

# AUDIT SERVICE REQUEST

September 3, 2000

Date of Request

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AFAD control #

TO : **DIVISION AUDITING & FINANCIAL ANALYSIS**

FROM: **DIVISION OF REGULATORY OVERSIGHT** **Stephanie Clapp** **(904) 413-6997**  
Division Name Phone number

RE : **REQUEST FOR AUDIT OF Century Realty Funds, Inc. & Haselton Associates, Ltd. d/b/a Route 19A**  
**Not at Venture**  
DOCKET NO.: **000793-WS** **OC** **3-411** **Q**  
AUDIT PURPOSE: **To establish** **base for transfer of utility**

LIST AUDIT OBJECTIVES & OTHER INFORMATION ON BACK.

### ADMINISTRATIVE DETAILS:

COMPANY CONTACT: **THOMAS POE** **(NONE)** **(915) 877-1772**  
Name Title Phone Number

MAIL ADDRESS: **7777 Market Center Avenue** Street Address  
**El Paso** **Texas** **79912**  
City State Zip Code

LOCATION OF RECORDS: **The application states that the books and records of the seller were given to the buyer at closing and are in the possession of Thomas Poe. Questions concerning the application should be addressed to Ms. Sandra Seyffart in Eustis, Florida at (407) 365-6651.**

AUDIT DUE DATE: **November 24, 2000**  
PIECEMEAL RESULTS: YES  NO **XX**

COORDINATING DETAILS: **STEPHANIE CLAPP** **PP (Analyst) (850) 413-6997**  
**RICHARD J. MANN** **MANN (Engineer) (850) 413-6999**  
Name and phone number Division staff and any other administrative instructions

REFERENCES: **Orders Nos. 21342** **SC-96-1470-FOF-SU and the 1997, 1998, and 1999 Annual**  
**Reports. If you need other information, please feel free to call me.**  
Attach copies of FPSC ORDER or documents as appropriate

### FOR USE OF THE FIELD AUDIT SUPERVISOR:

REQUEST ACKNOWLEDGED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
AUDIT MANAGER ASSIGNED: \_\_\_\_\_ DATE ON SIGHT: \_\_\_\_\_  
COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DOCUMENT NUMBER-DATE  
**12046 SEP 25 8**  
FPSC-RECORDS/REPORTING

ITEM #

AUDIT OBJECTIVE OR QUESTION  
Add supplemental background for auditor

WORK  
PRIORITY

ALL ITEMS CONSIDERED HIGH (H) PRIORITY

- 1     The rate base objectives per rate case audit guide of the DAFA audit manual should be used in auditing utility plant, accumulated depreciation, CIAC and accumulated amortization of CIAC. A working capital allowance need not be calculated.
- 2     Determine whether any assets on the seller's books are not being transferred, such as desk, computer equipment and vehicles, and exclude these items from the calculation of rate base.
- 3     Determine if these are any extraordinary circumstances surrounding the purchase. Current Commission policy is not to allow an acquisition adjustment up or down unless there are extraordinary circumstance justifying an acquisition adjustment. The burden of proof is on the utility.
- 4     Verify land ownership in the name of the current owner of the utility for the real property on which the utility plant is located.
- 5     Verify the existing rates, miscellaneous service charges, service availability charges, and customer deposits charged by the utility.
- 6     Verify the purchase price for the utility and the closing date.

PRIORITY  
CODES

H - HIGH PRIORITY - CRITICAL WORK NEEDED TO COMPLETE PROGRAM.  
M - MIDDLE PRIORITY - REQUIRED FOR FULL CONSIDERATION OF PROGRAM.  
L - LOW PRIORITY - WORK THAT CAN BE DEFERRED.