

Shawna Senko

From: Joseph Gabay <jgabay@uswatercorp.net>
Sent: Saturday, February 08, 2014 2:20 PM
To: Filings@psc.state.fl.us
Cc: Vickie Penick
Attachments: Jumper 2016 PSC Proforma Form.pdf

Commission Clerk:

I am filing the attached document on behalf of Mr. Gary Deremer.

The PSC docket number is 130176.

The document of 14 pages includes:

Cover Letter Signed by Mr. Gary Deremer – 1pg.
Buyer’s Closing Statement – 1 pg.
2016 Pro Forma for Jumper Creek Utility Co. – 12 pgs.

Joseph G. Gabay
Utilities Controller
U.S. Water Services Corporation



4939 Cross Bayou Boulevard
New Port Richey, FL 34652
(Office) 727-848-8292 x239
(Mobile) 727-412-4466
(Accounting Fax) 727-849-7809
(E-Mail) jgabay@uswatercorp.com

JUMPER CREEK UTILITY COMPANY

February 3, 2014

Office of Commission Clerk
FPSC
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Jumper Creek – Certificate No's 507-W & 441-S
System Docket: 130176-WS

- 1) Please accept the attached submitted proformas 2014-2016 as requested.
- 2) Purchase price totals \$10 – please see attached closing statement indicating wire for same was received. Bill of Sale shows a minimum exchange of funds which is typical on most Bill of Sale documents. The \$22,240 hand written on the recorded documents – is a number written in by the respective county staff at the time of recording in reference to their internal county records.
- 3) Please find attached asset listings effective at time of purchase.

We are hopeful that the submitted documents are in keeping with the requests.

We look forward to hearing further from the Commission. Please do not hesitate to contact us should further clarification be needed.

Respectfully Submitted,


s/Gary Deremer

Gary Deremer
President

xc: Carl Smith
V. Penick
Joseph Gabay

Enc.

5320 Captains Court, New Port Richey, FL 34652
Mailing: 4939 Cross Bayou Boulevard, New Port Richey, FL 34652
Tel: 727-848-8292 Fax: 727-848-7701

BUYER CLOSING STATEMENT

File Number: 13-101

Name of Buyer: Jumper Creek Utility Company, a Florida corporation

Name of Seller: Aqua Utilities Florida, Inc., a Florida corporation

Property: Water and Sewer Utility Systems and all associated easements and appurtenances

Settlement Agent: Booth & Cook, P.A.

Place of Settlement: 7510 Ridge Road, Port Richey, FL 34668

Settlement Date: March 28, 2013

PURCHASE PRICE	\$10.00
Down Payment to Seller	\$0.00
Record Bill of Sale	\$18.50
Record Quit Claim Deed transferring real property	\$35.50
Prorate taxes 1/1/13 through 3/27/13 (\$282.35/yr for 86 days)	(\$67.08)
Prorate tangible tax, 1/1/13 through 3/27/13 (\$6,532.59/yr for 86 days)	(\$1,539.40)
Attorney fees to Booth & Cook, P.A.	\$250.00
Title search, examination and owner policy - waived by Buyer	\$0.00
Surveys - waived by Buyer	\$0.00
Wire funds tendered from Buyer on March 28, 2013	(\$10.00)
BALANCE DUE TO BUYER:	(\$1,302.48)

RECEIVED A TRUE COPY OF ABOVE AND HEREBY APPROVE AND CERTIFY IT CORRECT.

Jumper Creek Utility Company,
a Florida corporation



Gary Dereemer, President

JUMPER CREEK: Assumptions

System Prurchased for less than 50% of Rate Base - Impacted by NBV 20% Rule.

Rate Base:	Net Plant Brought forth Balance Remaining at Purchase Net CIAC Brought forth Balance Remaining at Purchase Factored New CIP Additions After Purchase by by 30 yr schedule
Cost of Capital:	Purchase Price, New CIP Additions
P&L:	(1) Annual Revenue Index Utilitized 1.5%

Jumper Creek Utility
Capital and R&R

	2013	2014	2015	2016	2017	2018	2019
Totals	\$ -	\$ 12,968	\$ 7,468	\$ 468	\$ -	\$ -	\$ -

JUMPER CREEK CIP SCHED

County	Site	Type	1 = High 2 = Medium 3 = low	CIP / R&R	Problem	Solution	Regulatory Mandate (M) or Enhancement (E)	Complete , In Progress	2013	2014	2015	2016	2017	2018	2019
Sumter	Jumper Creek	W		CIP	Existing chlorine feed pumps are outdoors and not protected from the elements.	Install an enclosure to house chlorine feed pumps and storage	E			\$ 2,000					
				CIP	The chlorine system has only one (1) chlorine pump.	Install another chlorine feed pump for reliability and cost effectiveness			\$ 500						
Sumter	Jumper Creek	W		CIP	Water Meter Replacement, Customer; The water meters are 10 years old and need to be replaced and or tested per FPSC rules	Replace water meters that have exceeded 1,000,000 gallons or 10% of meters in the distribution system	M		\$ 468	\$ 468	\$ 468				
Sumter	Jumper Creek	S		CIP	No screening device for treatment plant headworks. Unit needed to prevent objects from entering plant and damaging equipment and piping	Install Stainless Steel screening device	E		\$ 3,500						
Sumter	Jumper Creek	S		CIP	No back-up chlorine feed pump, needed for treatment reliability	Install back-up chlorinator for reliability	M		\$ 500						
Sumter	Jumper Creek	S		CIP	Existing treatment plant has no worker protection from falling into the tank openings.	Install grating over open tanks for worker safety	M		\$ 3,000						
Sumter	Jumper Creek	S		CIP	Lift Station improvements	Pump and piping replacements	M	\$ -	\$ 5,000	\$ 5,000					

Water	\$ -	\$ 968	\$ 2,468	\$ 468	\$ -	\$ -	\$ -
WW	\$ -	\$ 12,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ 12,968	\$ 7,468	\$ 468	\$ -	\$ -	\$ -

UTILITY NAME:

Jumper Creek Util Co

YEAR OF REPORT 2015

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity Purch Price + New CIP	\$ 20,913	100.00%	8.74%	8.74%
Preferred Stock	0	0.00%	_____	0.00%
Long Term Debt	0	0.00%	_____	0.00%
Customer Deposits	0	0.00%	_____	0.00%
Tax Credits - Zero Cost	0	0.00%	_____	0.00%
Tax Credits - Weighted Cost	0	0.00%	_____	0.00%
Deferred Income Taxes	0	0.00%	_____	0.00%
Other (Explain)	0	0.00%	_____	0.00%
Total	\$ 20,913	100.00%		8.74%

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	_____
Commission order approving Return on Equity:	_____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	_____
Commission order approving AFUDC rate:	_____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

AQUA UTILITIES FLORIDA
 NBV SUMMARY
 AS OF 2/28/13

BUYER	major_location	WATER									NBV-Water
		101-UPIS	108-AD	106-CCNC	108-AD	105-CWIP	114-UPAA	115-AA	271-CIAC	272-AA	
BREVARD	Kingswood	21,440.93	4,816.31						(288.79)	(87.46)	16,423.29
	Oakwood	77,671.39	26,263.61	184.13	4.11				(7,513.60)	(1,388.27)	45,462.47
HIGHLANDS	Lake Josephine	2,094,983.47	277,623.89						(347,588.31)	(198,859.52)	1,668,630.79
	Leisure Lakes	894,703.12	170,370.24	313.34	0.09				(156,728.28)	(101,931.07)	669,848.92
	Sebring Lakes	721,466.65	137,774.52						(334,164.70)	(143,784.89)	393,312.32
PALM BEACH	Lake Osborne Est	265,904.02	144,357.41						(21,028.89)	(20,572.36)	121,090.08
SUMTER	Jumper Creek Manor	513,041.91	119,910.94						(157,236.00)	(26,508.73)	262,403.70
	The Woods	492,503.62	171,721.37						(90,582.76)	(91,619.93)	321,819.42
WASHINGTON	Sunny Hills	4,082,577.48	1,621,469.44						(692,445.60)	(174,457.00)	1,943,119.44
Grand Total		9,164,292.59	2,674,307.73	497.47	4.20	-	-	-	(1,807,576.93)	(759,209.23)	5,442,110.43
	Net Wtr Plant		393,130.97						NET CIAC	(183,744.73)	6,035.29
	Annual Wtr Deprc	2.30%	11,799.96						Annual Wtr CIAC Am	1%	
										(1,572.36)	

Rate Base (2/28/13)	As of 2/28/13	accounts for only 1 month		Rate Base (3/28/13)
		-2.30%	(-1%)	
SYSTEM	Initial Balance	1 month Depr	1 month Amortiz	Balance as of:
Brevard (both):	\$ 61,885.76	\$ (118.61)	\$ 51.57	\$ 61,818.72
		\$ -	\$ -	
HC Waterworks (W)	\$ 2,731,792.03	\$ (5,235.93)	\$ 2,276.49	\$ 2,728,832.59
HC Waterworks (W)	\$ 67,812.33	\$ (129.97)	\$ 56.51	\$ 67,738.87
Total:	\$ 2,799,604.36	\$ (5,365.91)	\$ 2,333.00	\$ 2,796,571.46
		\$ -	\$ -	
Lake Osborne:	\$ 121,090.08	\$ (232.09)	\$ 100.91	\$ 120,958.90
		\$ -	\$ -	
Sumter (Both - W)	\$ 584,223.12	\$ (1,119.76)	\$ 486.85	\$ 583,590.21
Sumter (Both - WW)	\$ 235,635.12	\$ (451.63)	\$ 196.36	\$ 235,379.85
Total:	\$ 819,858.24	\$ (1,571.39)	\$ 683.22	\$ 818,970.06
		\$ -	\$ -	
Sunny Hills (W):	\$ 1,943,119.44	\$ (3,724.31)	\$ 1,619.27	\$ 1,941,014.39
Sunny Hills (WW):	\$ 136,772.12	\$ (262.15)	\$ 113.98	\$ 136,623.95
	\$ 2,079,891.56	\$ (3,986.46)	\$ 1,733.24	\$ 2,077,638.34
		\$ -	\$ -	
Grand Total:	\$ 5,882,330.00	\$ (11,274.47)	\$ 4,901.94	\$ 5,875,957.48

\$ (1,423.37)	\$ 618.86
\$ -	\$ -
\$ (62,831.22)	\$ 27,317.92
\$ (1,559.68)	\$ 678.12
\$ (64,390.90)	\$ 27,996.04
\$ -	\$ -
\$ (2,785.07)	\$ 1,210.90
\$ -	\$ -
\$ (13,437.13)	\$ 5,842.23
\$ (5,419.61)	\$ 2,356.35
\$ (18,856.74)	\$ 8,198.58
\$ -	\$ -
\$ (44,691.75)	\$ 19,431.19
\$ (3,145.76)	\$ 1,367.72
\$ (47,837.51)	\$ 20,798.92
\$ -	\$ -
\$ (135,293.59)	\$ 58,823.30

WASTEWATER											
101-UPIS	108-AD	106-CCNC	108-AD	105-CWIP	114-UPAA	115-AA	271-CIAC	272-AA	NBV-Wastewater	Grand Total	
									-	16,423.29	
									-	45,462.47	
386,655.71	274,502.38						(278,949.85)	(234,608.85)	-	1,668,630.79	
									67,812.33	737,661.25	
									-	393,312.32	
									-	121,090.08	
407,199.33	100,924.96						(221,828.00)	(47,380.80)	131,827.17	394,230.87	
192,984.26	101,315.24			14,461.11			(65,285.33)	(62,963.15)	103,807.95	425,627.37	
763,118.33	621,795.61						(6,976.96)	(2,426.36)	136,772.12	2,079,891.56	
77,243,735.27	34,496,787.52	36,025.10	762.70	388,286.39	(156,525.00)	(53,455.08)	(22,579,379.93)	(12,920,911.90)	440,219.57	5,882,330.00	
Net WW Plant	306,274.37						Net CIAC	(174,447.20)	7,044.31		
	2.30%							1.00%			
Annual WW Depr	9,365.58						Annual WW Camort	(2,218.28)			

UTILITY NAME:

Jumper Creek Util Co.

YEAR OF REPORT
2016

COMPARATIVE OPERATING STATEMENT

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	2016 YEAR * (e)	WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
	UTILITY OPERATING INCOME						
400	Operating Revenues	F-3(b)	\$ _____	\$ 35,086	15,696	19,390	\$ _____
469,530	Less: Guaranteed Revenue and AFPI	F-3(b)					
Net Operating Revenues			\$ 0	\$ 35,086	15,696	19,390	\$ 0
401	Operating Expenses	F-3(b)	\$ _____	\$ 41,375	19,711	21,664	\$ _____
403	Depreciation Expense:	F-3(b)	\$ _____	\$ 18,781	9,172	9,609	_____
	Less: Amortization of CIAC	0		(3,582)	(1,837.45)	(1,744.47)	
Net Depreciation Expense			\$ 0	\$ 15,199	7,335	7,864	\$ 0
406	Amortization of Utility Plant Acquisition A	F-3(b)	_____	27,783	18,493	9,290	_____
407	Amortization Expense (Other than CIAC)	F-3(b)	_____	(27,783)	(18,493)	(9,290)	_____
408	Taxes Other Than Income	W/S-3	_____	8,257	3,694	4,563	_____
409	Current Income Taxes	W/S-3	_____	_____	_____	_____	_____
410.1	Deferred Federal Income Taxes	W/S-3	_____	_____	_____	_____	_____
410.11	Deferred State Income Taxes	W/S-3	_____	_____	_____	_____	_____
411.1	Provision for Deferred Income Taxes - Cre	W/S-3	_____	_____	_____	_____	_____
412.1	Investment Tax Credits Deferred to Future	W/S-3	_____	_____	_____	_____	_____
412.11	Investment Tax Credits Restored to Opera	W/S-3	_____	_____	_____	_____	_____
Utility Operating Expenses			\$ 0	\$ 64,831	30,739	34,092	\$ 0
Net Utility Operating Income			\$ 0	\$ (29,745)	(15,043)	(14,701)	\$ 0
469,530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	_____	_____	_____	_____	_____
413	Income From Utility Plant Leased to Others		_____	_____	_____	_____	_____
414	Gains (losses) From Disposition of Utility Property		_____	_____	_____	_____	_____
420	Allowance for Funds Used During Construction		_____	_____	_____	_____	_____
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 0	\$ (29,745)	(15,043)	(14,701)	\$ 0

* For each account, Column e should agree with Columns f, g and h on F-3(b)

* Total of Schedules W-3 / S-3 for all rate groups.

UTILITY NAME:

Juniper Creek Util Co.

YEAR OF REPORT 2016

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ <u>0</u>	\$ <u>(29,745)</u>
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		_____	_____
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ <u>0</u>	\$ <u>0</u>
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$ _____	\$ _____
409.2	Income Taxes		_____	_____
410.2	Provision for Deferred Income Taxes		_____	_____
411.2	Provision for Deferred Income Taxes - Credit		_____	_____
412.2	Investment Tax Credits - Net		_____	_____
412.3	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ <u>0</u>	\$ <u>0</u>
INTEREST EXPENSE				
427	Interest Expense	0	\$ _____	\$ <u>0</u>
428	Amortization of Debt Discount & Expense	0	_____	<u>0</u>
429	Amortization of Premium on Debt	0	_____	<u>0</u>
Total Interest Expense			\$ <u>0</u>	\$ <u>0</u>
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ <u>0</u>	\$ <u>0</u>
NET INCOME			<u>\$ <u>0</u></u>	<u>\$ <u>(29,745)</u></u>

Explain Extraordinary Income:

Proposed Operating Budget
Revision: 1/10/14

FY - 2015		2015		
USAN's		Jumper	WTR	WW
400	System Revenues (Note 1)			
461	Water Revenues:	\$ 11,974.04	\$ 11,974.04	
522	Wastewater Revenues:	\$ 18,891.28		\$ 18,891.28
461	Other Revenues:	\$ 3,405.43	\$ 3,405.43	
	Index on WTR/WST Revenues (Aqua 2012):	\$ 134.71	\$ 134.71	
	Index Wtr for 2014 = Estimated 1.5% (April thru Dec)	\$ 212.53		\$ 212.53
	Index WW for 2014 = Estimated 1.5% (April thru Dec)			
	Total Utility Revenues:	\$ 34,617.98	\$ 15,514.17	\$ 19,103.81
			44.82%	55.18%
	Operating Expenses:			
636	USW O & M Customer Service & Billing - Water	\$ 10,791.57	\$ 10,791.57	
	USW O & M Customer Service & Billing - Water w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract	\$ 169.97	\$ 169.97	
736	USW O & M Customer Service & Billing - Wastewater (Jan -Mar 2014)	\$ 16,672.64		\$ 16,672.64
	USW O & M Customer Service & Billing - Wastewater w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract	\$ 262.59		\$ 262.59
603	Officer Salaries	\$ -	\$ -	
618/718	Chemicals	\$ 758.55	\$ 339.95	\$ 418.60
711	Sludge	\$ 1,437.75		\$ 1,437.75
670/770	Bad Debt	\$ 692.36	\$ 692.36	
610/710	Purchase Water	\$ -	\$ -	
615/715	Purchased Power	\$ 3,953.76	\$ 1,771.89	\$ 2,181.87
657	Insurance	\$ 1,464.00	\$ 1,464.00	
640/740	Rents (land, etc.	\$ -	\$ -	\$ -
675.4	Sunshine Locates	\$ 50.00	\$ 50.00	
6758	Misc. Expenses (Includes Minor Repairs)	\$ 600.00	\$ 268.89	\$ 331.11
675.1	SCADA/Phones	\$ 250.73	\$ 250.73	
801	Bank Fees	\$ 51.18	\$ 51.18	\$ -
813	Office Supplies for the Utility	\$ 125.00	\$ 125.00	
630/730	Legal	\$ 1,500.00	\$ 1,500.00	
630/730	Professional Fees (Accounting Costs)	\$ 2,000.00	\$ 2,000.00	
	Total Direct Operating Expenses	\$ 40,780.11	\$ 19,475.54	\$ 21,304.57
	Net Operating Revenues Before Other Deductions	\$ (6,162.12)	\$ (3,961.37)	\$ (2,200.76)
	Allowances for Other Deductions:			
666/766	FPSC Fee:	\$ 1,557.81	\$ 698.14	\$ 859.67
	Property Taxes:	\$ 6,678.00	\$ 2,992.77	\$ 3,685.23
419.1	Interest Cost	\$ -		
	Total Other Cost:	\$ 8,235.81	\$ 3,690.91	\$ 4,544.90
	Total Net Operating Funds:	\$ (14,397.93)	\$ (7,652.27)	\$ (6,745.66)
	ROR 8.74% (20% Rule 2014 CIP)	\$ 20,445.00	\$ 6,949.13	\$ 2,038.76
	Working Capital 1/8 of O&M Exp	\$ 5,097.51	\$ 445.52	\$ 232.75
	Net Requirements	\$ (15,977.69)	\$ (7,950.04)	\$ (8,027.65)
403.1/2	Depreciation/ RESET BY 20% Rule	\$ 18,765.19	\$ 9,156.51	\$ 9,608.68
334 & 330's	CIP & Meter Change Out	\$ 7,467.50	\$ 2,467.50	\$ 5,000.00
	Minor Repairs Included in Misc Exp			

Proposed Operating Budget
Revision: 1/10/14
FY - 2016

USAN's		2016	WTR	WW
		Jumper		
400	System Revenues (Note 1)			
461	Water Revenues:	\$ 12,153.65	\$ 12,153.65	
522	Wastewater Revenues:	\$ 19,174.65		\$ 19,174.65
461	Other Revenues:	\$ 3,405.43	\$ 3,405.43	
	Index on WTR/WST Revenues (Aqua 2012):	\$ 136.73	\$ 136.73	
	Index Wtr for 2014 = Estimated 1.5% (April thru Dec)	\$ 215.71		\$ 215.71
	Index WW for 2014 = Estimated 1.5% (April thru Dec)			
	Total Utility Revenues:	\$ 35,086.17	\$ 15,695.81	\$ 19,390.37
			44.74%	55.26%
	Operating Expenses:			
636	USW O & M Customer Service & Billing - Water	\$ 11,018.19	\$ 11,018.19	
	<i>USW O & M Customer Service & Billing - Water w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract</i>	\$ 173.54	\$ 173.54	
736	USW O & M Customer Service & Billing - Wastewater (Jan -Mar 2014)	\$ 17,022.77		\$ 17,022.77
	<i>USW O & M Customer Service & Billing - Wastewater w/ Est. CPI Increase of 2.1% from Apr 2014 -Mar 2015 per contract</i>	\$ 268.11		\$ 268.11
603	Officer Salaries	\$ -	\$ -	
618/718	Chemicals	\$ 758.55	\$ 339.34	\$ 419.21
711	Sludge	\$ 1,437.75		\$ 1,437.75
670/770	Bad Debt	\$ 701.72	\$ 701.72	
610/710	Purchase Water	\$ -	\$ -	
615/715	Purchased Power	\$ 3,953.76	\$ 1,768.72	\$ 2,185.04
657	Insurance	\$ 1,464.00	\$ 1,464.00	
640/740	Rents (land, etc.	\$ -	\$ -	\$ -
675.4	Sunshine Locates	\$ 50.00	\$ 50.00	
6758	Misc. Expenses (Includes Minor Repairs)	\$ 600.00	\$ 268.41	\$ 331.59
675.1	SCADA/Phones	\$ 250.73	\$ 250.73	
801	Bank Fees	\$ 51.18	\$ 51.18	\$ -
813	Office Supplies for the Utility	\$ 125.00	\$ 125.00	
630/730	Legal	\$ 1,500.00	\$ 1,500.00	
630/730	Professional Fees (Accounting Costs)	\$ 2,000.00	\$ 2,000.00	
	Total Direct Operating Expenses	\$ 41,375.30	\$ 19,710.83	\$ 21,664.48
	Net Operating Revenues Before Other Deductions	\$ (6,289.13)	\$ (4,015.02)	\$ (2,274.11)
	Allowances for Other Deductions:			
666/766	FPSC Fee:	\$ 1,578.88	\$ 706.31	\$ 872.57
	Property Taxes:	\$ 6,678.00	\$ 2,987.40	\$ 3,690.60
419.1	Interest Cost	\$ -	\$ -	\$ -
	Total Other Cost:	\$ 8,256.88	\$ 3,693.72	\$ 4,563.16
	Total Net Operating Funds:	\$ (14,546.01)	\$ (7,708.74)	\$ (6,837.27)
	ROR 8.74% (20% Rule 2014 CIP)	\$ 20,912.50	\$ 5,785.55	\$ 4,149.59
	Working Capital 1/8 of O&M Exp	\$ 5,171.91	\$ 452.03	\$ 215.34
	Net Requirements	\$ (20,783.58)	\$ (12,073.67)	\$ (8,709.92)
403.1/.2	Depreciation/ RESET BY 20% Rule	\$ 18,780.77	\$ 9,172.10	\$ 9,608.68
334 & 330's	CIP & Meter Change Out	\$ 467.50	\$ 467.50	\$ -
	Minor Repairs Included in Misc Exp			

UTILITY NAME:

Jumper Creek Util Co

YEAR OF REPORT
2016

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)	
101	Utility Plant In Service	0	\$ 516,944	\$ 427,634	944,579
	Less:				0
	Nonused and Useful Plant (1)				0
108	Accumulated Depreciation Prev +'13,'14,'15,'16	0	<u>(153,342)</u>	<u>(135,455)</u>	(288,796)
110	Accumulated Amortization	0	<u>0</u>	<u>0</u>	0
271	Contributions in Aid of Construction	0	<u>(157,236)</u>	<u>(221,828)</u>	(379,064)
252	Advances for Construction	0			0
Subtotal			\$ <u>206,367</u>	\$ <u>70,352</u>	276,718
	Add:				0
272	Accumulated Amortization of Contributions in Aid of Construction	0	33,859	54,504	88,363
Subtotal			\$ <u>240,225</u>	\$ <u>124,856</u>	365,081
	Plus or Minus:				0
114	Acquisition Adjustments (2)	0	<u>(209,918)</u>	<u>(105,457)</u>	(315,375)
115	Accumulated Amortization of Acquisition Adjustments (2)	0	<u>69,348</u>	<u>34,838</u>	104,186
	Working Capital Allowance (3)		<u>2,464</u>	<u>2,708</u>	5,172
	Other (Specify):				0
					0
					0
					0
					0
					0
RATE BASE			\$ <u>102,119</u>	\$ <u>56,946</u>	159,064
NET UTILITY OPERATING INCOME			\$ <u>(15,043)</u>	\$ <u>(14,701)</u>	(29,745)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>-14.73%</u>	<u>-25.82%</u>	-18.70%

Analysis of Current Acquisition Rule
Rule 25-30.371

Negative Acquisition Adjustments

- 1 Rule:** (3) Negative Acquisition Adjustments. If the purchase price is greater than 80 percent of net book value, a negative acquisition adjustment will not be included in rate base. When the purchase price is equal to or less than 80 percent of net book value, a negative acquisition adjustment shall be included in rate base and will be equal to 80 percent of net book value less the purchase price. Amortization of a negative acquisition adjustment shall be pursuant to subparagraph (4)(b)1. or (4)(b)2. below.
- Amortization if Greater than 50%:** 1. If the purchase price is greater than 50 percent of net book value, the negative acquisition adjustment shall be amortized over a 7-year period from the date of issuance of the order approving the transfer of assets. In this case, the negative acquisition adjustment shall not be recorded on the books for ratemaking purposes or used for any earnings review unless the purchaser files for a rate increase pursuant to Section 367.081(2), 367.0814, 367.0817 or 367.0822, F.S., that will be effective during the amortization period.
- Amortization if Less than 50%:** 2. If the purchase price is 50 percent of net book value or less, the negative acquisition adjustment shall be amortized from the date of issuance of the order approving the transfer of assets as follows:
a. 50 percent of the negative acquisition adjustment shall be amortized over a 7-year period; and
b. 50 percent of the negative acquisition adjustment shall be amortized over the remaining life of the assets.

JUMPER WW (3) Paid Less Than 50% Of Rate Base

Purchase Price equal to or less than 80% of Net Rate Base	Historical	2013 9 mos	2014	2015	2016	2017	2018	2019	6 yrs 9 mos
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Rate Base: \$ 131,827	407,199	\$ 131,827	\$ 126,544	\$ 129,102	\$ 124,493	\$ 114,885	\$ 105,276	\$ 95,667	
Purchase Pric \$ 5 0.00%		\$ 12,000	\$ 5,000	\$ -					
Net Plant in Service		\$ 131,827	\$ 138,544	\$ 134,102	\$ 124,493	\$ 114,885	\$ 105,276	\$ 95,667	
CIP From Prev Yr									
Total Plant		\$ 131,827	\$ 138,544	\$ 134,102	\$ 124,493	\$ 114,885	\$ 105,276	\$ 95,667	
Depreciation Expense	-101,512	\$ (5,283)	\$ (9,442)	\$ (9,609)	\$ (9,609)	\$ (9,609)	\$ (9,609)	\$ (9,609)	
Neg Aqoi Adju		\$ 105,457	\$ 105,457	\$ 105,457	\$ 105,457	\$ 105,457	\$ 105,457	\$ 105,457	
Amortization over 7 years		\$ 5,649	\$ 7,533	\$ 7,533	\$ 7,533	\$ 7,533	\$ 7,533	\$ 7,533	
Amortization over life of assets		\$ 1,318	\$ 1,758	\$ 1,758	\$ 1,758	\$ 1,758	\$ 1,758	\$ 1,758	
Net New Rate Base		\$ 28,055	\$ 20,935	\$ 23,327	\$ 18,718	\$ 9,109	\$ (499)	\$ (10,108)	
ROR		\$ 2,452.00	\$ 1,829.76	\$ 2,038.76	\$ 1,635.96	\$ 796.16	\$ (43.64)	\$ (883.44)	
Total Cumulative Acc Acq Adj			\$ 16,258	\$ 25,548	\$ 34,838	\$ 44,129	\$ 53,419	\$ 62,709	
Annual Acqu Adj Amort Net Started 3/29/13		\$ 6,968	\$ 9,290	\$ 9,290	\$ 9,290	\$ 9,290	\$ 9,290	\$ 9,290	
CIAC	(221,828.00)								
Annual CIAC Ajd		(1,744.47)	(1,744.47)	(1,744.47)	(1,744.47)	(1,744.47)	(1,744.47)	(1,744.47)	
Total Cumulative CIAC Ajd	47,526.17	49,270.64	51,015.12	52,759.59	54,504.06	56,248.53	57,993.00	59,737.48	
Net CIAC	(174,301.83)	(172,557.36)	(170,812.88)	(169,068.41)	(167,323.94)	(165,579.47)	(163,835.00)	(162,090.52)	

Analysis of Current Acquisition Rule
Rule 25-30.371

Negative Acquisition Adjustments

- 1 Rule:** (3) Negative Acquisition Adjustments. If the purchase price is **greater than 80 percent** of net book value, a negative acquisition adjustment will not be included in rate base. When the purchase price is equal to or less than 80 percent of net book value, a negative acquisition adjustment shall be included in rate base and will be equal to 80 percent of net book value less the purchase price. Amortization of a negative acquisition adjustment shall be pursuant to subparagraph (4)(b)1. or (4)(b)2. below.
- Amortization if Greater than 50%:** 1. If the purchase price is **greater than 50 percent of net book value**, the negative acquisition adjustment shall be amortized over a 7-year period from the date of issuance of the order approving the transfer of assets. In this case, the negative acquisition adjustment shall not be recorded on the books for ratemaking purposes or used for any earnings review unless the purchaser files for a rate increase pursuant to Section 367.081(2), 367.0814, 367.0817 or 367.0822, F.S., that will be effective during the amortization period.
- Amortization if Less than 50%:** 2. If the purchase price is **50 percent of net book value or less**, the negative acquisition adjustment shall be amortized from the date of issuance of the order approving the transfer of assets as follows:
a. 50 percent of the negative acquisition adjustment shall be amortized over a 7-year period; and
b. 50 percent of the negative acquisition adjustment shall be amortized over the remaining life of the assets.

JUMPER WATER (3) Paid Less Than 50% of Rate Base

Purchase Price equal to or less than 80% of Net Rate Base		Historical	2013 9 mos Year 1	2014 Year 2	2015 Year 3	2016 Year 4	2017 Year 5	2018 Year 6	2019 Year 7	
Rate Base:	\$ 262,404	513,041.91	\$ 262,404	\$ 262,404	\$ 254,297	\$ 247,608	\$ 238,903	\$ 229,731	\$ 220,559	6 yrs 9 mos
Purchase Price:	\$ 5 0.00%		\$ 968	\$ 2,468	\$ 468					
Recognized Rate Base:			\$ 262,404	\$ 263,371	\$ 256,764	\$ 248,075	\$ 238,903	\$ 229,731	\$ 220,559	
Rate Base:	\$ 262,404		\$ (6,782)	\$ (9,074)	\$ (9,157)	\$ (9,172)	\$ (9,172)	\$ (9,172)	\$ (9,172)	
Neg. Acqui Adj	\$ 209,918		\$ 209,918	\$ 209,918	\$ 209,918	\$ 209,918	\$ 209,918	\$ 209,918	\$ 209,918	
Amortization over 7 years	\$ 209,918		\$ 11,246	\$ 14,994	\$ 14,994	\$ 14,994	\$ 14,994	\$ 14,994	\$ 14,994	
Amortization over life of assets	\$ 52,486		\$ 2,624	\$ 3,499	\$ 3,499	\$ 3,499	\$ 3,499	\$ 3,499	\$ 3,499	
Net Plant in Service		393,884.47	\$ 59,574	\$ 62,872	\$ 56,183	\$ 47,478	\$ 38,306	\$ 29,134	\$ 19,962	
ROR			\$ 5,206.75	\$ 5,494.99	\$ 4,910.37	\$ 4,149.59	\$ 3,347.95	\$ 2,546.31	\$ 1,744.67	
Total Cumulative Acc Acq Adj			\$	\$ 32,362	\$ 50,855	\$ 69,348	\$ 87,841	\$ 106,333	\$ 124,826	
Annual Acqui Adj Amort Net Started 3/29/13			\$ 13,870	\$ 18,493	\$ 18,493	\$ 18,493	\$ 18,493	\$ 18,493	\$ 18,493	
CIAC		(157,236.00)								
Annual CIAC Adj			(1,837.45)	(1,837.45)	(1,837.45)	(1,837.45)	(1,837.45)	(1,837.45)	(1,837.45)	
Total Cumulative CIAC Adj		26,508.73	28,346.18	30,183.62	32,021.07	33,858.52	35,695.97	37,533.41	39,370.86	
Net CIAC		(130,727.27)	(128,889.82)	(130,727.27)	(132,564.72)	(134,402.16)	(136,239.61)	(138,077.06)	(139,914.51)	