

**Aqua Utilities Florida, Inc.  
Exhibit No. 1.7**

**AQUA UTILITIES FLORIDA, INC.**

**DIRECT TESTIMONY**

**OF**

**STAN F. SZCZYGIEL**

**(Docket No. 080121-WS)**

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1                   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2                               **AQUA UTILITIES FLORIDA, INC.**

3                                   **DIRECT TESTIMONY OF STAN F. SZCZYGIEL**

4   **DOCKET NO. 080121-WS**

5  
6   **Q.    Please state your name and business address.**

7    A.    My name is Stan F. Szczygiel. My business address is 762 West Lancaster  
8            Avenue, Bryn Mawr, PA 19010-3489.

9   **Q.    By whom are you employed and what is your position?**

10   A.    I am employed by Aqua America, Inc. ("Aqua America") as Controller for the  
11           Southern region.

12   **Q.    Please describe your duties and responsibilities in that position.**

13   A.    I am responsible for all accounting and financial functions performed in Aqua  
14           America's southern region ("Aqua South"). Aqua South includes all operations in  
15           Texas, Florida, South Carolina, North Carolina and Virginia.

16   **Q.    Please describe your educational background and professional experience.**

17   A.    I am a graduate of Drexel University with a M.B.A. in Finance. I received my  
18           undergraduate B.S. in Accounting from Arizona State University. In addition I  
19           passed my CPA examination and completed my experience requirements in  
20           Pennsylvania. Prior to my joining Aqua America, I held several senior financial  
21           management positions including the Chief Financial Officer of Apogee Inc,  
22           Abbey Home Healthcare, Xyan, Inc and Prescient Systems, Inc. My first career

1 position after graduating college was four years experience on the audit staff at  
2 Coopers & Lybrand, a public accounting firm.

3 I joined Aqua America as Assistant Corporate Controller prior to being appointed  
4 to my present position.

5 **Q. Have you previously appeared and presented testimony before state  
6 regulatory bodies?**

7 A. I provided written testimony for the Aqua South Brookwood and LaGrange rate  
8 cases in North Carolina in 2007.

9 **Q. What is the purpose of your testimony?**

10 A. The purpose of my testimony is to provide a general overview of Aqua Utilities  
11 Florida, Inc.'s ("AUF" or "Company") request for increased rates and the  
12 supporting Minimum Filing Requirements ("MFRs"). Specifically, I will discuss  
13 the development of the 2007 historic test year and will provide support for the  
14 Company's operations and maintenance ("O&M") expenses.

15 **Q. Please identify the witnesses who will testify in this proceeding on behalf of  
16 AUF and the topics they will address.**

17 A. The following is a list of witnesses who will provide direct testimony in this  
18 proceeding. Of course, additional witnesses may be required to address issues not  
19 contemplated in our pre-filed direct testimony which subsequently may be raised  
20 by the Staff of the Florida Public Service Commission ("Commission") or  
21 intervenors in this proceeding, including the Office of Public Counsel.

22

23

1	<u>Witnesses</u>	<u>Topics</u>
2	Christopher Franklin	Overview and Customer Service
3	John M. Lihvarcik	Aqua Utilities Florida, Inc. Operations
4		AUF's Capital Additions and Capital Projects,
5		Service Availability Charges
6		Allowance for Funds Prudently Invested ("AFPI")
7		
8	Stephen F. Anzaldo	Capital Structure
9	William T. Rendell	Consolidated Rate Structure
10		Interim Rate Proposal
11		Water Use Repression Analysis
12		Water Conservation Rate Block Structure
13		
14	Robert M. Griffin	Rate Base
15		Resolution of June 1, 2007 Rate Base
16		Audit Findings in Docket No. 06368-WS
17		
18	John F. Guastella	Used and Useful Analysis
19		
20	Stanley F. Szyzgiel	Development of 2007 Historic Test Year O&M
21		Expenses
22		
23	Gary S. Prettyman	Billing Analyses
24		
25	Dan Franceski	Calculation of AUF's proposed rates
26		
27		
28	<b>Q.</b>	<b>Are you sponsoring any exhibits in this case?</b>
29	A.	Yes, I am sponsoring Composite Exhibit SS-1, consisting of Exhibits SS-1, SS-2,
30		SS-3, and SS-4 which are attached to my testimony.
31	<b>Q.</b>	<b>Were these exhibits prepared by you or under your direction and</b>
32		<b>supervision?</b>
33	A.	Yes.
34	<b>Q.</b>	<b>In connection with your responsibilities with AUF, are you the sponsor of</b>
35		<b>any of the MFR schedules?</b>

1 A. Yes, I am the sponsor or a co-sponsor of the following MFR Schedules included  
2 in Volume 1 to the MFRs: Schedules B-1 through B-12 and B-15 of the Net  
3 Operating Income Schedules; Schedules C-1 through C-7, C-9 and C-10 of the  
4 Tax Schedules; Schedules E-3, E-4 and E-9 the Rate Schedules; and Schedules G-  
5 4 and G-5 of the Interim Rate Schedules.

6 **Q. Have you prepared an exhibit identifying each of the schedules contained in**  
7 **the MFRs and the supporting witness or witnesses?**

8 A. Yes. Exhibit SS-1 lists each MFR schedule and related data, documents and  
9 information for each of the seven volumes of the MFRs, the title of each MFR  
10 schedule, and the sponsoring AUF witness or witnesses.

11 **Q. Please provide a general overview of AUF's filing.**

12 A. AUF has filed an Application and supporting MFRs designed to increase annual  
13 water revenues in the amount of \$4,518,353 for the 57 water systems subject to  
14 the Commission's jurisdiction and annual wastewater revenue in the amount of  
15 \$3,856,179 for the 25 wastewater systems in 16 counties subject to the  
16 Commission's jurisdiction. As part of our filing, the Company is requesting that  
17 it be permitted to place into effect on an interim basis \$2.9 million of the proposed  
18 water increase and \$3.0 million of the proposed wastewater increase. However,  
19 as explained in Mr. Rendell's testimony, AUF is proposing to defer recovery of  
20 approximately \$1.5 million of the \$5.9 million interim increase to which it is  
21 entitled.

22 **Q. What are the principal causes for AUF's rate filing?**

1 A. The Company is seeking a rate increase due to ongoing capital needs in order to  
2 maintain and enhance its service to customers. In addition, the rate increase is  
3 needed due to continuing increases in costs and operating expenses, as well as  
4 costs associated with the compliance requirements of state and federal  
5 regulations. Therefore, the Company is seeking rate relief to recover the costs of  
6 these increased investments and expenses, as well as to allow AUF the  
7 opportunity to earn a fair and reasonable return on its investment.

8  
9 The eighty-two systems included in this rate case have not sought rate relief  
10 through a formal rate case for well over a decade. The forty-four former FWSC  
11 systems now owned and operated by AUF last sought rate relief before the  
12 Commission in 1995. The remaining thirty-eight former AquaSource systems  
13 generally have not had a general rate increase for well over ten years and the date  
14 rate relief was last granted goes as far back as 1980. Exhibit SS-2 to my  
15 testimony provides a compilation of the docket of the last rate case for each of the  
16 systems included in this rate case.

17  
18 With the exception of some index and pass through adjustments, the rates charged  
19 by AUF are based on projected costs for the 1996 test year used to establish rates  
20 for the former FWSC's systems and for prior historic test years used to establish  
21 rates for the former AquaSource systems. By the time rate relief is granted in this  
22 proceeding, actual investments and increased costs over periods of ten years or  
23 more will not have been reflected in customer rates.

1

2 The overall rate of return for the year ended December 31, 2007 was a negative  
3 3.76% for the water systems and a negative 3.5% for the wastewater systems.  
4 Such returns will not allow AUF to remain viable, much less continue to attract  
5 capital to finance investments and operate land and facilities in Florida. These  
6 deficient returns have caused AUF to file this proceeding for rate relief.

7 **Q. What is the test year in this case?**

8 A. By letter dated February 29, 2008, AUF requested approval to use a historic test  
9 year ending December 31, 2007, with pro forma adjustments. The Company  
10 indicated in its test year letter that the use of a historic 2007 test year would be  
11 representative of the current operations of the water and wastewater systems  
12 operating in the 16 counties included in this filing and will be a representative  
13 period to measure cost of service for the purpose of establishing new, prospective  
14 rates. By letter dated April 28, 2008, the Commission approved AUF's request.

15 **Q. What is the source of the financial data that are contained in the Schedules**  
16 **you are sponsoring?**

17 A. The Company's 2007 actual financial data is the source of the historic test year.  
18 Certain adjustments necessary for ratemaking purposes have been made to the  
19 historical 2007 data, such as normalization adjustments, Commission audit  
20 adjustments, rate case expense projections, and pro forma adjustments. A  
21 summary of the normalized expense adjustments are attached to my testimony as  
22 Exhibit SS-3 and a summary of the pro forma expense adjustments are contained  
23 in Exhibit SS-4. These adjustments include the pass through of purchased water

1 and wastewater increases, salary and benefits, transportation, rent, and various  
2 other known and measurable changes.

3 **Q. Please identify the basis used for the preparation of the financial documents**  
4 **filed in this proceeding.**

5 A. As I previously stated, the test year that has been approved by the Commission for  
6 use in this case is the historic test year ending December 31, 2007. The  
7 normalization and pro forma adjustments were developed with input from AUF's  
8 personnel at the Company's Sarasota and Leesburg, Florida locations, and Aqua  
9 America's corporate office in Bryn Mawr, Pennsylvania. Recent historical  
10 experience is used with appropriate adjustments for known and measurable  
11 changes. Where appropriate and available, contacts were made with suppliers of  
12 goods and services to confirm and document these changes.

13 **Q. Please provide a description of the Net Operating Income Schedules B-1**  
14 **through B-15.**

15 A. The B Schedules summarize the components of the revenue requirement and  
16 provide the calculation of the additional revenue which the Company is  
17 requesting in this case. Detail is shown for both water and wastewater divisions  
18 for the adjusted historical twelve-month period ending December 31, 2007. Pro  
19 Forma Rate Base is that reflected on the A Schedules sponsored by witnesses  
20 Griffin and Guastella. Rate of Return is that reflected on the D Schedules  
21 sponsored by witness Anzaldo. The application of Rate of Return to the  
22 respective water and wastewater divisions produces operating income at proposed  
23 rates, which, when compared to operating income at present rates results in an

1 operating income deficiency which produces the revenue requirement increase  
2 requested in this case.

3 **Q. Will you briefly discuss the adjustments to the Net Operating Statements for**  
4 **the components shown on the B Schedules pertaining to Revenue, Operating**  
5 **Expenses, Depreciation and Taxes Other Than Income that AUF is seeking**  
6 **to recover for the 2007 Historical Test Year?**

7 A. Yes. Specific adjustments have been made to certain O&M expenses, such as,  
8 salaries and wages, purchased water/wastewater treatment, sludge removal,  
9 chemicals, rent and transportation expenses. I will briefly summarize these  
10 adjustments in my testimony below.

11 **Q. Please describe how the Company developed its historic revenue amounts for**  
12 **2007.**

13 A. The historical level of revenue was derived from the books and records of the  
14 Company for the twelve months ended December 31, 2007. A billing analysis  
15 was utilized for the application of present rates for all of the water and wastewater  
16 divisions in this proceeding. The billing analysis referred to is provided in  
17 Schedule E-14 sponsored by witness Prettyman. The derivation of operating  
18 revenues both at present and proposed rates are detailed on Schedules E-1 through  
19 E-11.

20 **Q. Please describe the adjustments referred to in the B Schedules for Employee**  
21 **Salary and Benefits.**

22 A. AUF made a normalization adjustment to reflect 2007 employee terminations and  
23 subsequent new hirings, as well as, an adjustment to normalize the 4% salary

1 increase received in April 2007. Normalization adjustments also were made to  
2 reflect the associated payroll taxes related to these adjustment expenses. AUF  
3 also made a pro forma adjustment to recognize the 4% salary adjustment which  
4 was implemented in April, 2008. Pro forma adjustments were also made to  
5 recognize the allocation of new hires which occurred during the first quarter of  
6 2008, as well as anticipated new hires which will take place in the near future.  
7 Respective corresponding adjustments were made for benefits and taxes. Finally,  
8 pro forma adjustments were made to reflect salary adjustments for the Florida  
9 operations personnel based on competitive market based rates. Pro Forma  
10 employee 401K savings expense was calculated by estimating total administrative  
11 charges and Company matching contributions (including the addition/subtraction  
12 of participants based on pro forma salary adjustments). Participation patterns are  
13 expected to remain constant. Pro Forma 'Other' miscellaneous employee benefit  
14 expenses were calculated based on the historical level of miscellaneous benefits  
15 as a function of pro forma payroll expense.

16 **Q. What are Contractual Services – Management Fees?**

17 A. These are fees for Contractual Services provided to AUF by Aqua Services, Inc.  
18 (the "Service Company"). These services include Accounting and Financial,  
19 Administrative, Customer Service, Communications, Corporate Secretarial,  
20 Engineering, Human Resources, Information Services, Legal, Purchasing, Rates  
21 and Regulatory and Water Quality.

22 **Q. How are these Contractual Services billed to AUF?**

23 A. These service related fees are billed by the Service Company to AUF at cost.

1 **Q. Please describe the Contractual Services- Other Expense.**

2 A. Miscellaneous outside contractor expense consists of charges for required  
3 maintenance (i.e., specifically defined maintenance projects and other contractual  
4 services) incurred during the year.

5 **Q. Please describe Lease expenses.**

6 A. A review of historical lease expense was performed for each division. Pro forma  
7 adjustments were made to reflect known and measurable changes to the historical  
8 expenses recorded in 2007. These include a new lease of land that the plant is  
9 located on at Lake Suzy.

10 **Q. Please describe the development of AUF's pro forma Transportation Expense  
11 adjustment.**

12 A. A pro forma adjustment was made using current information on the vehicle fleet  
13 for AUF and using historical data for number of gallons purchased. A projected  
14 price increase to \$3.36 per gallon was applied to the 2007 actual gallons  
15 purchased. This information was obtained from the U.S. Government Energy  
16 Statistics at the website <http://www.eia.doe.gov/emeu/steo/pub/contents.html>.  
17 This adjustment is necessary to recognize the continuing increase in the cost of  
18 fuel with respect to the lower prices paid during the historic test year, 2007.

19 **Q. Please address the adjustments to purchased water and wastewater expenses.**

20 A. AUF has recently experienced significant increases to its purchased water and  
21 wastewater expense from various cities and counties. AUF has made  
22 normalization and pro forma adjustments to reflect these recent increases in its  
23 purchased water and wastewater to Palm Terrace (purchased water), Lake Suzy

1 (purchased water), Zephyr Shores (purchased water) and Lake Gibson (purchased  
2 wastewater). These adjustments are necessary to reflect the current cost of  
3 purchased water and wastewater treatment.

4 **Q. Please address the adjustments to wastewater sludge hauling expense.**

5 A. Pasco County is the exclusive sludge disposer for the county. Pasco County is  
6 now charging \$0.0994 per gallon sludge disposed of at their facility. This rate was  
7 approved by the county commissioners in July 2007 and took effect on October 1,  
8 2007. AUF has made an adjustment to recognize this increase for sludge hauling  
9 and disposal for its Pasco County systems. AUF also made a normalization  
10 adjustment to recognize a price decrease for sludge hauling expense for the South  
11 Seas system based on a new contract.

12 **Q. Please explain the adjustments AUF made for Contract Services for meter  
13 readers.**

14 A. In the rate base schedules sponsored by witness Griffin, AUF is making a pro  
15 forma adjustment to include the replacement of all of its water meters. AUF is  
16 replacing all of the existing water meters with Radio Frequency remote read water  
17 meters. This is addressed further by witness Lihvarcik. Since AUF will now be  
18 using its employees to remotely read its water meters by vehicle, AUF has made  
19 adjustments to remove all contracted water meter reading expense as recorded in  
20 2007.

21 **Q. Please explain the adjustment AUF made to Chemical expenses for Chuluota.**

22 A. As addressed by witness Lihvarcik, AUF was required to convert its water  
23 treatment process in Chuluota from chlorine to chloramines. To accomplish this,

1 AUF operators add the chemical ammonia to its existing chlorination system to  
2 produce chloramines. In 2007, there were no recorded chemical costs for  
3 ammonia; therefore, AUF made an adjustment to recognize this added chemical  
4 cost it will experience due to this treatment conversion.

5 **Q. Please explain the adjustment AUF made to contract operations for South  
6 Seas.**

7 A. On January 8, 2008, AUF entered into a contract for contractual operations at its  
8 South Seas wastewater treatment plant. AUF has made a pro forma adjustment to  
9 reflect this new additional contract service.

10 **Q. Please explain the adjustments AUF made to reflect its Aqua Connect  
11 meetings.**

12 A. AUF has initiated a new program developed to educate and communicate with its  
13 customers. At these meetings, the customers get a chance to meet Company  
14 representatives on a face to face basis. During these informal meetings, the  
15 customers can peruse many display booths and ask questions with AUF personnel  
16 about the Company, the water industry, and water conservation tools among other  
17 things. Most importantly, there are customer service representatives present to  
18 provide customers the opportunity to answer questions in person and resolve any  
19 inquiries or complaints. AUF has made a pro forma adjustment to reflect this new  
20 customer service program.

21 **Q. Please describe Rate Case Expense.**

22 A. Schedule B-10 shows Rate Case Expense detailed by category. Total rate case  
23 costs are based on the Company's best estimate at the date of the filing. We

1 expect to update this schedule as the case proceeds. We have requested a (4) year  
2 amortization period for rate case expenses.

3 **Q. Would you like to provide any additional information relating to rate case**  
4 **expense?**

5 A. Yes. I would like to provide additional information pertaining to the charges from  
6 AUF's engineering consultant. The principal, John Guastella's, typical hourly  
7 rate is \$285 per hour. AUF is aware that past Commission decisions have  
8 disallowed certain amounts of Mr. Guastella's hourly rates.<sup>1</sup>

9 **Q. Is the hourly rate Mr. Guastella is charging AUF in this rate case**  
10 **reasonable?**

11 A. Yes. Mr. Guastella has agreed to charge the same rate as his associate, Mr.  
12 White. Therefore, Mr. Guastella has agreed to reduce his hourly rate in this case  
13 to \$195 an hour. This methodology is consistent with the Commission's decision  
14 in Order No. PSC-02-1657-PAA-WU. Further, the average of the indexed hourly  
15 rate from the above four decisions is \$191 an hour. Therefore, I believe for this  
16 current case, Mr. Guastella's reduced hourly rate is reasonable and should be  
17 approved.

18 **Q. Please address Depreciation Expenses net of Amortization of CIAC.**

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<sup>1</sup> See Order No. PSC-96-1338-FOF-WS issued November 7, 1996, in Docket No. 951056-WS, Order No. PSC-97-1225-FOF-WS issued October 10, 1997, in Docket No. 970164-WU (Commission adjusted Mr. Guastella's rate to \$140 an hour), Order No. PSC-02-1657-PAA-WU, issued November 26, 2002, in Docket No. 011621-WU (Commission adjusted Mr. Guastella's hourly rate to make it equal to his colleague Mr. White's then hourly rate of \$165) and Order No. PSC-01-0327-FOF-WS issued February 6, 2001, in Docket No. 000295-WU (Commission adjusted Mr. Guastella's rate to \$191 an hour).

1 A. The depreciation and CIAC amortization were based on average monthly plant  
2 and CIAC balances and Commission approved depreciation rates by plant  
3 accounts.

4 **Q. Please describe the expense for Taxes Other Than Income Taxes.**

5 A. Adjustments were made to reflect property taxes for 2007 based on actual  
6 historical changes to net plant and latest available millage rates. Additionally, pro  
7 forma property taxes were included based on the pro forma plant adjustments. As  
8 stated previously, pro forma payroll taxes adjustments were based upon the pro  
9 forma salaries and wages adjustments. A separate regulatory assessment fee of  
10 4.5% is included in rates and is collected on all bills paid by customers.

11 **Q. Has the Company filed MFR Schedules addressing O&M expenses that  
12 exceed the level of the prior five years' growth and inflation?**

13 A. Yes. These O&M expense explanations are presented in MFR Schedules B-7  
14 Supplement (water) and B-8 Supplement (wastewater) in Volume 1 of the MFRs.  
15 I am sponsoring those explanations.

16 **Q. Please address the C Schedules of the MFRs.**

17 A. These schedules provide the calculation of the State and Federal Income Taxes for  
18 the test year. They provide detail on adjustments to income taxes both current  
19 and deferred income taxes. The federal tax rate is 35% and the state tax rate is  
20 5.5%

21 **Q. Please address interim rate schedules and calculations.**

22 A. Rate Schedules for interim rates are provided per Schedule G-1, and schedules  
23 setting forth Rate Base and adjustments for purposes of calculating interim rates

1 are provided in Schedules G-2 and G-3. Schedules of Net Operating Income and  
2 adjustments for interim rate purposes are provided in Schedules G-4 and G-5. A  
3 schedule of AUF's Requested Cost of Capital for the purpose of establishing  
4 interim rates is provided in Schedule G-6 and is sponsored by witnesses Anzaldo.

5 **Q. Does this conclude your direct testimony?**

6 **A. Yes, it does.**

Aqua Utilities Florida, Inc.  
Docket No. 080121-WS

Exhibit SS-1

Commission Docket and Order Establishing Rates for Each System

SYSTEM BY COUNTY	COMMISSION DOCKET	COMMISSION ORDER
<b>ALACHUA COUNTY</b>		
Arredondo Farms - water	951234-WS	PSC-96-0728-FOF-WS
Arredondo Farms - wastewater	951234-WS	PSC-96-0728-FOF-WS
Arredondo Estates - water	951234-WS	PSC-96-0728-FOF-WS
<b>BREVARD COUNTY</b>		
Kingswood - water	950495-WS	PSC-96-1320-FOF-WS
Oakwood - water	950495-WS	PSC-96-1320-FOF-WS
<b>DESOTO COUNTY</b>		
Lake Suzy Utilities - water	960799-WS	PSC-97-0540-FOF-WS
Lake Suzy Utilities - wastewater	960799-WS	PSC-97-0540-FOF-WS
<b>HIGHLANDS</b>		
Leisure Lakes - water	950495-WS	PSC-96-1320-FOF-WS
Leisure Lakes - wastewater	950495-WS	PSC-96-1320-FOF-WS
Lake Josephine - water	950020-WS	PSC-95-1044-FOF-WU
Sebring Lakes - water	960517-WS	PSC-96-1389-FOF-WS
<b>LAKE COUNTY</b>		
Carlton Village - water	950495-WS	PSC-96-1320-FOF-WS
East Lake Harris Estates - water	950495-WS	PSC-96-1320-FOF-WS
Fern Terrace - water	950495-WS	PSC-96-1320-FOF-WS
JS - 48 Estates - water	941107-WU	PSC-95-0474-FOF-WU
Friendly Center - water	950495-WS	PSC-96-1320-FOF-WS
Grand Terrace - water	950495-WS	PSC-96-1320-FOF-WS
Haines Creek - water	870008-WU	Order No. 18000
Hobby Hills - water	950495-WS	PSC-96-1320-FOF-WS
Holiday Haven - water	950495-WS	PSC-96-1320-FOF-WS
Holiday Haven - wastewater	950495-WS	PSC-96-1320-FOF-WS
Imperial Mobile Terrace -water	950495-WS	PSC-96-1320-FOF-WS
JS - Kings Cove - water	940496-WS	PSC-95-0129-FOF-WS
JS - Kings Cove - wastewater	940496-WS	PSC-95-0129-FOF-WS
Morningview - water	950495-WS	PSC-96-1320-FOF-WS

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Aqua Utilities Florida, Inc.  
Docket No. 080121-WS

Exhibit SS-1

## Commission Docket and Order Establishing Rates for Each System

<b>SYSTEM BY COUNTY</b>	<b>COMMISSION DOCKET</b>	<b>COMMISSION ORDER</b>
Morningview - wastewater	950495-WS	PSC-96-1320-FOF-WS
Palms Mobile Home Park - water	950495-WS	PSC-96-1320-FOF-WS
Picciola Island - water	950495-WS	PSC-96-1320-FOF-WS
Piney Woods - water	950495-WS	PSC-96-1320-FOF-WS
Quail Ridge - water	950495-WS	PSC-96-1320-FOF-WS
Ravenswood - water	950636-WU	PSC-95-1165-FOF-WU
Silver Lake Estates/Western Shores - water	950495-WS	PSC-96-1320-FOF-WS
Skycrest - water	950495-WS	PSC-96-1320-FOF-WS
Stone Mountain - water	950495-WS	PSC-96-1320-FOF-WS
JS - Summit Chase - water	981779-WS	PSC-99-2115-PAA-WS (Transfer Order)
JS - Summit Chase - wastewater	981779-WS	PSC-99-2115-PAA-WS (Transfer Order)
Valencia Terrace - water	950495-WS	PSC-96-1320-FOF-WS
Valencia Terrace - wastewater	950495-WS	PSC-96-1320-FOF-WS
Venetian Village - water	950495-WS	PSC-96-1320-FOF-WS
Venetian Village - wastewater	950495-WS	PSC-96-1320-FOF-WS
<b>LEE COUNTY</b>		
South Seas - wastewater	881518-SU	Order No. 22094
<b>MARION COUNTY</b>		
Ocala Oaks - water	981907-WU	PSC-99-2499-FOF-WU (Transfer Order)
<b>ORANGE COUNTY</b>		
Tangerine - water	950495-WS	PSC-96-1320-FOF-WS
<b>PALM BEACH COUNTY</b>		
Lake Osborne Estates - water	950641-WU	PSC-96-0357-FOF-WU

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Exhibit SS-1

## Commission Docket and Order Establishing Rates for Each System

<b>SYSTEM BY COUNTY</b>	<b>COMMISSION DOCKET</b>	<b>COMMISSION ORDER</b>
<b>PASCO COUNTY</b>		
Jasmine Lakes - water	920148-WS	PSC-93-1675-FOF-WS
Jasmine Lakes - wastewater	950495-WS	PSC-96-1320-FOF-WS
Palm Terrace - water	950495-WS	PSC-96-1320-FOF-WS
Palm Terrace - wastewater	950495-WS	PSC-96-1320-FOF-WS
Zephyr Shores - water	950495-WS	PSC-96-1320-FOF-WS
Zephyr Shores - wastewater	950495-WS	PSC-96-1320-FOF-WS
<b>POLK COUNTY</b>		
Gibsonia Estates - water	950495-WS	PSC-96-1320-FOF-WS
Lake Gibson Estates - water	950495-WS	PSC-96-1320-FOF-WS
Lake Gibson Estates - wastewater	950495-WS	PSC-96-1320-FOF-WS
Orange Hill/Sugar Creek - water	950495-WS	PSC-96-1320-FOF-WS
Rosalie Oaks - water	961014-WS	PSC-98-0371-FOF-WS (Order granting Grandfather Certificates)
Rosalie Oaks - wastewater	961014-WS	PSC-98-0371-FOF-WS (Order granting Grandfather Certificates)
Village Water - water	960989-WS	PSC-96-1568-FOF-WS (Order granting Grandfather Certificates)
Village Water - wastewater	960989-WS	PSC-96-1568-FOF-WS (Order granting Grandfather Certificates)
<b>PUTNAM COUNTY</b>		
Beecher's Point - water	950495-WS	PSC-96-1320-FOF-WS
Beecher's Point - wastewater	950495-WS	PSC-96-1320-FOF-WS
Hermits Cove - water	950495-WS	PSC-96-1320-FOF-WS
Interlachen Lake Estates - water	950495-WS	PSC-96-1320-FOF-WS
Park Manor - wastewater	950495-WS	PSC-96-1320-FOF-WS
Palm Port - water	950495-WS	PSC-96-1320-FOF-WS
Palm Port - wastewater	950495-WS	PSC-96-1320-FOF-WS
Pomona Park - water	950495-WS	PSC-96-1320-FOF-WS

Aqua Utilities Florida, Inc.  
Docket No. 080121-WS

Exhibit SS-1

## Commission Docket and Order Establishing Rates for Each System

<b>SYSTEM BY COUNTY</b>	<b>COMMISSION DOCKET</b>	<b>COMMISSION ORDER</b>
River Grove - water	950495-WS	PSC-96-1320-FOF-WS
Silver Lake Oaks - water	950495-WS	PSC-96-1320-FOF-WS
Silver Lake Oaks - wastewater	950495-WS	PSC-96-1320-FOF-WS
St. Johns Highlands - water	950495-WS	PSC-96-1320-FOF-WS
Welaka/Saratoga Harbour - water	950495-WS	PSC-96-1320-FOF-WS
Wootens - water	950495-WS	PSC-96-1320-FOF-WS
<b>SEMINOLE COUNTY</b>		
Chuluota - water	950495-WS	PSC-96-1320-FOF-WS
Chuluota - wastewater	950495-WS	PSC-96-1320-FOF-WS
Florida Central Commerce Park - wastewater	950495-WS	PSC-96-1320-FOF-WS
Harmony Homes - water	950495-WS	PSC-96-1320-FOF-WS
<b>SUMTER COUNTY</b>		
The Woods - water	960643-WS	PSC-97-0312-FOF-WS (Transfer Order)
The Woods - wastewater	960643-WS	PSC-97-0312-FOF-WS (Transfer Order)
<b>VOLUSIA COUNTY</b>		
Jungle Den - water	950495-WS	PSC-96-1320-FOF-WS
Jungle Den - wastewater	950495-WS	PSC-96-1320-FOF-WS
Tomoka - water	950495-WS	PSC-96-1320-FOF-WS
<b>WASHINGTON COUNTY</b>		
Sunny Hills - water	950495-WS	PSC-96-1320-FOF-WS
Sunny Hills - wastewater	950495-WS	PSC-96-1320-FOF-WS

**Aqua Utilities Florida, Inc.**  
**Docket 080121-WS**  
**Preparer and Witness list- Minimum Filing Requirements**

**Volume 1**

<u>Schedule Title</u>	<u>Schedule Number</u>	<u>Preparer</u>	<u>Witness</u>	<u>Remarks regarding Witness</u>
<b>Rate Base</b>				
Rate Base - Water	<u>A-1</u>	R Griffin/J Guastella	R Griffin/J Guastella	Guastella for line 3- Non-Used & Useful Plant
Rate Base - Sewer	<u>A-2</u>	R Griffin/J Guastella	R Griffin/J Guastella	Guastella for line 3- Non-Used & Useful Plant
Adjustments to Rate Base	<u>A-3</u>	R Griffin/J Guastella	R Griffin/J Guastella	Guastella for Non-Used & Useful information
Annual Plant Additions and Balances	<u>A-4</u>	R Griffin	R Griffin	
Water Plant in Service By Primary Account	<u>A-5</u>	R Griffin/J Guastella	R Griffin/J Guastella	Guastella for Non-Used & Useful information
Sewer Plant in Service By Primary Account	<u>A-6</u>	R Griffin/J Guastella	R Griffin/J Guastella	Guastella for Non-Used & Useful information
Non-Used & Useful Plant - Summary	<u>A-7</u>	J Guastella	J Guastella	Schedule prepared by Griffin based on data from Guastella
Annual Accumulated Depreciation Additions and Balances	<u>A-8</u>	R Griffin	R Griffin	
Water Accumulated Depreciation By Primary Account	<u>A-9</u>	R Griffin/J Guastella	R Griffin/J Guastella	Griffin for adjusted/average balances- Guastella for Non-Used/Useful
Sewer Accumulated Depreciation By Primary Account	<u>A-10</u>	R Griffin/J Guastella	R Griffin/J Guastella	Griffin for adjusted/average balances- Guastella for Non-Used/Useful
Annual CIAC Additions and Balances	<u>A-11</u>	R Griffin	R Griffin	
CIAC by Classification	<u>A-12</u>	R Griffin/J Guastella	R Griffin/J Guastella	Griffin for adjusted/average balances- Guastella for Non-Used/Useful
Annual Accum Amortization of CIAC Additions and Balances	<u>A-13</u>	R Griffin	R Griffin	
Accumulated Amortization of CIAC by Classification	<u>A-14</u>	R Griffin/J Guastella	R Griffin/J Guastella	Griffin for adjusted/average balances- Guastella for Non-Used/Useful
Schedule of AFUDC Rates Used	<u>A-15</u>	N/A	N/A	
Annual Advances For Construction Additions and Balances	<u>A-16</u>	R Griffin	R Griffin	
Calculation of Working Capital Allowance	<u>A-17</u>	R Griffin	R Griffin	
Comparative Balance Sheet - Assets	<u>A-18</u>	S Anzaldo	S Anzaldo	
Comparative Balance Sheet - Liabilities	<u>A-19</u>	S Anzaldo	S Anzaldo	
<b>Net Operating Income</b>				
Net Operating Income Statement - Water	<u>B-1</u>	S Szczgiel	S Szczgiel	
Net Operating Income Statement - Sewer	<u>B-2</u>	S Szczgiel	S Szczgiel	
Adjustments to Net Operating Statements	<u>B-3</u>	S Szczgiel	S Szczgiel	
Operating Revenues	<u>B-4</u>	S Szczgiel	S Szczgiel	
Water O & M Expenses By Month	<u>B-5</u>	S Szczgiel	S Szczgiel	
Sewer O & M Expenses By Month	<u>B-6</u>	S Szczgiel	S Szczgiel	
Comparative O & M Expenses - Water	<u>B-7</u>	S Szczgiel	S Szczgiel	
Comparative O & M Expenses - Water, Explanations	<u>B-7 Supl</u>	S Szczgiel	S Szczgiel	
Comparative O & M Expenses - Sewer	<u>B-8</u>	S Szczgiel	S Szczgiel	
Comparative O & M Expenses - Sewer, Explanations	<u>B-8 Supl</u>	S Szczgiel	S Szczgiel	
Analysis of Contractual Services	<u>B-9</u>	S Szczgiel	S Szczgiel	
Rate Case Expense Analysis	<u>B-10</u>	S Szczgiel	S Szczgiel	
Analysis of Maintenance Expenses	<u>B-11</u>	S Szczgiel	S Szczgiel	
Schedule of Allocated Expenses	<u>B-12</u>	S Szczgiel	S Szczgiel	
Net Depreciation Expense - Water	<u>B-13</u>	R Griffin	R Griffin	Guastella for Non-Used & Useful information
Net Depreciation Expense - Sewer	<u>B-14</u>	R Griffin	R Griffin	Guastella for Non-Used & Useful information
Taxes Other Than Income	<u>B-15</u>	S Szczgiel	S Szczgiel	
<b>Tax Schedules</b>				
Reconciliation of Total Income Tax Provision	<u>C-1</u>	W Jerdon	S Szczgiel	
State and Federal Income Tax Calculation	<u>C-2</u>	W Jerdon	S Szczgiel	
Schedule of Interest in Tax Expense Calculation	<u>C-3</u>	W Jerdon	S Szczgiel	
Book/Tax Difference	<u>C-4</u>	W Jerdon	S Szczgiel	
Deferred Income Tax Expense	<u>C-5</u>	W Jerdon	S Szczgiel	
Accumulated Deferred Income Taxes	<u>C-6</u>	W Jerdon	S Szczgiel	
Investment Tax Credit	<u>C-7</u>	W Jerdon	S Szczgiel	

DOCUMENT NUMBER-DATE

04348 MAY 22 88

FPSC-COMMISSION CLERK

Parent Debt Information	<u>C-8</u>	S Anzaldo	S Anzaldo
Income Tax Returns	<u>C-9</u>	W Jerdon	S Szczgiel
Miscellaneous Tax Information	<u>C-10</u>	W Jerdon	S Szczgiel
<b>Capital Schedules</b>			
Requested Cost of Capital	<u>D-1</u>	S Anzaldo	S Anzaldo
Reconciliation to Rate Base	<u>D-2</u>	S Anzaldo	S Anzaldo
Preferred Stock	<u>D-3</u>	S Anzaldo	S Anzaldo
Short-Term Debt	<u>D-4</u>	S Anzaldo	S Anzaldo
Long-Term Debt	<u>D-5</u>	S Anzaldo	S Anzaldo
Variable Debt	<u>D-6</u>	S Anzaldo	S Anzaldo
Customer Deposits	<u>D-7</u>	S Anzaldo	S Anzaldo
<b>Rate Schedules</b>			
Rate Schedule - Water	<u>E-1w</u>	T Rendell	T Rendell
Rate Schedule - Sewer	<u>E-1s</u>	T Rendell	T Rendell
Revenues at Present & Proposed Rates - Water	<u>E-2w</u>	G Prettyman	G Prettyman
Revenues at Present & Proposed Rates - Sewer	<u>E-2s</u>	G Prettyman	G Prettyman
Customer Monthly Billing Schedules	<u>E-3</u>	S Szczgiel	S Szczgiel
Miscellaneous Service Charges	<u>E-4</u>	J Lihvarcik	J Lihvarcik
Miscellaneous Service Charge Revenue	<u>E-5</u>	S Szczgiel	S Szczgiel
Public Fire Hydrants Schedule	<u>E-6</u>	J Lihvarcik	J Lihvarcik
Private Fire Protection Service	<u>E-7</u>	J Lihvarcik	J Lihvarcik
Contracts and Agreements	<u>E-8</u>	J Lihvarcik	J Lihvarcik
Tax or Franchise Fee	<u>E-9</u>	S Szczgiel	S Szczgiel
Service Availability Charges	<u>E-10</u>	J Lihvarcik	J Lihvarcik
Guaranteed Revenues Received	<u>E-11</u>	J Lihvarcik	J Lihvarcik
Class A Utility Cost of Service Study	<u>E-12</u>	N/A	N/A
Projected Test Year Revenue Calculation - Water	<u>E-13w</u>	N/A	N/A
Projected Test Year Revenue Calculation - Sewer	<u>E-13s</u>	N/A	N/A
Billing Analysis (Details contained in Volume 7 of MFR filing)	<u>E-14</u>	G Prettyman	G Prettyman
<b>Engineering Schedules</b>			
Gallons of Water Pumped, Sold & Unaccounted For	<u>F-1</u>	J Lihvarcik	J Lihvarcik
Gallons of Wastewater Treated	<u>F-2</u>	J Lihvarcik	J Lihvarcik
Water Treatment Plant Data	<u>F-3</u>	J Lihvarcik	J Lihvarcik
Wastewater Treatment Plant Data	<u>F-4</u>	J Lihvarcik	J Lihvarcik
Used and Useful Calculations - Water Treatment Plant	<u>F-5</u>	J Guastella	J Guastella
Used and Useful Calculations - Sewer Treatment Plant	<u>F-6</u>	J Guastella	J Guastella
Used and Useful Calculation - Distribution & Collection Systems	<u>F-7</u>	J Guastella	J Guastella
Margin Reserve Calculations	<u>F-8</u>	J Guastella	J Guastella
Equivalent Residential Connections Calculation - Water	<u>F-9</u>	J Guastella	J Guastella
Equivalent Residential Connections Calculation - Sewer	<u>F-10</u>	J Guastella	J Guastella
<b>Interim Rate Schedules</b>			
Rate Schedule - Interim Rates	<u>G-1</u>	T Rendell	T Rendell
Schedule of Rate Base - Interim Rates	<u>G-2</u>	R Griffin/J Guastella	R Griffin/J Guastella
Schedule of Adjustments to Rate Base - Interim	<u>G-3</u>	R Griffin	R Griffin
Schedule of Water Net Operating Income - Interim	<u>G-4</u>	S Szczgiel	S Szczgiel
Schedule of Adjustments to Operating Income - Interim	<u>G-5</u>	S Szczgiel	S Szczgiel
Schedule of Requested Cost of Capital - Interim	<u>G-6</u>	S Anzaldo	S Anzaldo
<b>Volume 1- Appendix 1</b>			
Expense Allocations and Details	N/A	R. Drager	S Szczgiel
<b>Volume 2- AFPI</b>			
Calculation and tariff pages- water and sewer	N/A	T Rendell	J Lihvarcik

**Volume 3- Service Availability Charges**

UPIS, A/D, CIAC, Amortization of CIAC- Water and Sewer  
 Service and meter Installation, Backflow Prevention- Present and  
 Proposed Rates-Water and sewer

A

R Griffin

R Griffin

B

J Lihvarcik

J Lihvarcik

Service and Materials Costs- materials and Labor- Water and Sewer  
 Water and sewer tariff pages

C

J Lihvarcik

J Lihvarcik

D

J Lihvarcik

J Lihvarcik

**Volume 4- System Maps**

N/A

J Lihvarcik

J Lihvarcik

**Volume 5- Additional Engineering Data**

N/A

J Lihvarcik

J Lihvarcik

**Volume 6- Billing Analysis**

E-14

G Prettyman

G Prettyman

**N/A- Not Applicable**

Exhibit SS-3

AUF Normalization Adjustments Summary  
Test Year - 2007

A/C #	A/C Name	Systems	Estimated Amount - Florida (H/L)	Estimated Amount - AUF Water (H/L)	Estimated Amount - AUF Sewer (H/L)	Estimated Amount - Total AUF (H/L)	Explanation of Adjustment		
408110	408110	Property Taxes	Various	-	(174,382)	174,382	-	Reclass between Water & Sewer	
601/701	601	701	Salaries & Wages - Employees	Various	(77,198)	(14,409)	(18,471)	(32,880)	Normalize 2007 employee terminations & New Hires
601/701	601	701	Salaries & Wages - Employees	Various	23,834	12,002	5,348	17,350	Normalize 4.0% Wage increase effective 4/1/07 (additional 1.0%)
408121	408121	408121	Payroll Taxes - FICA	Various	(5,906)	(1,102)	(1,413)	(2,615)	Normalize FICA taxes on 2007 employee terminations & New Hires
408121	408121	408121	Payroll Taxes - FICA	Various	1,823	918	409	1,327	FICA taxes on 4.0% Wage increase effective 4/1/08
408-121/122/123	408	408	Payroll Taxes - FICA	All	247,827	120,066	62,797	182,863	Allocate Payroll Taxes from Admin Dept
408-121/122/123	408	408	Payroll Taxes - FICA	Various	0	36,298	14,057	60,354	Normalize 2005 & 2006 P/R Tax adjustments booked in 2007
610100	610100	Purchased Water	Kingswood	984	984		984	Normalize Kingswood Purchased Water	
610100	610100	Purchased Water	Oakwood	3,420	3,420		3,420	Normalize Oakwood Purchased Water	
610100	610100	Purchased Water	Holiday Haven	375	375		375	Normalize Holiday Haven Purchased Water	
610100	610100	Purchased Water	Palm Terrace	1,921	1,921		1,921	Normalize Palm Terrace Purchased Water	
610100	610100	Purchased Water	Zephyr Shores	(1,840)	(1,840)		(1,840)	Normalize Zephyr Shores Purchased Water	
610100	610100	Purchased Water	Beecher's Point	8,765	8,765		8,765	Normalize Beecher's Point Purchased Water	
610100	610100	Purchased Water	Harmony Homes	-	-		-	Normalize Harmony Homes Purchased Water	
610100	610100	Purchased Water	Jungle Den	208	208		208	Normalize Jungle Den Purchased Water	
610100	610100	Purchased Water	Lake Osborne	(1,804)	(1,804)		(1,804)	Normalize Lake Osborne Purchased Water	
610100	610100	Purchased Water	Village Water	1,137	1,137		1,137	Normalize Village Water Purchased Water	
610100	610100	Purchased Water	Lake Suzy	44,743	44,743		44,743	Normalize Lake Suzy Purchased Water	
710100	710100	Purchased Sewage Treatment	Zephyr Shores	1,758		1,758	1,758	Normalize Zephyr Shores Purchased Wastewater	
710100	710100	Purchased Sewage Treatment	Lake Gibson	51,366		51,366	51,366	Normalize Lake Gibson Purchased Wastewater	
710100	710100	Purchased Sewage Treatment	Beecher's Point	4,654		4,654	4,654	Normalize Beecher's Point Purchased Wastewater	
711500	711500	Sludge Hauling	South Seas	(15,400)	(15,400)		(15,400)	Normalize 2007 Sludge Hauling price decrease for South Seas	
741500	741500	Rent	Lake Suzy	(22,615)	(22,615)		(22,615)	Normalize Lake Suzy land rent/sale	
632/732-800	632	732	Contractual Services - Accounting	All	46,000	21,578	8,056	29,631	Erroneous reversal of CJW Audit Fees in Dec 07 applied to all Florida systems
633/733	633	733	Contractual Services - Legal	All FPSC	5,850	4,280	1,590	5,850	Normalize Legal fees on Used & Useful
634/734-800	634	734	Contractual Services - Mgmt Fees	All	7,420	3,568	1,328	4,888	Normalize Additional Service 2007 headcount
634/734-800	634	734	Contractual Services - Mgmt Fees	All	4,928	2,363	882	3,245	Normalize 4% Service Wage Increase effective 4/1/07
634/734-800	634	734	Contractual Services - Mgmt Fees	All	377	181	67	248	Additional 2007 Service FICA taxes on above Wage increases (7.65%)
638/736-700	636	736	Contractual Services - Other	All	37,777	16,113	6,762	24,875	Normalize for additional ACO costs in Q4 2007 (annualize by multiplying Q4 X 4)
675/775-863	675863	775863	Misc A&G	All	2,595	256,340	(171,003)	85,337	Normalize 2007 Intracompany misallocation
675/775-863	675863	775863	Misc A&G	All	(25,899)	(12,322)	(4,600)	(16,922)	Normalize 2007 Intracompany misallocation of a/c 426 to Operating Expenses
Various	675863	775863	Various	All	(16,509)	(7,918)	(2,965)	(10,671)	Normalize 2007 Intercompany misallocation due to Fairways
				<b>329,991</b>	<b>323,643</b>	<b>86,989</b>	<b>420,641</b>		

Exhibit SS-4

AUF Pro Forma Adjustments Summary  
Test Year - 2007

A/C #	A/C Name	Systems	Estimated Amount - Florida (H/L)	Estimated Amount - AUF Water (H/L)	Estimated Amount - AUF Sewer (H/L)	Estimated Amount - Total AUF (H/L)	Explanation of Adjustment
408110	Property Taxes	All	122,190	31,665	90,524	122,190	Additional Property Taxes on 2007 Net Additions
601/701	Salaries & Wages - Employees	All	98,289	48,488	21,607	70,095	4.0% Wage increase effective 4/1/08
601/701	Salaries & Wages - Employees	Various	134,916	65,796	29,389	95,166	Market Based Increases
601/701	Salaries & Wages - Employees	All	95,000	45,550	17,005	62,555	Rates Manager
601/701	Salaries & Wages - Employees	All	75,000	35,960	13,425	49,385	Controller
601/701	Salaries & Wages - Employees	Various	40,040	30,991	136	31,127	Lake County Facility Operator II
601/701	Salaries & Wages - Employees	Sebring Lakes	40,040	40,040		40,040	Sebring Lakes Facility Operator II
604/704-810	Employee Benefits	All	62,527	30,339	15,869	48,208	Increase in Benefit costs/head in 2008
408121	Payroll Taxes - FICA	All	7,366	3,708		3,708	FICA taxes on 4.0% Wage increase effective 4/1/08
408121	Payroll Taxes - FICA	Various	10,321	5,162		5,162	FICA taxes on Market Based Increases
610100	Purchased Water	Palm Terrace	2,838	2,838		2,838	Palm Terrace Purchased Water rate increases
610100	Purchased Water	Lake Suzy	94,443	94,443		94,443	Lake Suzy Purchased Water rate increases
710500	Purchased Sewage Treatment	Zephyr Shores	271		271	271	Zephyr Shores Pro Forma Purchased Sewage Treatment
710500	Purchased Sewage Treatment	Lake Gibson Estates	55,766		55,766	55,766	Lake Gibson Estates Pro Forma Purchased Sewage Treatment
711500	Sludge Hauling	Jasmine Lakes	16,057		13,597	13,597	Pasco County Sludge Hauling price increase in 2008
711500	Sludge Hauling	Palm Terrace	13,597		16,057	16,057	Pasco County Sludge Hauling price increase in 2008
618300	Chemicals	Chuluota	22,680	22,680		22,680	Ammonia for Chloramination in Chuluota
641/741-500	Rent	All	8,400	4,028	1,504	5,531	New office rent
638/738-700	Contractual Services - Other	Various	(105,426)	(63,067)	(2,203)	(65,270)	Eliminate O/S Contractor meter reading
738700	Contractual Services - Other	South Seas	102,276		102,276	102,276	New Contract Services for South Seas Operator
650/750-532	Transportation	All	84,021	30,666	11,460	42,156	Adjust fuel to \$3.36/gal
675/775-802	Miscellaneous	All	80,000	28,768	10,740	39,508	New town hall meeting expense (Aqua Connects)
634/734-800	Contractual Services - Mgmt Fees	All	4,896	2,398	894	3,290	Additional 2008 Service Co headcount, fully loaded (Mitch Arch, Corp Actg Mgr)
634/734-800	Contractual Services - Mgmt Fees	All	19,413	9,308	3,475	12,783	Projected 4% Service Co Wage increase effective 4/1/08 (on total Service Co expense billings)
634/734-800	Contractual Services - Mgmt Fees	All	1,485	712	268	878	Additional 2008 Service Co FICA taxes on above Wage increases (7.65%)
634/734-800	Contractual Services - Mgmt Fees	All	(80,776)	(29,140)	(10,879)	(40,019)	Projected Service Co Dual Water/Sewer Customer adjustment to allocations
634/734-800	Contractual Services - Mgmt Fees	All	13,227	6,342	2,368	8,709	Additional 2008 Service Co employee benefits
638/738-700	Contractual Services - Other	All	8,238	3,949	1,474	5,423	Projected 4% ACO Wage Increase effective 4/1/08 (on Salaries only)
638/738-700	Contractual Services - Other	All	630	302	113	415	Additional 2008 ACO FICA taxes on above Wage increases
638/738-700	Contractual Services - Other	All	(52,866)	(25,357)	(9,487)	(34,824)	Projected ACO Dual Water/Sewer Customer adjustment to allocations
638/738-700	Contractual Services - Other	All	58,362	26,462	10,626	39,088	Additional 2008 ACO employee benefits
			<u>1,012,399</u>	<u>455,059</u>	<u>396,273</u>	<u>851,332</u>	