

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:** February 5, 2020

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

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

**RE:** Docket No. 20190114-WU – Application for staff-assisted rate case in Alachua County by Gator Waterworks, Inc. – Updated 2019 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 FEB -5 PM 2:35  
COMMISSION  
CLERK

## Kordell Wilson

---

**From:** Troy Rendell <trendell@uswatercorp.net>  
**Sent:** Sunday, February 02, 2020 4:53 PM  
**To:** Troy Rendell; Kordell Wilson  
**Cc:** Todd Brown  
**Subject:** RE: Items needed for Gator Waterworks and Merritt Island SARCs  
**Attachments:** Gator Dec 2019 Budget to Actual.xlsx

Here is the Year End income statement..

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](mailto:trendell@uswatercorp.net)

---

**From:** Troy Rendell [<mailto: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

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](mailto: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](mailto:kwilson@psc.state.fl.us)

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

					TOTAL		
	Dec 19	Budget	\$ Over Budget	% of Budget	Jan - Dec 19	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
400 - Utility Revenue							
400.1 - WATER SYSTEM							
461 - Metered Water Revenue							
461.1 - Water - Residential Customers	5,839.00	3,370.58	2,268.42	167.3%	58,819.07	51,489.30	7,129.77
461.2 - Water - Commercial Customers	38.87	112.40	-73.53	34.58%	626.88	683.68	-56.82
Total 461 - Metered Water Revenue	5,877.87	3,482.98	2,194.89	163.02%	59,245.93	52,172.98	7,072.95
471 - Water - Misc Service Revenues							
471.1 - Initial Connect Fees	460.00	120.00	340.00	383.33%	3,020.00	1,440.00	1,580.00
471.4 - Late Fees	244.00	135.00	109.00	180.74%	2,988.00	1,820.00	1,368.00
Total 471 - Water - Misc Service Revenues	704.00	255.00	449.00	276.08%	6,008.00	3,060.00	2,948.00
Total 400.1 - WATER SYSTEM	6,381.87	3,737.98	2,643.89	170.73%	65,253.93	55,232.98	10,020.95
Total 400 - Utility Revenue	6,381.87	3,737.98	2,643.89	170.73%	65,253.93	55,232.98	10,020.95
<b>Total Income</b>	6,381.87	3,737.98	2,643.89	170.73%	65,253.93	55,232.98	10,020.95
<b>Expense</b>							
401 - Operating Expense							
401.1 - WATER SYSTEM O&M							
603 - Salaries - Officers, Directors	418.67	416.67	0.00	100.0%	5,000.04	5,000.04	0.00
615 - Purchased Power	1,080.27	1,100.00	-39.73	96.39%	12,900.74	13,200.00	-299.26
618 - Chemicals	62.40	50.00	12.40	124.8%	723.50	600.00	123.50
630 - Professional Fees							
632 - Accounting Fees	0.00				400.00		
633 - Legal Fees	0.00	0.00	0.00	0.0%	368.00	165.00	203.00
635 - Testing	0.00	0.00	0.00	0.0%	0.00	156.80	-156.80
Total 630 - Professional Fees	0.00	0.00	0.00	0.0%	768.00	321.80	446.20
636 - Contractual Services							
636.1 - Operating & Billing Services	4,242.16	4,144.35	97.81	102.36%	50,612.49	49,732.20	880.29
Total 636 - Contractual Services	4,242.16	4,144.35	97.81	102.36%	50,612.49	49,732.20	880.29
657 - Insurance - Gen Liability	118.83	125.00	-6.17	95.06%	1,459.61	1,500.00	-40.39
670 - Bad Debt Expense	235.00	350.00	-115.00	67.14%	1,184.98	4,200.00	-3,015.02
675 - Miscellaneous Expense	0.00	200.00	-200.00	0.0%	1,300.00	2,400.00	-1,100.00
Total 401.1 - WATER SYSTEM O&M	6,135.33	6,386.02	-250.69	96.07%	73,949.36	76,954.04	-3,004.68
403 - Depreciation							
403.1 - Water System Deprec.	2,012.23	1,436.64	575.59	140.07%	21,569.53	17,239.68	4,329.85
Total 403 - Depreciation	2,012.23	1,436.64	575.59	140.07%	21,569.53	17,239.68	4,329.85
407 - Amortization Expense Plant/Othr							
407.1 - Water System	-545.52				-11,497.78		
Total 407 - Amortization Expense Plant/Othr	-545.52				-11,497.78		
408 - Taxes Other than Income							
408.10 - Regulatory Assessment Fees							
408.11 - RAF - Water	287.18	200.00	87.18	143.59%	2,936.43	2,400.00	536.43
Total 408.10 - Regulatory Assessment Fees	287.18	200.00	87.18	143.59%	2,936.43	2,400.00	536.43
408.2 - Property Tax - Water	69.46	100.00	-30.54	69.46%	2,458.31	1,200.00	1,258.31
408.4 - Tangible Tax - Water	0.00				8,070.81		
Total 408 - Taxes Other than Income	356.64	300.00	56.64	118.88%	13,465.55	3,600.00	9,865.55
427 - Interest Expense							
427.A - Interest on Customer Deposits	19.98				19.98		
Total 427 - Interest Expense	19.98				19.98		
Total 401 - Operating Expense	7,978.66	8,122.66	-144.00	98.23%	97,506.64	97,793.72	-287.08
<b>Total Expense</b>	7,978.66	8,122.66	-144.00	98.23%	97,506.64	97,793.72	-287.08
<b>Net Ordinary Income</b>	-1,596.79	-4,384.68	2,787.89	36.42%	-32,252.71	-42,560.74	10,308.03
<b>Net Income</b>	-1,596.79	-4,384.68	2,787.89	36.42%	-32,252.71	-42,560.74	10,308.03

**Cash Basis:**

**Add In:**

	Dec 19	Jan - Dec 19
Officer's Salary	416.87	5,000.04
Depreciation Expense (net of amort.)	1,466.71	10,071.75
Acquisition Adjustment Amor (if applicable)	0.00	0.00
<b>Net Cash Income:</b>	<b>286.59</b>	<b>-17,180.92</b>

**Rate Base:**

Plant in Service	619,168.52
Accum. Depreciation	-251,801.78
CIAC	-185,665.00
Accum. Amort CIAC	139,899.78
Working Cap (1/8 O&M)	9,243.87
<b>Net Rate Base</b>	<b>350,525.19</b>

<b>YTD ROE:</b>	<b>-8.85%</b>
<b>Cash ROE:</b>	<b>-4.71%</b>
<b>YTD Return on Rate Base</b>	<b>-9.20%</b>
<b>Cash ROR</b>	<b>-4.90%</b>

<b>Equity</b>	<b>364,583.23</b>
---------------	-------------------

Gator Waterworks Inc  
Profit & Loss Budget vs. Actual  
January through December 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	113.85%	
461.2 - Water - Commercial Customers	91.69%	
Total 461 - Metered Water Revenue	113.56%	
471 - Water - Misc Service Revenues		
471.1 - Initial Connect Fees	209.72%	
471.4 - Late Fees	184.44%	
Total 471 - Water - Misc Service Revenues	196.34%	
Total 400.1 - WATER SYSTEM	118.14%	
Total 400 - Utility Revenue	118.14%	
Total Income	118.14%	
Expense		
401 - Operating Expense		
401.1 - WATER SYSTEM O&M		
603 - Salaries - Officers, Directors	100.0%	
615 - Purchased Power	97.73%	
618 - Chemicals	120.58%	
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	101.77%	
Total 636 - Contractual Services	101.77%	
657 - Insurance - Gen Liability	97.31%	
670 - Bad Debt Expense	28.21%	
675 - Miscellaneous Expense	54.17%	
Total 401.1 - WATER SYSTEM O&M	96.1%	
403 - Depreciation		
403.1 - Water System Deprac.	125.12%	
Total 403 - Depreciation	125.12%	
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	122.35%	
Total 408.10 - Regulatory Assessment Fees	122.35%	
408.2 - Property Tax - Water	204.86%	
408.4 - Tangible Tax - Water		
Total 408 - Taxes Other than Income	374.04%	
427 - Interest Expense		
427.4 - Interest on Customer Deposits		
Total 427 - Interest Expense		
Total 401 - Operating Expense	99.71%	
Total Expense	99.71%	
Net Ordinary Income	75.78%	
Net Income	75.78%	-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:		-15,793.84
		-37.08%
		-17.67%