

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** August 30, 2019

**TO:** Office of Commission Clerk

**FROM:** Lynn M. Deamer, Chief of Auditing, Office of Auditing and Performance Analysis

**RE:** Docket No.: 20190113-WS  
Company Name: Heather Hills Utilities, LLC  
Company Code: WS974  
Audit Purpose: A1b: Staff Assisted Rate Case  
Audit Control No.: 2019-156-2-1

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Attached is the final audit report for the Utility stated above. I am sending the Utility a copy of this memo and the audit report. If the Utility desires to file a response to the audit report, it should send a response to the Office of Commission Clerk. There are no confidential work papers associated with this audit.

LMD/cmm

Attachment: Audit Report

cc: Office of Auditing and Performance Analysis File.

State of Florida



## Public Service Commission

Office of Auditing and Performance Analysis  
Bureau of Auditing  
Tampa District Office

### Auditor's Report

Heather Hills Utilities, LLC  
Staff-Assisted Rate Case

**Twelve Months Ending May 31, 2019**

Docket No. 20190113-WS  
Audit Control No. 2019-156-2-1

**August 14, 2019**

A large, stylized handwritten signature in cursive script that reads "Ronald A. Mavrides".

Ronald A. Mavrides  
Audit Manager

A handwritten signature in cursive script that reads "Linda Hill".

Linda Hill  
Reviewer

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## Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting and Finance in its audit service request dated June 4, 2019. We have applied these procedures to the attached schedules prepared by the audit staff in support of Heather Hills Utilities, LLC's request for a Staff-Assisted Rate Case in Docket No. 20190113-WS.

The report is intended only for internal Commission use.

## Objectives and Procedures

### **General**

#### Utility Information

Heather Hills Utilities, LLC. (Heather Hills or Utility) is a Class C utility serving approximately 354 residential water and wastewater customers in Manatee County. The Utility is owned and managed by Florida Utility Services 1, LLC (FUS1). FUS1 Certificate Nos. 577-W and 498-S were transferred to the current owner by Order No. PSC-2018-0561-PAA-WS, issued November 26, 2018.

Rate base was last established as of April 7, 2017, in Order No. PSC-2018-0561-PAA-WS.

The owner, Mr. Mike Smallridge, in addition to this Utility owns another thirteen utilities for a total of fourteen utilities. Since January 1, 2015, Mr. Smallridge has been recording common costs on FUS1's books. Common costs may include salaries, employee benefits, rent, electric, telephone, internet, transportation, material and supplies, office supplies, and postage. These costs were allocated among all the utilities based on customer count. Mr. Smallridge files a Form 1040, which includes Schedule C-Profit or Loss from Business. One of these schedules represented Heather Hills Utilities, LLC.

#### Utility Books and Records

**Objective:** The objective was to determine whether the Utility maintains its accounts and records in conformity with the National Association of Regulatory Utility Commissioners' (NARUC) Uniform System of Accounts (USOA).

**Procedure:** We reviewed the Utility's books and records and determined that it is in compliance with the NARUC USOA.

### **Rate Base**

#### Utility Plant in Service

**Objectives:** The objectives were to determine whether: 1) Property exists and is owned by the Utility, 2) Utility Plant in Service (UPIS) additions are authentic, recorded at original cost, and properly classified in compliance with Commission rules and the NARUC USOA, 3) Proper retirements of UPIS were made when a replacement item was put in service, and 4) Adjustments to UPIS in the Utility's last rate case proceeding were recorded in its general ledger.

**Procedures:** We reconciled the beginning balances for UPIS that were established in Docket No. 20170151-WS as of April 7, 2017, to the general ledger. We reviewed and sampled documentation for plant additions from April 7, 2017, through May 31, 2019. We toured the utility plant site on August 8, 2019, to observe whether plant additions were completed and in service and to ascertain if a retirement was needed. We determined the year-end and average balances as of May 31, 2019. No exceptions were noted.

#### Land & Land Rights

**Objectives:** The objectives were to determine whether utility land is: 1) Recorded at original cost, 2) Owned or secured under a long-term lease, and 3) Adjustments to land in the Utility's last rate case proceeding were recorded in its general ledger.

**Procedures:** We reconciled the beginning balance for land that was established in Docket No. 20170151-WS as of April 7, 2017, to the general ledger. There was no change to utility land since the last rate case proceeding. We determined the year-end and average balance as of May 31, 2019. No exceptions were noted.

#### Contributions-in-Aid-of-Construction

**Objectives:** The objectives were to determine whether Contributions in Aid of Construction (CIAC) is properly recorded in compliance with Commission rules and the NARUC USOA, 2) Donated property is properly accounted for and recorded as CIAC, and 3) Adjustments to CIAC in the Utility's last rate case proceeding were recorded in its general ledger.

**Procedures:** We reconciled the beginning balance for CIAC that was established as of April 7, 2017 in Docket No. 20170151-WS to the general ledger. The balance for CIAC that was established in Docket No. 20170151-WS, on April 7, 2017, was completely amortized as of that date. We determined the year-end and average balance as of May 31, 2019. No exceptions were noted.

#### Accumulated Depreciation

**Objectives:** The objectives were to determine whether: 1) Adjustments to Accumulated Depreciation in the Utility's last rate case proceeding were recorded in its general ledger, 2) Accumulated Depreciation accruals are properly recorded in compliance with Commission Rule 25-30.140-Depreciation, Florida Administrative Code (F.A.C.) and the NARUC USOA, 3) Depreciation expense accruals are calculated using the Commission's authorized rates, and 4) Retirements are properly recorded when an asset was replaced.

**Procedures:** We reconciled the beginning balances for Accumulated Depreciation that was established in Docket No. 20170151-WS as of April 7, 2017, to the general ledger. We calculated accumulated depreciation using the depreciation rates established by Rule 25-30.140(2), F.A.C - Depreciation. We determined the year-end and simple average balances as of May 31, 2019. Our recommended adjustments to Accumulated Depreciation are discussed in Finding 4.

### Accumulated Amortization of CIAC

**Objectives:** The objectives were to determine whether: 1) Accruals to Accumulated Amortization of CIAC are properly recorded in compliance with Commission Rule 25-30.140, F.A.C., 2) Retirements are recorded when a contributed asset was replaced, 3) Adjustments to Accumulated Amortization of CIAC in the Utility's last rate case proceeding were recorded in its general ledger.

**Procedures:** We reconciled the beginning balances for Accumulated Amortization of CIAC that was established in Docket No. 20170151-WS, April 7, 2017, to the general ledger. CIAC is completely amortized. We determined the year-end and average balance as of May 31, 2019. No exceptions were noted.

### Working Capital

**Objective:** Our objective was to determine the working capital adjustment to be included in the Utility's rate base per Commission Rule 25-30.433(2).

**Procedures:** We calculated the Utility's working capital adjustment as of May 31, 2019, using one-eighth of Operation and Maintenance (O&M) Expense as required by Commission Rule 25-30.433(2), F.A.C.

### **Capital Structure**

**Objectives:** The objectives were to determine: 1) Component balances for the Utility's capital structure, 2) Cost rates to be used to arrive at the overall weighted cost of capital and, if 3) Components are properly recorded in compliance with Commission requirements.

**Procedures:** We reviewed the general ledger and determined that the Utility's capital structure is composed of retained earnings, which has a negative balance. It also includes paid in capital and long-term debt. We noted that the Utility does not have a tariff for customer deposits nor does it collect them. We determined the year-end and simple average capital structure balances and its weighted average cost as of May 31, 2019. Our recommended adjustments to capital structure are discussed in Finding 1.

### **Net Operating Income**

#### Operating Revenues

**Objectives:** The objectives were to determine whether the Utility's test year revenues are recorded in compliance with Commission rules and calculated using Commission approved rates.

**Procedures:** We compiled the Utility's revenues for the test year ending May 31, 2019, by obtaining the monthly customer billing registers. We reconciled the billing registers to the general ledger. We recalculated revenues based on current tariffs in effect by class. We completed a billing analysis as requested by technical staff. Our recommended adjustments to Operating Revenues are discussed in Finding 2.

### Operation and Maintenance Expense

**Objectives:** Our objectives were to determine whether O&M Expense is: 1) Representative of the Utility's ongoing operations for the test year, 2) Properly recorded in appropriate period for the correct amount, and 3) Recorded in compliance with NARUC USOA and Commission rules.

**Procedures:** We verified O&M Expense for the test year ended May 31, 2019, by tracing a sample of invoices to the original source documentation. We reviewed invoices for proper amount, period, classification, NARUC account, and whether recurring in nature. We determined the proper allocation of expenses between the Utility's related party operations and its operations. Our recommended adjustments to O&M Expense are discussed in Finding 3.

### Depreciation and CIAC Amortization Expense

**Objectives:** Our objectives were to determine whether depreciation and CIAC amortization expenses are properly recorded in compliance with Commission rules and that they accurately represent the depreciation of UPIS assets and the amortization of CIAC from ongoing utility operations.

**Procedures:** We recalculated depreciation expenses for the test year ended May 31, 2019 by using the rates established by Commission Rule 25-30.140, F.A.C. There was no CIAC amortization expense as it is fully amortized. Our recommended adjustments to Depreciation Expense are discussed in Finding 4.

### Taxes Other Than Income

**Objectives:** Our objectives were to determine whether Taxes Other Than Income (TOTI) expenses are: 1) properly recorded in compliance with Commission rules, 2) Reasonable for ongoing utility operations, and 3) Recorded in compliance with the NARUC USOA.

**Procedures:** We verified TOTI expenses for the test year ended May 31, 2019, by tracing the taxes to original source documentation. We calculated the regulatory assessment fee based on audited revenues. We tested payroll. See Finding 2 for our adjustment to Regulatory Assessment Fees.



## Audit Findings

### **Finding 1: Capital Structure**

**Audit Analysis:** The Utility's Capital Structure per the general ledger was \$107,625 as of May 31, 2019. We set retained earnings to zero for rate making purposes as it has a negative balance. There are no customer deposits authorized nor collected. These adjustments are summarized in Table 1.

**Table 1**  
**Capital Structure**

<b>Capital Component</b>	<b>Per Utility 5/31/2019</b>	<b>Adjustments</b>	<b>Per Audit 5/31/2019</b>	<b>Average Per Audit</b>
<b>Equity</b>				
Retained Earnings	(\$37,040)	\$37,040	\$0	\$0
Paid in Capital	2,150	0	2,150	2,150
Total Common equity	(\$34,890)	\$37,040	\$2,150	\$2,150
<b>Long Term Debt</b>				
Bank Loan	\$117,060	\$0	\$117,060	\$122,562
Bank Loan	25,455	0	25,455	26,849
Total Long-Term Debt	\$142,515	\$0	\$142,515	\$149,411
<b>Customer Deposits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total</b>	<b>\$107,625</b>	<b>\$37,040</b>	<b>\$144,665</b>	<b>\$151,561</b>

**Effect on the General Ledger:** To be determined by utility.

**Effect on Staff Prepared Exhibit:** Audit staff determined the year-end and average balances of capital structure to be \$144,665 and \$151,561, respectively.

## Finding 2: Operating Revenues

**Audit Analysis:** The utility recorded \$168,390 in operating revenues for the test year. A recalculation of the billing register based on the current tariffs and the removal of an unsubstantiated "Other" revenue and "Late Fees" and "Reconnection Fees" not provided for in the tariffs sheets created water plant revenue of \$64,004 and wastewater revenue of \$107,148, for a total of \$171,152, an increase of \$2,762 in operating revenue. See Tables 2-1 and 2-2 for details.

**Table 2-1**

### Water

Description	Tariff Rate	Number of Customers	Balance	Audit	Balance
			per Utility 5/31/2019	Adjs.	per Audit 5/31/2019
Revenues			\$62,662	\$1,342	\$64,004
Late Fees			955	(955)	0
Connection Fees	26	1	26	(26)	0
Violation Reconnection Fees	31	1	31	(31)	0
Other			0	-	0
Total Revenues per Audit			<u>\$63,674</u>	<u>\$330</u>	<u>64,004</u>
Recalculated RAF per audited Revenue		\$64,004	X 0.045		\$ 2,880
RAF per 2018 RAF form					<u>\$ 2,852</u>
Audit Adjustment					<u>\$ 28</u>

**Table 2-2**

### Wastewater

Description	Tariff Rate	Number of Customers	Balance	Audit	Balance
			per Utility 5/31/2019	Adjs.	per Audit 5/31/2019
Revenues			\$104,642	\$2,506	\$107,148
Late Fees			0	-	0
Connection Fees	26	1	74	(74)	0
Violation Reconnection Fees	31	1	0	-	0
Other			0	-	0
Total Revenues per Audit			<u>\$104,716</u>	<u>\$2,432</u>	<u>\$107,148</u>
Recalculated RAF per audited Revenue		\$107,148	X 0.045		\$4,822
RAF per 2018 RAF form					<u>\$4,694</u>
Audit Adjustment					<u>\$128</u>

**Finding 2 (cont'd)**

**Effect on the General Ledger:** To be determined by the Utility.

**Effect on Staff Prepared Exhibit:** Increase operating revenues by \$2,762.

### Finding 3: Operation and Maintenance Expense

**Audit Analysis:** The Utility allocates some of the O&M expenses from FUS1. The allocations were made among 14 affiliated utilities based on the customer count. The allocation rate for Heather Hills Utilities, LLC was 11%.

All allocated expenses for the test sample month of September was audited. Audit staff reviewed the allocation methods and all direct and allocated expenses to determine if the transactions were made in the proper period, amount, classification, and whether the expenses were Utility related. Based on the review of FUSI's allocation methodology and supporting documentation, the adjustments that follow were made to water and wastewater test year expenses as shown in Tables 3-1 and 3-2.

**Table 3-1  
O&M Water**

Acct. No.	Account Description	Per Utility 5/31/2019	Audit Adj.	Allocated	Direct	Per Audit 5/31/2019
601	Salaries: Employees	\$13,233	\$0	\$13,233	\$0	\$13,233
603	Salaries: Officers	4,015	1,861	5,876	0	5,876
604	Employee Pension	333	0	333	0	333
610	Purchased Water	33,638	40	0	33,678	33,678
615	Purchased Power	0	105	0	105	105
620	Materials & Supplies	548	(112)	436	0	436
631	Cont. Services - Professional	389	(284)	67	38	105
635	Cont. Services - Testing	1,786	212	0	1,998	1,998
636	Cont. Services - Other	573	129	630	73	702
640	Office Rent	1,894	(519)	1,375	0	1,375
650	Transportation Expense	3,044	(963)	2,081	0	2,081
655	Insurance	2,442	(94)	2,348	0	2,348
665	Regulatory Commission Exp	1,054	(384)	0	670	670
670	Bad Debt Expense	126	0	0	126	126
675	Miscellaneous Expenses	5,957	(2,982)	2,875	100	2,975
	Total O&M Expense	\$69,032	(\$2,991)	\$29,254	\$36,788	\$66,041

1. For Account 603 – Officers Salary Expense - We increased \$1,862 based on the 2018 1040 tax return of the sole proprietor. We did not calculate the fallout affect on payroll taxes nor the affect on Account 604.
2. For Account 610 – Purchased Water – We increased \$40 based on the actual water invoices.
3. For Account 615 – Purchased Power – The office power bills were improperly charged to Acct. 675 Misc. Expense. We added the \$105 that was previously charged to that account.

### **Finding 3 (cont'd)**

4. For Account 620 – Materials and Supplies – We decreased by \$112 based on the provided allocations.
5. For Account 631 – Contractual Services Professional – We decreased by \$284 based on the provided invoices and allocated amounts.
6. For Account 635 – Contractual Services Testing – We increased by \$212 based on the actual invoices.
7. For Account 636 – Contractual Services Other – We increased by \$129 based on the actual invoices and allocations.
8. For Account 640 – Rent – We decreased by \$520 based on the allocations.
9. For Account 650 – Transportation – We decreased by \$963 based on the allocations.
10. For Account 655 – Insurance General Liability Expense – We decreased by \$94 based on an examination of the policies, and the resultant recalculation and reallocation.
11. For Account 665 – Regulatory Commission Expense – We decreased by \$384 based on the actual invoices. \$1,305 of the remaining SARC Application Fee belongs in Acct. 186.3 Deferred Assets.
12. For Account 675 – Miscellaneous Expense – Decreased by \$2,982 based on allocations and the removal of \$105 for purchased power for the office, \$234 in interest expense, and \$80 in late fees. \$234 in interest expense belongs in account 427.

**Finding 3 (cont'd)**

**Table 3-2  
O&M Wastewater**

<b>Acct. No.</b>	<b>Account Description</b>	<b>Per Utility 5/31/2019</b>	<b>Audit Adjs.</b>	<b>Allocated</b>	<b>Direct</b>	<b>Per Audit 5/31/2019</b>
701	Salaries: Employees	\$13,233	\$0	\$13,233	\$0	\$13,233
703	Salaries: Officers	4,015	1,862	5,876	0	5,876
704	Employee Pension	333	0	333	0	333
710	Purchased Water	84,012	(40)	0	\$83,972	83,972
715	Purchased Power	0	0	0	105	105
720	Materials & Supplies	941	(505)	436	0	436
731	Contractual Services - Professional	389	(322)	67	0	67
735	Contractual Services - Testing	108	(108)	0	0	0
736	Contractual Services - Other	65	(7)	58	0	58
740	Office Rent	1,895	(520)	1,375	0	1,375
750	Transportation Expense	3,044	(859)	2,081	0	2,081
755	Insurance	2,442	(94)	2,348	0	2,348
765	Regulatory Commission Expense	1,054	(384)	0	670	670
770	Bad Debt Expense	126	0	0	126	126
775	Miscellaneous Expenses	5,763	(2,469)	3,294	0	3,294
	<b>Total O&amp;M Expense</b>	<b>\$117,420</b>	<b>(\$3,446)</b>	<b>\$29,101</b>	<b>\$84,873</b>	<b>\$113,974</b>

1. For Account 703 – Officers Salaries Expense – We increased \$1,862 based on the 2018 1040 tax return of the sole proprietor. We did not calculate the affect on payroll taxes nor the affect on Account 703.
2. For Account 710 – Purchased Water – We reduced \$40 based on the actual water invoices.
3. For Account 720 – Materials and Supplies – We reduced \$505 based on the allocations.
4. For Account 731 – Contractual Services Professional – We decreased by \$322 based on the allocated amounts.
5. For Account 735 – Contractual Services Testing – We decreased \$108 based on no allocations or invoices being provided.
6. For Account 736 – Contractual Services Other – We decreased by \$7 based on the allocations.
7. For Account 740 – Rent – We decreased \$520 based on the allocations.
8. For Account 750 – Transportation – We decreased by \$859 based on the allocations .
9. For Account 755 – Insurance General Liability Expense – We decreased by \$94 based on an examination of the policies, and the resultant recalculation and reallocation.

**Finding 3 (cont'd)**

10. For Account 765 – Regulatory Commission Expense – We decreased \$384 based on the actual invoices. \$1,305 of the remaining SARC Application Fee belongs in Acct. 186.3 Deferred Assets.
11. For Account 775 – Miscellaneous Expense – Decrease by \$2,469 based on the allocations.

**Effect on the General Ledger:** To be determined by the Utility.

**Effect on Staff Prepared Exhibit:** Operation and Maintenance expenses for water and wastewater should be adjusted by decreasing \$2,991 for water and decreasing \$3,446 for wastewater.

Using 1/8th of O&M expenses, Working Capital is calculated to be \$8,255 and \$14,247 for water and wastewater, respectively.

#### **Finding 4: Accumulated Depreciation/Depreciation Expense**

**Audit Analysis:** Audit staff depreciated the water and the wastewater plant using audited utility plant in service balances and approved depreciation rates found in Commission Rule 25-30.140-Depreciation. See Table 4.

**Table 4**

<b>Account Description</b>	<b>Per Utility</b>	<b>Audit Adjustments</b>	<b>Per Audit</b>	<b>Simple Average</b>
<b>Water</b>				
Accumulated Depreciation	(\$55,042)	(\$1,038)	(\$56,080)	(\$53,989)
Depreciation Expense	\$3,138	(\$432)	\$2,706	
<b>Wastewater</b>				
Accumulated Depreciation	(\$72,603)	\$6	(\$72,597)	(\$72,567)
Depreciation Expense	\$73	(\$28)	\$45	

**Effect on the General Ledger:** Decrease Accumulated Depreciation for water by \$1,038 and increase wastewater by \$6. Decrease Depreciation Expense for water by \$432 and \$28 for wastewater.

**Effect on Staff Prepared Exhibit:** Audit staff determined the year-end balances for accumulated depreciation to be \$56,080 for water and \$72,597 for wastewater. Audit staff determined the average balances for accumulated depreciation to be \$53,989 for water and \$72,567 for wastewater. The depreciation for the test year is \$2,706 and \$45 for water and wastewater, respectively.



## Exhibits

### Exhibit 1: Rate Base

#### Heather Hills Utilities, LLC As of May 31, 2019

Account Description	Water		Per Audit	Simple Average
	Per Utility	Audit Adjustments		
Utility Plant In Service	\$89,864	\$0	\$89,864	\$89,864
Land and Land Rights	\$389	\$0	\$389	\$389
Acc. Depreciation	(\$55,042)	(\$1,038)	(\$56,080)	(\$53,989)
Contribution In Aid of Construction	(\$26,625)	\$0	(\$26,625)	(\$26,625)
Acc. Amortization of CIAC	\$26,625	\$0	\$26,625	\$26,625
Working Capital	\$0	\$0	\$8,255	\$8,255
Net Rate Base	<u>\$35,211</u>	<u>(\$1,038)</u>	<u>\$42,428</u>	<u>\$44,519</u>

#### Wastewater

Account Description	Wastewater		Per Audit	Simple Average
	Per Utility	Audit Adjustments		
Utility Plant In Service	\$73,240	\$0	\$73,240	\$72,876
Land and Land Rights	\$389	\$0	\$389	\$389
Acc. Depreciation	(\$72,603)	\$6	(\$72,597)	(\$72,567)
Contribution In Aid of Construction	\$0	\$0	\$0	\$0
Acc. Amortization of CIAC	\$0	\$0	\$0	\$0
Working Capital	\$0	\$0	\$14,247	\$14,247
Net Rate Base	<u>\$1,026</u>	<u>\$6</u>	<u>\$15,279</u>	<u>\$14,945</u>

## Exhibit 2: Capital Structure

### Heather Hills Utilities, LLC As of May 31, 2019

<b>Class of Capital</b>	<b>Per Utility</b>	<b>Adjustments</b>	<b>Adjusted Balance</b>	<b>Ratio</b>	<b>Cost Rate</b>	<b>Weighted Cost</b>
Long Term Debt	\$142,515	\$0	\$142,515	98.51%	4.50%	4.40%
Common Equity *	(\$34,890)	\$37,040	\$2,150	1.49%	7.21%	0.11%
Customer Deposits	\$0	\$0	\$0	-	-	-
<b>Total</b>	<b>\$107,625</b>	<b>\$37,040</b>	<b>\$144,665</b>	<b>100.00%</b>		<b>4.51%</b>

\* Common Equity cost rate is from Order No. PSC-17-0249-PAA-WS.  
Cost rate is not calculated on a negative retained earnings.

### Exhibit 3: Net Operating Income

**Heather Hills Utilities, LLC**  
**12 Months Ending May 31, 2019**

<b>Water</b>			
<b>Account Description</b>	<b>Per Utility</b>	<b>Audit Adjustments</b>	<b>Per Audit</b>
Revenues	\$63,674	\$330	\$64,004
Operation and Maintenance Expense	\$69,032	(\$2,991)	\$66,041
Depreciation Expense	\$3,137	(\$432)	\$2,705
Amortization of CIAC	\$0	\$0	\$0
Taxes Other Than Income	\$2,878	\$28	\$2,906
Operating Expense	<u>\$75,047</u>	<u>(\$3,395)</u>	<u>\$71,652</u>
Net Operating Income	<u>(\$11,373)</u>	<u>(\$3,065)</u>	<u>(\$7,648)</u>

<b>Wastewater</b>			
<b>Account Description</b>	<b>Per Utility</b>	<b>Audit Adjustments</b>	<b>Per Audit</b>
Revenues	\$104,716	\$2,432	\$107,148
Operation and Maintenance Expense	\$117,420	(\$3,446)	\$113,974
Depreciation Expense	\$73	(\$28)	\$45
Amortization of CIAC	\$0	\$0	\$0
Taxes Other Than Income	\$4,669	\$128	\$4,797
Operating Expense	<u>\$122,162</u>	<u>(\$3,346)</u>	<u>\$118,816</u>
Net Operating Income	<u>(\$17,446)</u>	<u>(\$914)</u>	<u>(\$11,668)</u>