

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-

DATE: January 27, 2020

TO: Adam Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Kordell A. Wilson, Public Utility Analyst II, Division of Accounting & Finance 

RE: *KAW* Docket No. 20190114-WU – Application for staff-assisted rate case in Alachua County by Gator Waterworks, Inc. – Supplemental Information for Bad Debt Expense

Please file the attached documents that were provided by the Utility in the above-referenced docket. The documents include supplemental information related to the Utility's 2019 bad debt expense. Thank you for your assistance with this matter. Please do not hesitate to contact me if you have any questions.

Attachment

RECEIVED-FPSC
2020 JAN 28 AM 11:27
COMMISSION
CLERK

Kordell Wilson

From: Troy Rendell <trendell@uswatercorp.net>
Sent: Monday, January 27, 2020 11:37 AM
To: Kordell Wilson
Cc: Todd Brown
Subject: RE: Items needed for Gator Waterworks and Merritt Island SARCs
Attachments: Gator November 2019 Budget to Actual.xlsx; Gator Balance Sheet.xlsx

I'm waiting for one more invoice from Merritt Island customer meeting. But I can either go ahead and send you what I have and then follow it up later or hopefully have it sometime today.

Here is the Gator Waterworks Financial through November 2019. I should have the Year End through December sometime this week.

Troy Rendell
Vice President - Investor Owned Utilities



4939 Cross Bayou Boulevard
New Port Richey, FL 34652
(Office) 727-848-8292 x245
(Mobile) 727-777-2508
(Fax) 727-848-7701
(E-Mail) trendell@uswatercorp.net

From: Kordell Wilson [mailto:kwilson@psc.state.fl.us]
Sent: Tuesday, January 21, 2020 4:12 PM
To: 'Troy Rendell'
Cc: Todd Brown
Subject: Items needed for Gator Waterworks and Merritt Island SARCs

Hi Troy,

As we discussed please provide the following at your earliest convenience:

- 1. Bad Debt Expense for Gator Water Works from January -November 2019**
- 2. Hotel receipts for your hotel stay during the Gator Water Works and Merritt Island Customer Meetings**
- 3. Your hotel reservation/receipt for your stay during the upcoming March 2020 Commission Conference.**

Please let me know if you have any questions and I look forward to hearing from you soon.

Regards,

Kordell Wilson
Public Utility Analyst II
Florida Public Service Commission
Phone: 850.413.6447

Fax: 850.413.6448
kwilson@psc.state.fl.us

Gator Waterworks Inc
Profit & Loss Budget vs. Actual
January through November 2019

					TOTAL		
	Nov 19	Budget	\$ Over Budget	% of Budget	Jan - Nov 19	Budget	\$ Over Budget
Ordinary Income/Expense							
Income							
400 - Utility Revenue							
400.1 - WATER SYSTEM							
461 - Metered Water Revenue							
461.1 - Water - Residential Customers	4,698.54	3,948.43	750.11	119.0%	52,980.07	48,118.72	4,861.35
461.2 - Water - Commercial Customers	27.26	70.46	-43.20	38.69%	587.99	571.28	16.71
Total 461 - Metered Water Revenue	4,725.80	4,018.89	706.91	117.59%	53,568.06	48,690.00	4,878.06
471 - Water - Misc Service Revenues							
471.1 - Initial Connect Fees	20.00	120.00	-100.00	16.67%	2,560.00	1,320.00	1,240.00
471.4 - Late Fees	266.00	135.00	131.00	197.04%	2,744.00	1,485.00	1,259.00
Total 471 - Water - Misc Service Revenues	286.00	255.00	31.00	112.16%	5,304.00	2,805.00	2,499.00
Total 400.1 - WATER SYSTEM	5,011.80	4,273.89	737.91	117.27%	58,872.06	51,495.00	7,377.06
Total 400 - Utility Revenue	5,011.80	4,273.89	737.91	117.27%	58,872.06	51,495.00	7,377.06
Total Income	5,011.80	4,273.89	737.91	117.27%	58,872.06	51,495.00	7,377.06
Expense							
401 - Operating Expense							
401.1 - WATER SYSTEM O&M							
603 - Salaries - Officers, Directors	416.67	416.67	0.00	100.0%	4,583.37	4,583.37	0.00
615 - Purchased Power	1,125.18	1,100.00	25.18	102.29%	11,840.47	12,100.00	-259.53
618 - Chemicals	97.50	50.00	47.50	195.0%	661.10	550.00	111.10
630 - Professional Fees					400.00		
632 - Accounting Fees	0.00				368.00	165.00	203.00
633 - Legal Fees	0.00	0.00	0.00	0.0%	0.00	156.80	-156.80
635 - Testing	0.00	47.04	-47.04	0.0%	768.00	321.90	446.20
Total 630 - Professional Fees	0.00	47.04	-47.04	0.0%	400.00	321.90	78.10
636 - Contractual Services					46,370.33	45,587.85	782.48
636.1 - Operating & Billing Services	4,242.16	4,144.35	97.81	102.36%	46,370.33	45,587.85	782.48
Total 636 - Contractual Services	4,242.16	4,144.35	97.81	102.36%	46,370.33	45,587.85	782.48
657 - Insurance - Gen Liability	118.83	125.00	-6.17	95.06%	1,340.78	1,375.00	-34.22
670 - Bad Debt Expense	-23.25	360.00	-373.25	-6.64%	949.98	3,850.00	-2,900.02
675 - Miscellaneous Expense	0.00	200.00	-200.00	0.0%	1,300.00	2,200.00	-900.00
Total 401.1 - WATER SYSTEM O&M	5,977.09	6,433.06	-455.97	92.91%	67,814.03	70,568.02	-2,753.99
403 - Depreciation							
403.1 - Water System Deprec.	2,011.80	1,436.64	575.16	140.04%	19,557.30	15,803.04	3,754.26
Total 403 - Depreciation	2,011.80	1,436.64	575.16	140.04%	19,557.30	15,803.04	3,754.26
407 - Amortization Expense Plant/Othr							
407.1 - Water System	-545.44				-10,952.26		
Total 407 - Amortization Expense Plant/Othr	-545.44				-10,952.26		
408 - Taxes Other than Income							
408.10 - Regulatory Assessment Fees							
408.11 - RAF - Water	225.53	200.00	25.53	112.77%	2,649.25	2,200.00	449.25
Total 408.10 - Regulatory Assessment Fees	225.53	200.00	25.53	112.77%	2,649.25	2,200.00	449.25
408.2 - Property Tax - Water	1,624.79	100.00	1,524.79	1,624.79%	2,388.85	1,100.00	1,288.85
408.4 - Tangible Tax - Water	8,070.81				8,070.81		
Total 408 - Taxes Other than Income	9,921.13	300.00	9,621.13	3,307.04%	13,108.91	3,300.00	9,808.91
Total 401 - Operating Expense	17,364.58	8,169.70	9,194.88	212.55%	89,527.98	89,671.06	-143.08
Total Expense	17,364.58	8,169.70	9,194.88	212.55%	89,527.98	89,671.06	-143.08
Net Ordinary Income	-12,352.78	-3,895.81	-8,456.97	317.08%	-30,655.92	-38,176.06	7,520.14
Net Income	-12,352.78	-3,895.81	-8,456.97	317.08%	-30,655.92	-38,176.06	7,520.14

Cash Basis:

	Nov 19	Jan - Nov 19
Add in:		
Officer's Salary	416.67	4,583.37
Depreciation Expense (net of amort.)	1,466.36	8,605.04
Acquisition Adjustment Amor (if applicable)	0.00	0.00
Net Cash Income:	-10,469.75	-17,467.51

Rate Base:

Plant In Service	619,113.68	YTD ROE: -8.37%
Accum. Depreciation	-250,054.06	Cash ROE: -4.77%
CIAC	-165,686.00	YTD Return
Accum. Amort CIAC	139,154.26	on Rate Base -8.71%
Working Cap (1/8 O&M)	9,247.37	Cash ROR -4.97%
Net Rate Base	351,776.25	
Equity	368,180.02	

Gator Waterworks Inc
Profit & Loss Budget vs. Actual
January through November 2019

	<u>% of Budget</u>	<u>March - Dec 1</u>
Ordinary Income/Expense		
Income		
400 - Utility Revenue		
400.1 - WATER SYSTEM		
461 - Metered Water Revenue		
461.1 - Water - Residential Customers	110.1%	
461.2 - Water - Commercial Customers	102.93%	
Total 461 - Metered Water Revenue	110.02%	
471 - Water - Misc Service Revenues		
471.1 - Initial Connect Fees	193.94%	
471.4 - Late Fees	184.78%	
Total 471 - Water - Misc Service Revenues	189.09%	
Total 400.1 - WATER SYSTEM	114.33%	
Total 400 - Utility Revenue	114.33%	
Total Income		
Expense		
401 - Operating Expense		
401.1 - WATER SYSTEM O&M		
603 - Salaries - Officers, Directors	100.0%	
615 - Purchased Power	97.86%	
618 - Chemicals	120.2%	
630 - Professional Fees		
632 - Accounting Fees		
633 - Legal Fees	223.03%	
635 - Testing	0.0%	
Total 630 - Professional Fees	238.66%	
636 - Contractual Services		
636.1 - Operating & Billing Services	101.72%	
Total 636 - Contractual Services	101.72%	
657 - Insurance - Gen Liability	97.51%	
670 - Bad Debt Expense	24.68%	
675 - Miscellaneous Expense	59.09%	
Total 401.1 - WATER SYSTEM O&M	96.1%	
403 - Depreciation		
403.1 - Water System Deprec.	123.76%	
Total 403 - Depreciation	123.76%	
407 - Amortization Expense Plant/Othr		
407.1 - Water System		
Total 407 - Amortization Expense Plant/Othr		
408 - Taxes Other than Income		
408.10 - Regulatory Assessment Fees		
408.11 - RAF - Water	120.42%	
Total 408.10 - Regulatory Assessment Fees	120.42%	
408.2 - Property Tax - Water	217.17%	
408.4 - Tangible Tax - Water		
Total 408 - Taxes Other than Income	397.24%	
Total 401 - Operating Expense	99.84%	
Total Expense	99.84%	
Net Ordinary Income	80.3%	
Net Income	80.3%	-33,137.34

Cash Basis:

Add In:	
Officer's Salary	4,166.70
Depreciation Expense (net of amort.)	13,176.80
Acquisition Adjustment Amor (if applicable)	0.00
Net Cash Income:	-16,793.84

-37.08%
-17.67%