

Commissioners:  
JOE GARCIA, CHAIRMAN  
J. TERRY DEASON  
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E. LEON JACOBS, JR.



DIVISION OF WATER & WASTEWATER  
DANIEL M. HOPPE, DIRECTOR  
(850) 413-6900

# Public Service Commission

September 3, 1999

Mr. Ivan Bloch  
Lake Yale Treatment Associates, Inc.  
30600 Telegraph Road, Suite 2250  
Binham Farms, MI 48025

Mr. Michael Varick  
Lake Yale Treatment Associates, Inc.  
11643 Martel Court  
Leesburg, FL 34788

Re: Docket No. 990194-WS, Application for transfer of Certificates Nos. 560-W and 488-S in Lake County from Lake Yale Corporation d/b/a Lake Yale Utility Company to Lake Yale Treatment Associates, Inc.

Dear Messrs. Bloch and Varick:

I understand that Mr. Varick informed staff on September 1, 1999, that the transfer of the mobile home park, and utility facilities, from Lake Yale Treatment Associates, Inc., (Lake Yale or utility) to a third party is now in doubt. As a consequence, Lake Yale requests that staff proceed with finalizing the transfer from Lake Yale Corporation d/b/a Lake Yale Utility Company to itself. If the contract for the sale to the third is in doubt, staff agrees that it is important to bring the matter of the transfer of certificates to the Commission as soon as possible since Lake Yale is operating as a utility without certification.

AFA	_____	However, as it stands now, the application is not yet considered filed since it does not meet
APP	_____	the minimum filing requirements of Rule 25-30.037, Florida Administrative Code. On June 24,
CAF	_____	1999, a detailed letter was sent describing the deficiencies in the filing. At that point in time, the
CMU	_____	most critical deficiency, was that proper notice be given. It is my understanding that Mr. Varick has
CTR	_____	essentially fulfilled this requirement with the exception of the publication in the newspaper. Staff
EAG	_____	appreciates his effort on this matter.
LEG	_____	
MAS	_____	
OPC	_____	
PAI	_____	
SEC	_____	
WAW	_____	
OTH	_____	

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Mr. Ivan Bloch and  
Mr. Michael Varick  
Page 2  
September 3, 1999

As for the remaining deficiencies, part of the problem may be that some of the information may not be available in Florida but, rather, needs to come from corporate headquarters in Michigan. As a consequence, staff asked Mr. Varick to indicate which of the remaining items he could respond to directly and which items need to come from Michigan. The deficiencies listed below are annotated with the information source. While the list of remaining deficiencies may be long, none require enormous effort. Basically, all that is needed are either copies of documents or short-answer statements. Therefore, a full response to deficiencies will be required by September 16, 1999. In order to assist the utility in meeting this deadline, an advanced copy of this letter will be sent by facsimile to both Michigan and Florida.

### **Remaining Deficiencies**

1. Noticing [Florida]: It is my understanding that Mr. Varick and staff's Legal Counsel have agreed that the notice published in the newspaper did not meet the requirements of Rule 25-30.030, Florida Administrative Code. Do to the newspaper's error, Mr. Varick is having the notice published again. Please ensure that staff receives a copy of the newspaper affidavit attesting to when the notice was published along with a copy of the publication.
2. Ownership [Michigan]: Rule 25-30.037(2)(d), Florida Administrative Code, requires the application to disclose the control or ownership of the utility. According to the information already provided, the buyer is a corporation. Please disclose the names, addresses and titles of all corporate officers or directors as well as any other entity which owns an interest in the utility. Also, if the buyer is a part of a larger corporate structure, please describe the structure or provide an organization chart. If it is not a part of a larger corporation, please so indicate.
3. Other Utilities Owned by Buyer [Michigan]: Rule 25-30.037(2)(f), Florida Administrative Code, requires the buyer to disclose the names and locations of any other water or wastewater utilities which it owns. If the buyer does not own any other utilities, please so indicate.
4. Sales Contract [Michigan]: Rule 25-30.037(2)(g), Florida Administrative Code, requires a copy of the contract for sale and all auxiliary or supplemental agreements. There was no sales contract provided with the application. This is an extremely important requirement. Please provide a copy of the executed agreement for sale and purchase of the utility and all attachments or exhibits thereto. If the attachments and exhibits are massive, you only need to provide one copy. Otherwise, please follow the instructions at the end of the letter for the number of copies.

Mr. Ivan Bloch and  
Mr. Michael Varick  
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September 3, 1999

- 4a. Land Ownership [Michigan]: Rule 25-30.037(2)(q), Florida Administrative Code, requires evidence that the utility owns the land upon which the utility treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative. Presumably, the sales contract contains such a document. However, if it doesn't, please provide such documentation. Note that a Warranty Deed must be recorded. A Quit Claim Deed may be substituted for a Warranty Deed but it must be accompanied by Title Insurance.
- 4b. Customer Deposits, etc. [Florida]: If the sales contract does not provide for the disposition of customer deposits, guaranteed revenue contracts, developer agreements, customer advances, debt of the utility, or leases because such do not exist, please specifically indicate that in your response.
5. Effective Date of Transfer [Michigan]: It appears that the effective date of the transfer was October 27, 1998. However, absent a copy of the sales contract, staff has not been able to verify the closing date. If the closing date is not specifically stated in the contract, please verify the effective date of the transfer. This is the date in which the buyer is responsible for Annual Reports and Regulatory Assessment Fees.
6. Reason for Transfer Prior to Approval [Michigan]: Also, Section 367.071(1), Florida Statutes, (in effect at the time of the transfer) requires that:

No utility shall sell, assign, or transfer its certificate of authorization, facilities or any portion thereof...without determination and approval of the commission that the proposed sale, assignment, or transfer is in the public interest and that the buyer, assignee, or transferee will fulfill the commitments, obligations, and representations of the utility.

Since the utility was transferred prior to the determination and approval of the Commission, staff must indicate in its recommendation to the Commission whether or not it believes the transferee should be required to show cause in writing for why it should not be fined for violation of this statute. Please explain why the transfer occurred prior to Commission approval. Also, if the contract has a provision for the sale to be contingent upon approval of the Commission, please indicate that in your response, as well.

7. Financing [Michigan]: Rule 25-30.037(2)(i), Florida Administrative Code, requires a statement describing the financing of the purchase. Please provide such statement. If the transaction was entirely in cash, that still needs to be indicated.

Mr. Ivan Bloch and  
Mr. Michael Varick  
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September 3, 1999

8. Financial Reliance [Michigan]: Rule 25-30.037(2)(k), Florida Administrative Code, requires a list of all entities upon which the buyer is relying for funding of the purchase. The requirement does not apply to any entity holding less than 10 percent ownership interest. Please provide a list, if applicable. If the buyer is not relying on any other entity, please so indicate.
  
9. Acquisition Adjustment [Michigan]: Rules 25-30.037(2)(l) and (m), Florida Administrative Code, require a statement of the proposed net book value of the utility at the time of transfer as well as a statement on acquisition adjustment. Since the audit of the utility has already concluded, the book value of the utility at the time of the transfer has been disclosed in the audit findings.

However, the buyer must still specify its intention regarding an acquisition adjustment. An acquisition adjustment results when the purchase price of the utility differs from the original cost calculation, adjusted to the time of the transfer. It is currently the Commission's policy not to approve acquisition adjustments absent extraordinary circumstances. If the buyer wishes to request an acquisition adjustments, it must provide substantial justification. If the buyer is not requesting an acquisition adjustment, please so indicate.

10. Audit Findings [Michigan]: As noted above, the audit of the utility has already been concluded. A copy of the findings was sent on July 15, 1999, to Mr. Leroy K. New at the utility address by Ms. Denise Vandiver, Bureau Chief, Auditing Services. A copy of the report is also attached to this letter. The auditor recommended three adjustments to the utility's books as described on Pages 3-5 of the report. The resulting recommendation for rate base at the time of the transfer in October of 1998 is shown on Page 6 for water service and Page 7 for wastewater service.

The audit adjustments are for purposes of determining the value of the utility at the time of transfer in order to determine the amount of the acquisition adjustment in Item No. 9, above. This is not a full rate base determination as it lacks working capital and used and useful calculations. No change to the utility's rates and charges will result from this audit. However, is it an indication of adjustments that may need to be made to the utility's books on a going-forward basis. Although the exceptions occurred when the utility was owned by the seller, as the current utility owner, staff requests that you respond to each of the three Audit Exceptions as summarized below:

Audit Exception No. 1 indicates that the utility is not maintaining its books and records using NARUC's Uniform System of Accounts. Please indicate whether the buyer accepts the findings of the audit. If not, please provide the buyer's arguments.

Mr. Ivan Bloch and  
Mr. Michael Varick  
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September 3, 1999

Staff would note that Commission staff is presenting a Class C Workshop in Orlando, Florida, on October 27 and 28, 1999. **The workshop is free and I highly recommend you send a representative.** A copy of the brochure is attached to this letter.

Audit Exception No. 2 indicates that the utility's accumulated depreciation for the period ending October 31, 1998 is not properly recorded. Please indicate whether the buyer accepts the findings of the audit. If not, please provide the buyer's arguments.

Audit Exception No. 3 indicates the utility has not been recording contributions-in-aid-of-construction. Please indicate whether the buyer accepts the findings of the audit. If not, please provide the buyer's arguments.

11. Public Interest: Rule 25-30.037(2)(j), Florida Administrative Code, requires a statement indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and wastewater utility operations, a showing of the buyer's financial ability to provide service, and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters. Please be advised that this rule provision is very important and careful thought should be given to the utility's response. The following provides some guideline for the type of information which needs to be provided.

For technical ability [Florida], if the buyer or its parent or affiliates do not have any prior utility experience, the response should indicate the entity or organization which the buyer will be relying on to provide day-to-day operations of the water and wastewater facilities. The operator should be licensed by the Florida Department of Environmental Protection (FDEP) and the license type and number provided in the response.

For financial ability [Michigan], at a minimum, the buyer should provide year-end 1998 financial statements showing its assets and liabilities. If the buyer is part of a larger corporate structure from which additional financial support is available, then the financial statements of the other entities should be provided as well.

Attached to this letter is a copy of Lake Yale Utility's 1998 Balance Sheet as of October 15, 1998. This balance sheet was provided by Ms. Norma Davis in the original filing. Please indicate whether the buyer accepts this Balance Sheet as representative of the utility's current financial ability. If not, please provide replacement documentation.

Mr. Ivan Bloch and  
Mr. Michael Varick  
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September 3, 1999

For a statement of commitment [Michigan], the buyer simply needs to specifically affirm that “it will fulfill the commitments, obligations and representations of the seller with regard to utility matters.”

12. Environmental Compliance [Michigan]: Rule 25-30.037(2)(p), Florida Administrative Code, requires a statement from the buyer of the environmental condition of the utility when it was acquired. If improvements were necessary, then the rule requires an explanation of how compliance was handled between the seller and the buyer. The application contained some FDEP letters but not the actual information required by this rule. Please provide such information.
13. Tariffs [Florida]: Rule 25-30.037(2)(s), Florida Administrative Code, requires two copies of sample tariff sheets reflecting the change in ownership. Tariff sheets were provided for the rate sheets only. For transfers of certificate, all pages of the utility’s tariffs must be replaced to indicate the change in ownership.

Enclosed with my June 24, 1999, letter was a copy of the utility’s existing water and wastewater tariffs along with a copy of the Commission’s model water and wastewater tariff. In the interest of time, my staff will prepare a draft of the tariffs which it will forward to Mr. Varick for approval. The draft tariffs will be sent by separate cover.

Again, a full response to deficiencies is required to be filed with the Commission by September 16, 1999. The response must be in writing, not by facsimile, and sent directly to:

**The Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850**

Do not send the response to staff as it will only delay the official filing date. Except where otherwise indicated, an original and five copies should be provided. Also, Docket No. 990194-WS should be referenced on the first page of the response.

Mr. Ivan Bloch and  
Mr. Michael Varick  
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September 3, 1999

As my staff explained to Mr. Varick, it is too late for agenda on October 5, 1999, as the notice period will not have expired on the newspaper republication by the time the staff would have to file its recommendation. Therefore, staff intends to file a recommendation on October 7, 1999, for agenda on October 19, 1999. To do that, a draft of the recommendation must be completed no later than September 23, 1999. Failure of the utility to fully respond to deficiencies by September 16, 1999, would cause staff to miss the last agenda in October. If that is the case, Legal Counsel may have to file a recommendation in November that the utility be required to show cause in writing why it should not be fined for failure to complete an application for authority to transfer certificates. So, please, do not fail to complete the application by September 16, 1999.

If you have any questions about the information being required, immediately contact a member of my staff, Ms. Patricia Brady at (850) 413-6686, or staff's legal counsels, Ms. Stephanie Crossman, Esquire, at (850) 413-6179 or Ms. Alice Crosby, Paralegal, at (850) 413-6222.

Sincerely,

*Mr. John D. Williams*  
*JDM*

John D. Williams  
Chief, Bureau of Policy Development  
and Industry Structure

Attachments

JDW:plb

cc: Division of Water and Wastewater (Brady, Redemann, Casey (See Item No. 10)  
Division of Legal Services (Crossman, Crosby)  
Division of Records and Reporting

Commissioners:  
JOE GARCIA, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
JULIA L. JOHNSON  
E. LEON JACOBS, JR.



TIMOTHY DEVLIN, DIRECTOR  
AUDITING & FINANCIAL ANALYSIS  
(850) 413-6480

## Public Service Commission

July 15, 1999

Mr. Leroy K. New  
Lake Yale Utility Company  
11643 Martel Court  
Leesburg, FL 34788-8102

**Re: Docket No. 990194-WS; Lake Yale Corporation d/b/a Lake Yale Utility Company  
Audit Report; Establish Rate Base  
Audit Control No. 99-079-3-2**

Mr. New:

The enclosed audit report is forwarded for your review. If you desire to file a response to the audit, please file one with the Division of Records and Reporting so it may be forwarded for consideration by the staff analysts in their review of the audit.

Sincerely,

A handwritten signature in cursive script that reads "Denise N. Vandiver".

Denise N. Vandiver  
Bureau Chief - Auditing Services

DNV/

cc: Division of Records and Reporting  
Division of Auditing and Financial Analysis (Devlin/Causeaux/Harvey/File Folder)  
✓ Division of Water and Wastewater (Brady)  
Orlando District Office (Winston)  
Division of Legal Services

Office of Public Counsel

05513-49  
**RECEIVED**

JUL 16 1999

Florida Public Service Commission  
Division of Water and Wastewater



**FLORIDA PUBLIC SERVICE COMMISSION**

***DIVISION OF AUDITING AND FINANCIAL ANALYSIS  
BUREAU OF AUDITING SERVICES***

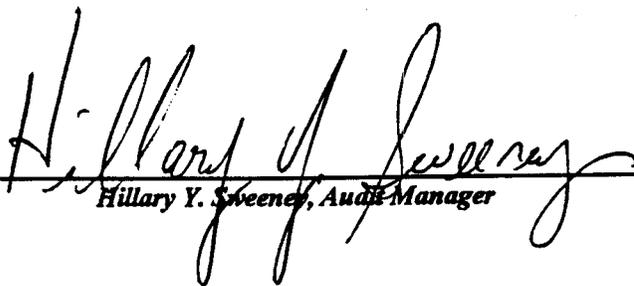
***Orlando District Office***

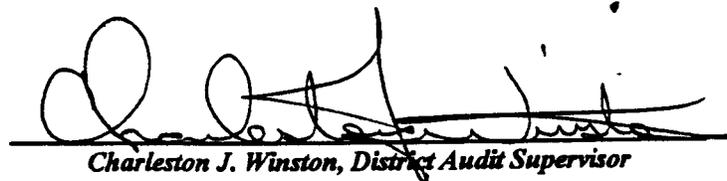
**LAKE YALE CORPORATION  
D/B/A LAKE YALE UTILITY COMPANY**

**ESTABLISH RATE BASE**

**AS OF OCTOBER 31, 1998**

**DOCKET NO. 990194-WS  
AUDIT CONTROL NO. 99-079-3-2**

  
\_\_\_\_\_  
*Hillary Y. Sweeney, Audit Manager*

  
\_\_\_\_\_  
*Charleston J. Winston, District Audit Supervisor*

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**DIVISION OF AUDITING AND FINANCIAL ANALYSIS  
AUDITOR'S REPORT**

**JULY 8, 1999**

**TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES**

We have applied the procedures described later in this report to audit the accompanying schedules for Rate Base as of October 31, 1998. These schedules were prepared by staff as part of the utility's application for a Certificate of Transfer in Docket No. 990194-WS. There is no confidential information associated with this audit.

This is an internal accounting report prepared after performing a limited scope audit. Accordingly, this report should not be relied upon for any purpose except to assist the Commission staff in the performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use.

In our opinion these schedules referred to above present fairly, in all material respects, the utility's books and records that are not maintained in conformity with the accounting practices prescribed by the Florida Public Service Commission. The attached findings discuss all differences and other matters which were noted during our examination.

## **SUMMARY OF SIGNIFICANT FINDINGS**

The utility's plant-in-service is \$222,130 for water and \$353,456 for wastewater.

The utility did not use the proper depreciation rate.

The utility did not report any Contributions-in-Aid-of-Construction (CIAC) nor any accumulated amortization of CIAC.

## **SUMMARY OF SIGNIFICANT PROCEDURES**

Our audit was performed by examining, on a test basis, certain transactions and account balances which we believe are sufficient to base our opinion. Our examination did not entail a complete review of all financial transactions of the company. Our more important audit procedures are summarized below. The following definitions apply when used in this report.

**Scanned** - The documents or accounts were read quickly looking for obvious errors.

**Verified** - The items were tested for accuracy, and substantiating documentation was examined.

**Confirmed** - Evidential matter supporting an account balance, transaction, or other information was obtained directly from an independent third party.

**RATE BASE:** Verified account balances for UPIS, CIAC, accumulated depreciation and accumulated amortization of CIAC. Reconciled rate base balances authorized in Commission Order No. PSC-94-0171-FOF-WS, issued February 10, 1994, to October 31, 1998 General Ledger and Annual Report. Verified supporting documentation for sample plant additions selected using auditor judgment. Imputed CIAC using customer growth information recorded in the Annual Report. Calculated accumulated depreciation and accumulated amortization of CIAC using Commission-approved rates.

## **Audit Exception No. 1**

**Subject:** Noncompliance with the NARUC Uniform System of Accounts

**Statement of Facts:** Lake Yale Corporation serves as the principal entity for Lake Yale Utility Company and Lake Yale & Sand Piper Mobile Home Community.

Sand Piper Mobile Home Park and the servicing utility were built in 1967. In 1988, the owner of the neighboring mobile home park (Lake Yale) and utility went bankrupt. This mobile home park and the utility located on it were purchased as a packaged deal in a foreclosure. At no point were the amounts for land and the utility separated.

Rule 25-30.115 (1), F.A.C., requires all water and wastewater utilities to maintain their accounts and records in conformity with the NARUC Uniform System of Accounts (USoA).

NARUC, Class C, Accounting Instruction 2. A, requires all water and wastewater utilities to maintain their accounts on an accrual basis.

**Opinion/Recommendation:** The utility does not maintain its books per the Commission rule cited above. Although Lake Yale Corporation maintains a general ledger, it does not identify plant accounts consistent with the USoA. Accumulated depreciation was calculated using the wrong depreciation rates. Also, the utility failed to book CIAC as authorized in Order No. PSC- 94-0171-FOF-WS.

Lake Yale's primary business is the mobile home parks. The operation of the utility is incidental to owning the mobile home park. Lake Yale's staff has limited technical knowledge and financial wherewithal to maintain the utility's books in conformance with the PSC's accounting system.

The utility should be required to maintain its books and records using account numbers and descriptions as prescribed in the USoA.

**Audit Exception No. 2**

**Subject: Accumulated Depreciation on UPIS**

**Statement of Facts:** The utility applied a 15-year service life to Plant Accounts 304 through 335 and 354 through 380 in calculating accumulated depreciation.

**Opinion/Recommendation:** The utility's accumulated depreciation for the period ended October 31, 1998, is not properly recorded per Commission Rule 25-30.140 (2) for Class C Utilities.

Audit staff has recalculated accumulated depreciation using the appropriate rates as set by the Commission: Accumulated depreciation is \$ 76,867 for water and \$175,709 for wastewater.

	<b>Per Company Books</b>	<b>Recommended Adjustment</b>	<b>Per Auditor</b>
<b>Water</b>	(\$101,989)	\$25,122	(\$76,867)
<b>Wastewater</b>	(147,572)	(28,137)	(175,709)

**Audit Exception No. 3**

**Subject: Contributions-In-Aid-of-Construction (CIAC) and Associated Accumulated Amortization of CIAC**

**Statement of Facts:** The utility did not record any CIAC to its general ledger.

In 1993, the St. Johns Water Management District determined that water consumption by the customers of Lake Yale Utility was excessive and ordered the utility to install individual meters in order to promote conservation. In accordance with this directive, the utility petitioned the Commission for a certificate.

Commission Order No. PSC-94-0171-FOF-WS, issued February 10, 1994, granted Lake Yale Utility a certificate and established rates. Included in the rates were service availability charges for meters and meter installation and plant capacity.

**Opinion/Recommendation:** The utility should have been collecting CIAC and recording accumulated amortization of CIAC for the periods beginning April 1994 through October 1998 per the above Order.

Using the figures for additional customers recorded in the Annual Report, the audit staff has imputed CIAC and calculated the associated accumulated amortization of CIAC applying the appropriate rates.

**Water - per auditor**

CIAC	\$93,690
Accumulated amortization of CIAC	12,889

**Wastewater - per auditor**

CIAC	\$102,850
Accumulated amortization of CIAC	10,039

**EXHIBIT I**

**LAKE YALE UTILITY COMPANY  
DOCKET NO. 990194-WS  
WATER RATE BASE  
PERIOD ENDED 10/31/98**

(a) DESCRIPTION	(b) PER UTILITY 10/31/98	(c) AUDIT EXCEPTION	(d) REFER TO	(e) PER AUDIT 10/31/98
UTILITY PLANT-IN-SERVICE	\$222,130	\$0		\$222,130
LAND	0	0		0
ACCUMULATED DEPRECIATION	(101,989)	25,150	E-1	(76,839)
CIAC	0	(93,690)	E-2	(93,690)
ACCUMULATED AMORT. OF CIAC	0	12,889	E-2	12,889
	<hr/>	<hr/>		<hr/>
RATE BASE	\$120,141	(\$55,651)		\$64,490
	<hr/>	<hr/>		<hr/>

**EXHIBIT II****LAKE YALE UTILITY COMPANY  
DOCKET NO. 990194-WS  
WASTEWATER RATE BASE  
PERIOD ENDED 10/31/98**

(a) DESCRIPTION	(b) PER UTILITY 10/31/98	(c) AUDIT EXCEPTION	(d) REFER TO	(e) PER AUDIT 10/31/98
UTILITY PLANT-IN-SERVICE	\$353,548	\$0		\$353,548
LAND	0	0		0
ACCUMULATED DEPRECIATION	(147,572)	(27,788)	E-1	(175,360)
CIAC	0	(102,850)	E-2	(102,850)
ACCUMULATED AMORT. OF CIAC	0	10,039	E-2	10,039
 RATE BASE	 \$205,976	 (\$120,599)		 \$85,377

FLORIDA  
PUBLIC SERVICE COMMISSION



1999

**CLASS C**

Water & Wastewater  
Utility

Educational  
Workshop

October 27 & 28, 1999

3319 MAGUIRE BOULEVARD  
ORLANDO, FLORIDA

## Plan To Attend

*The workshop is free.*

The workshop is being held in Orlando because of its central location for the majority of utilities in Florida.

### Four Convenient Ways to Register

- ◆ Mail in the attached registration
- ◆ Fax the registration form to Bob Casey at (850) 413-6975
- ◆ E-mail Bob Casey at [bcasey@psc.state.fl.us](mailto:bcasey@psc.state.fl.us)
- ◆ Phone in your registration to Bob Casey at (850) 413-6974



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Marshall Willis - Chief, Bureau of Economic Regulation

Division of Water and Wastewater

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399-0850

# Learn How Utility Regulation Works in Florida!

Florida's Public Service Commission (PSC) understands that owning and operating a Class C water or wastewater utility has become more complicated and more expensive, especially with the strict water quality mandates included in the Safe Drinking Water Act amendments of 1986 and the Department of Environmental Protection's (DEP) rules and regulations. New mandates and regulations on monitoring and treatment of contaminants have resulted in increased operating costs for water and wastewater processing.

Due to the absence of competition in much of the utility industry, the major function of the Florida PSC is economic regulation. Economic regulation includes the authority to ensure fair and equitable pricing for customers; an opportunity for the utility to remain economically viable without earning excess profits; and safe, reliable and efficient service to the customer.

Since you own one of the more than 1,300 water and wastewater systems regulated by the Commission, the PSC wants to help you better understand the utility ratemaking process in Florida. The PSC staff will hold its 1999 educational workshop on October 27th and 28th at the Department of Environmental Protection's (DEP) Central District Office in Orlando. This workshop, designed especially for Class C utility owners, should help clarify the PSC's rule requirements and statutory responsibilities in the area of water and wastewater utility regulation. No fee is associated with your attendance at this workshop.

## Topics to Be Covered

- ◆ *Staff-Assisted Rate Cases (SARCs)*
- ◆ *Interim Rates for SARCs* **NEW**
- ◆ *Class C File & Suspend Rate Cases*
- ◆ *Non-Rate Base Rate Cases*
- ◆ *Repression/Conservation Adjustments* **NEW**
- ◆ *Regulatory Assessment Fees*
- ◆ *Florida Rural Water Association*
  - a) *Available Services*
  - b) *Consumer Confidence Reports* **NEW**
- ◆ *Safe Drinking Water Act*
- ◆ *Applicable Florida Statutes and Rules*
  - a) *1999 Statute Revisions* **NEW**
  - b) *The Certification Process*
  - c) *The Public Counsel's Role*
- ◆ *Annual Report Requirements*
- ◆ *Limited Proceedings*
- ◆ *Quality of Service*
- ◆ *PSC on the Internet* **NEW**
- ◆ *Tariffs* **NEW**

Previous participants had great things to say about the workshop and considered it very useful. This year, the PSC's Division of Water and Wastewater will implement an updated, more selective list of topics for this program. Topics of discussion will be more pertinent to the day-to-day operations of a water and/or wastewater utility. The Florida Rural Water Association (FRWA) will explain the many technical services they provide to small water and wastewater utilities in the state of Florida. The FRWA is a nonprofit, statewide trade association dedicated to representing, training and assisting small water and wastewater utilities in providing the highest quality of water of ample supply to their customers.

## Operators will learn how to:

- Improve utility record-keeping procedures
- Increase knowledge of PSC requirements
- Produce more accurate financial data in rate filings
- Reduce operational costs
- Obtain timely rate relief

DETACH AND RETURN

1999  
**CLASS C**  
Water & Wastewater  
Utility  
Educational  
Workshop

Name \_\_\_\_\_

Phone number \_\_\_\_\_

Fax Number \_\_\_\_\_

Utility/Company \_\_\_\_\_

Address \_\_\_\_\_

No special fee is involved. Registration by September 30, 1999, is essential.

10/15/98

**Lake Yale Utility-98  
Balance Sheet  
As of October 15, 1998**

Oct 15, '98

<b>ASSETS</b>	
Current Assets	
Checking/Savings LAKE YALE UTILI	5,723.11
Total Checking/Savings	<u>5,723.11</u>
Accounts Receivable Receivables	3,640.07
Total Accounts Receivable	<u>3,640.07</u>
Total Current Assets	9,363.18
Fixed Assets	
Chlorine Pump	267.50
Water Generator Regulator	790.14
Rebuild/lift station MP30pumps	3,933.52
Disc/Sewer Plant	475.00
AIR COMPRESSOR	139.09
Detecto Scale	150.00
Blower	1,007.00
Chlorinator	642.00
Flange- Spool- Meters	1,545.84
Motor/ Sewer PI	15,714.84
Printer	1,623.30
Propeller Assem	504.99
Sewer Plant	382.30
Utility Equip	94,050.25
Accum Deprec	1,444.43
	<u>-70,546.84</u>
Total Fixed Assets	52,123.36
Other Assets	
Loan Origination fee	656.25
Total Other Assets	<u>656.25</u>
<b>TOTAL ASSETS</b>	<u><u>62,142.79</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Lake Yale Estates	10,406.11
Payroll-FL-SUI	93.81
Payroll-FUTA	160.39
Barnett Loan	108,468.36
Payroll-FICA	95.12
Payroll-FWH	134.00
Payroll-MCARE	-5.86
Total Other Current Liabilities	<u>119,351.93</u>
Total Current Liabilities	119,351.93
Long Term Liabilities	
Lake Yale Corp	62,500.00
Total Long Term Liabilities	<u>62,500.00</u>
Total Liabilities	181,851.93
Equity	
Earnings	-27,540.11
Net Income	19,558.24
Utility Equity	<u>-111,727.27</u>
Total Equity	<u>-119,709.14</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>62,142.79</u></u>

*Exhibit A  
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