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STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR  
DIVISION OF ECONOMIC REGULATION  
(850) 413-6900

Public Service Commission

July 29, 2009

RECEIVED - FPSC  
09 JUL 30 PM 3:08  
COMMISSION  
CLERK

Tom Hawkins  
Mobile Manor Water Company, Inc.  
150 Lantern Lane  
North Fort Myers, Florida 33917

**Re: Staff Assisted Rate Case for Mobile Manor Water Company, Inc. in Lee County,  
Docket No. 090170-WU**

Dear Mr. Hawkins:

In order for staff to complete its analysis for the final recommendation, please provide the following information:

- 1) Please provide supporting documentation in the form of invoices, bills, or contracts for meter reading completed by Benson's, Inc. during 2008 totaling \$1,365. See attachment A. Provide a copy of the original management agreement between Benson's, Inc. and Mobile Manor Water Company, Inc. as well.
- 2) The auditor's report included an invoice for work performed by Christopher Artrip totaling \$142.50 (9.5 hours @ \$15/hour) for meter reading and pipe repair. What is (are) the date(s) of the work completed by Mr. Artrip? Provide all supporting documentation.
- 3) An email was included in staff's audit report from Tom Hawkins to Jay Vandall, and DeeAnn Demers, dated Monday, May 19, 2008. The e-mail mentions Richard and Chris will do contract labor and will submit bills for work performed each month. Please provide all bills for the contract work performed by both Richard and Chris. See attachment B.
- 4) On May 20, 2008, Bonita Vandall at Benson's, Inc., sent a letter to DeeAnn Demers explaining that DeeAnn will be considered a contracted employee and will be paid \$617.50 twice monthly. Please submit a copy of the signed letter submitted by DeeAnn Demers. Also, please submit all bills for administrative services. See attachment C.

DOCUMENT NUMBER - CASE  
07808 JUL 30 08  
FPSC-COMMISSION CLERK

Mr. Tom Hawkins, President  
Page 2  
July 29, 2009

5) The following items pertain to the Board of Director's Minutes reviewed by staff auditors:

(a) "January 22, 2008—Tom made motion to take Carol Julius off the credit card with \$1,000 limit and add Dee Demers, Sandy and Bob and leave Paul." Are Bob and Paul office employees? If so, what are their duties and responsibilities? What is their hourly rate or salary? Provide all supporting documentation for Bob and Paul.

(b) "February 26, 2008—Ms. Vandall reported Benson's will file a small claims suit at a cost of \$144 for filing fee and \$20 for sheriff's service. Reported the copy machine is not functioning properly." What does the small claims suit and filing fee relate to? Was the copy machine repaired or replaced? If so, provide all receipts, invoices, and documents to substantiate this claim.

6) A loan agreement dated February 19, 2009 was submitted to staff auditors. Is there a loan agreement for the \$20,000 loaned to Mobile Manor Water Company, Inc. from Mobile Manor, Inc. in 2008? Please provide documentation for all debt instruments of the Utility stating interest rate, repayment period, and terms of loan agreement(s). See attachment D.

7) On June 17, 2009, Kathy Williams (Benson's Inc.) sent an e-mail to Hyma Vedula (PSC Staff Auditor) about a \$3,000 loan made to Mobile Manor Water Company, Inc. from Mobile Manor Inc. Please provide the loan agreement for this loan. See attachment E.

8) What is the rental agreement between Mobile Manor, Inc. and Mobile Manor Water Company, Inc. regarding the community clubhouse? How much does Mobile Manor Water Company, Inc. pay for rent? If there is a formal rental agreement, please provide a copy of the agreement. Also, who owns the clubhouse land?

9) How are the directors and officers (Tom Hawkins, Gary Schaeffer, Sandra Gilliland, Lona Kinder) compensated? Provide a detailed list of the duties and responsibilities of the directors and officers as well as documentation verifying compensation rate and amount.

10) Do any of the employees of Mobile Manor Water Company, Inc. have benefits provided by the utility? Provide any information relating to employee pensions and benefits.

Please submit the above information by August 12, 2009. If you have any questions, feel free to contact me by phone at (850) 413-6425 or by e-mail at [avy.crawford@psc.state.fl.us](mailto:avy.crawford@psc.state.fl.us).

Sincerely,



Avy Crawford  
Regulatory Analyst II

cc: Division of Economic Regulation (Bulecza-Banks, Daniel, Fletcher, Hudson, Simpson)  
Office of the General Counsel (Jaeger)  
Office of Commission Clerk (Docket No. 090170-WU)  
Benson's Inc. (Bonita Vandall)

Attachment H

### GL Account Analysis Mobile Manor Water Company 4940 - Water Meter Reading

From January 01, 2008 To December 31, 2008

06/29  
Mobile Manor Water Company, Inc.  
Staff-Assisted Rate Case Audit  
Test Year Ended December 31, 2008  
Dkt 090170-WU: ACN 09-131-1-1  
Description: OK M. Subar

43-13

Date	Batch	Source	Project	Description	Reference	Amount
					Opening Balance:	0.00
09/25/2008	189774	AP Benson's Inc. - FMS		Water Meter Reading	7/24/08 Invoice	245.00
10/22/2008	195591	AP Benson's Inc. - FMS		read water meters	Total September, 2008:	245.00
10/23/2008	195899	AP Mobile Manor Inc		Water Meter Reading	10/15/08	280.00
					October	280.00
					Total October, 2008:	560.00
11/12/2008	200209	AP Benson's Inc. - FMS		read water meters	completed 10/31/08	280.00
					Total November, 2008:	280.00
12/31/2008	212113	AP Benson's Inc. - FMS		Read Water Meters		280.00
					Total December, 2008:	280.00
					Ending Balance:	1,365.00

BILLING - METER READING

L-7062  
T043-3



SOURCE

**Judy Dileo**

From: Jay Vandall  
 Sent: Tuesday, May 20, 2008 7:34 AM  
 To: bonitav@bensonsinc.com; Judy Dileo; Judith Dodd  
 Cc: Jack Richert  
 Subject: FW: Payroll - subcontractors Mobile Manor

From: Tom Hawkins [mailto:hawkclub@gmail.com]  
 Sent: Monday, May 19, 2008 2:01 PM  
 To: Jay Vandall; Dee Demers  
 Cc: Tom Hawkins  
 Subject: Mobile Manor

Jay, per our conversation Richard and Chris will be contract labor and submit a bill for work performed each month (we will furnish 1099 at the end of the year). Dee will submit her payroll information to Kathy so she can cut the check from your office. Quick books has notified us that our account will expire at the end of this month. Obviously we need to have all the information from MMI & MMW input into C3. Dee is holding off imputing information into C3 until she hears from you or Kathy that everything is ready to go. Dee will take the 50.00 monthly gas allowance out of petty cash (she knows to add it to the chart of accounts).

Tom Hawkins

*2570 offers for annual payroll -*

*\$ 490-26*

SOURCE

<mailto: >

Mobile Manor Water Company, Inc.  
 Staff-Assisted Rate Case Audit  
 Test Year Ended December 31, 2008  
 Dkt 090170-VWU, ACN 09-131-1-1

43-7-4

Attachment C



**MOBILE MANOR, INC.  
C/O BENSON'S, INC.**

May 20, 2008

Ms. DeeAnn Demers  
c/o Mobile Manor, Inc.  
N. Fort Myers, FL 33917

Dear Dee,

This letter serves as notice that as of January 1, 2008 you will be considered a contracted employee and will be responsible for paying your own taxes. Your gross pay amount is \$617.50 twice monthly and at the end of each year you will receive a 1099 form for submitting to the IRS. *See W/P 43-7-6*

Please submit a bill for administrative services rendered in the form of an invoice for bookkeeping purposes.

Please acknowledge receipt of the above terms and conditions by signing a copy of this letter.

Sincerely,

Bonita D. Vandall, PCAM®  
[bonitav@bensonsinc.com](mailto:bonitav@bensonsinc.com)

BDV/js

I hereby agree to the terms and conditions as stated above.

\_\_\_\_\_  
Dee Ann Demers

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

Description: 8216  
Mobile Manor Water Company, Inc.  
Staff-Assisted Rate Case Audit  
Test Year Ended December 31, 2008  
DK 099170-WP; ACN 09-131-1-1

SOURCE

43-7-2

# Loan Agreement

This Loan Agreement (this "agreement") dated this 19<sup>th</sup> day of February, 2009

HU  
05/26

Between

Mobile Manor Inc. of 150 Lantern Lane North Fort Myers Fl, 33917

(The "Lender")

Of The First Part

AND

Mobile Manor Water Company Inc. of 150 Lantern Lane North Fort Myers Fl, 33917

(The "Borrower")

Of The Second Part

Description:  
Mobile Manor Water Company, Inc.  
Staff-Assisted Rate Case Audit  
Test Year Ended December 31, 2008  
DK# 090170-WLU: ACN 09-131-1-1  
Dec Reg. Fee

### Loan Amount & Interest

- a) The Lender promises to Loan twenty thousand (\$20,000.00) USD, to the Borrower
- b) Borrower promises to repay this principal amount to the lender, as such address as may be provided in writing, with interest payable on the unpaid principal at the rate of 5.25 percent per annum, calculated semi-annually not in advance.

### Term

- a) Borrower is to repay loan in a maximum of three years to include principal and interest as defined in loan amount & interest.

### Payment

- a) Payments are Interest and Principal.
- b) Borrower can pay outstanding principal without penalty.

### Interest

- a) Interest rate: 5.25% (prime plus 2 percent)

FORCE (PBU)

# Loan Agreement

**Additional Clauses** Loan payments will start as soon as Mobile Manor Water Company is producing enough revenue to start monthly payments to Mobile Manor Inc. Maximum term of loan is three years. Repayment of prior outstanding debt must be satisfied before repayment of this loan. This loan was approved by a majority vote of the membership at the annual association meeting February 5, 2009.

## Signing Details

HU  
05/26

Mobile Manor Water Company, Inc.  
Staff-Assisted Rate Case Audit  
Test Year Ended December 31, 2008  
Dkt 090170-WU; ACN 09-131-1-1

### Mobile Manor Water Company Inc. officers

Description: Rec Rate Case # 2

Tom Hawkins President Tom Hawkins

Gary Schaeffer Vice President Gary Schaeffer

Lona Kinder Secretary Lona Kinder

Sandy Gilliland Treasurer Sandy Gilliland

### Mobile Manor Inc. Officers

Tom Hawkins President Tom Hawkins

Gary Schaeffer Vice President Gary Schaeffer

Lona Kinder Secretary Lona Kinder

Sandy Gilliland Treasurer Sandy Gilliland

Sworn to and subscribed before me this 19<sup>th</sup> day of February 2009

My Commission expires \_\_\_\_\_

(SEAL)

Dee Ann Demers  
Notary Public State of Florida



Attachment E

**"The long term debt that is reflected contains a 3,000.00 loan amount made to Water from Mobile Manor Inc in early 2008 to cover operating expenses."**

Is this \$3,000 of the \$20,000? or of the \$17,224? or the \$5,656? Is there a debt instrument or a contract involved? If so, I need this. What makes up the remaining debt then? I need to know what this is and what supports it (contract, debt instrument, etc). I need to know what interest rate is agreed upon, time frame of repayments, amount of principal etc.

Please send me this information no later than **Monday, June 29, 2009**. If you feel that we need to discuss this by phone, then please call me at 850.413.6416.

Thank you for your attention to this matter.

*Lynn M. Deamer*  
Florida Public Service Commission  
Regulatory Analyst Supervisor  
Bureau of Auditing  
[ldeamer@psc.state.fl.us](mailto:ldeamer@psc.state.fl.us)  
Tel: 850.413.6416  
Fax: 850.413.6417

MOBILE MANOR WATER COMPANY, INC.  
STAFF-ASSISTED RATE CASE AUDIT  
TEST YEAR ENDED DECEMBER 31, 2008  
DKT 090170-WU; ACN 09-131-1-1  
Description: *Long term debt*

**Please Note: Most written communications to or from state officials regarding state business are public records available to the public and media upon request. Therefore, your e-mail communication may be subject to public disclosure.**

**From:** Kathy Williams [mailto:[kwilliams@bensonsinc.com](mailto:kwilliams@bensonsinc.com)]  
**Sent:** Wednesday, June 17, 2009 1:13 PM  
**To:** Hyma Vedula; Bonita Vandall  
**Subject:** RE: Long term debt - Mobile Manor Water Company, Inc.

The long term debt that is reflected contains a 3,000.00 loan amount made to Water from Mobile Manor Inc in early 2008 to cover operating expenses.

*Kathy Williams*  
Accounts Payable  
Associa Benson's Inc, AAMC  
12650 Whitehall Drive  
Fort Myers, FL 33907  
239-277-0718 office  
239-936-8310 fax

[kathyw@bensonsinc.com](mailto:kathyw@bensonsinc.com)

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6/30/2009

SOURCE As indicated

31-5