>	<u>\$ 393</u>	<u>\$ 295</u>	<u>\$ 65,525</u>

Buyers acquisition balance includes adjustments to PIS from Order No. PSC-2016-0128-PAA-WU. Sellers balance from their 2017 Annual Report. Buyer does not verify their accuracy.

UTILITY NAME:

Alturas Utilities LLC (Alturas Water LLC)

YEAR OF REPORT  
DECEMBER 31, 2018

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balances Previous Year Seller's 2017 AR (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
301	Organizational Cost							
304	Structures and Improvements	27	%	3.70 %	\$ 133	\$	\$ 10	\$ 143
305	Collecting and Impounding Reservoirs	40	%	2.50 %				
306	Lake, River and Other Intakes	40	%	2.50 %				
307	Wells and Springs	27	%	3.70 %	7,711			6,987
308	Infiltration Galleries & Tunnels	40	%	2.50 %				
309	Supply Mains	32	%	3.13 %			4	61
310	Power Generating Equipment	17	%	5.88 %	2,103			
311	Pumping Equipment	17	%	5.88 %	227		268	6,118
320	Water Treatment Equipment	17	%	5.88 %	21,583			220
330	Distribution Reservoirs & Standpipes	33	%	3.03 %	4,975			10,061
331	Trans. & Dist. Mains	38	%	2.63 %			346	18,787
333	Services	35	%	2.86 %	18,654		133	
334	Meter & Meter Installations	17	%	5.88 %	2,385		185	1,602
335	Hydrants	40	%	2.50 %		295		
336	Backflow Prevention Devices	10	%	10.00 %				
339	Other Plant and Miscellaneous Equipment	20	%	5.00 %				
340	Office Furniture and Equipment	15	%	6.67 %				
341	Transportation Equipment	6	%	16.67 %				
342	Stores Equipment	18	%	5.56 %				
343	Tools, Shop and Garage Equipment	15	%	6.67 %				
344	Laboratory Equipment	15	%	6.67 %				
345	Power Operated Equipment	10	%	10.00 %				
346	Communication Equipment	10	%	10.00 %				
347	Miscellaneous Equipment	15	%	6.67 %				
348	Other Tangible Plant	10	%	10.00 %				
	Totals				\$ 38,984	\$ 295	\$ 945	\$ 43,979 *

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

Sellers balance from their 2017 Annual Report. Buyer does not verify their accuracy.  
Buyers acquisition balance includes adjustments to AD from Order No. PSC-2016-0128-PAA-WU.  
W-2

**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees.....	\$ 3,845
603	Salaries and Wages - Officers.....	1,844
604	Employee Benefits.....	59
610	Purchased Water.....	-
615	Purchased Power.....	1,516
616	Fuel for Power Production.....	-
618	Chemicals.....	864
620	Materials and Supplies.....	969
631	Contractual Services: Professional.....	2,142
635	Contractual Services: Testing.....	4,640
636	Contractual Services: Other.....	9,001
640	Rents.....	192
650	Transportation.....	407
655	Insurance.....	1,388
665	Regulatory Commission Expense.....	970
670	Bad Debt Expense.....	440
675	Miscellaneous Expenses.....	3,995
Total Water Operation And Maintenance Expense.....		\$ 32,272 *

\* 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	48	48	
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	
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)					
Total			55	55	0

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

UTILITY NAME: Alturas Utilities LLC (Alturas Water LLC)

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PUMPING AND PURCHASED WATER STATISTICS

(a)	(b)	(c)	(d)	(e)	(f)
	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	Water Sold To Customers (Omit 000's)
January		411	168		243
February		533	195		338
March		454	165		289
April		511	198		313
May		512	200		312
June		322	123		199
July		288	140		148
August		252	65		187
September		229	48		181
October		263	57		206
November		254	74		180
December		264	62		202
Total for Year		4,293	1,495		2,798

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
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME:

Alturas Utilities LLC (Alturas Water LLC)

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**WELLS AND WELL PUMPS**

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	_____	_____	_____	_____
Types of Well Construction and Casing_____	Steel	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells_____	550 ft	_____	_____	_____
Diameters of Wells_____	6	_____	_____	_____
Pump - GPM_____	350	_____	_____	_____
Motor - HP_____	15	_____	_____	_____
Motor Type *_____	Sub	_____	_____	_____
Yields of Wells in GPD_____	_____	_____	_____	_____
Auxiliary Power_____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel	_____	_____	_____
Capacity of Tank_____	3,000	_____	_____	_____
Ground or Elevated_____	Ground	_____	_____	_____

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer_____	_____	_____	_____	_____
Type_____	_____	_____	_____	_____
Rated Horsepower_____	_____	_____	_____	_____
<u>Pumps</u>				
Manufacturer_____	_____	_____	_____	_____
Type_____	_____	_____	_____	_____
Capacity in GPM_____	_____	_____	_____	_____
Average Number of Hours Operated Per Day_____	_____	_____	_____	_____
Auxiliary Power_____	_____	_____	_____	_____

UTILITY NAME: Alturas Utilities LLC (Alturas Water LLC)

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**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Permitted Gals. per day_ _ _	648,000	_____	_____
Type of Source_ _ _ _ _	Ground	_____	_____

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type_ _ _ _ _	Chemical Feed	_____	_____
Make_ _ _ _ _	Stenner	_____	_____
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_ _ _ _ _	17 GPD	_____	_____
Ozone_ _ _ _ _	_____	_____	_____
Other_ _ Aqua-Mag_ _ _ _ _	_____	_____	_____
Auxiliary Power_ _ _ _ _	None	_____	_____

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. \_\_\_\_\_
2. Maximum number of ERCs \* which can be served. \_\_\_\_\_
3. Present system connection capacity (in ERCs \*) using existing lines. \_\_\_\_\_
4. Future connection capacity (in ERCs \*) upon service area buildout. \_\_\_\_\_
5. Estimated annual increase in ERCs \*. \_\_\_\_\_
6. Is the utility required to have fire flow capacity? \_\_\_\_\_ No  
If so, how much capacity is required? \_\_\_\_\_
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.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
9. When did the company last file a capacity analysis report with the DEP? \_\_\_\_\_
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? \_\_\_\_\_
11. Department of Environmental Protection ID # \_\_\_\_\_
12. Water Management District Consumptive Use Permit # \_\_\_\_\_
  - 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).

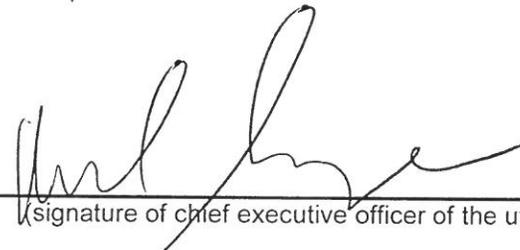
# CERTIFICATION OF ANNUAL REPORT

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

- YES  NO  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  NO  2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
- YES  NO  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  NO  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.

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

Date: \_\_\_\_\_

1.  2.  3.  4.

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

Date: 3-26-19

\* 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.