

St. George Island Utility Company, Ltd.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
REGARDING THE APPLICATION FOR INCREASED RATES FOR
ST. GEORGE ISLAND UTILITY COMPANY, LTD.

IN FRANKLIN COUNTY

DOCKET NO. _____ -WU

TESTIMONY OF JEANIE DRAWDY

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FPSC-RECORDS/REPORTING

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1 **Q. Please state your name and address.**

2 A. My name is Jeanie Drawdy. My address is Post
3 Office Box 182, Monticello, FL 32344.

4

5 **Q. What is your profession?**

6 A. I am an accountant and have been in practice for 18
7 years.

8

9 **Q. Would you briefly describe your background and
10 experience?**

11 A. I am a graduate of Florida State University with a
12 major in accounting. I am currently enrolled in the
13 masters program at FSU. I have a background in public
14 accounting including auditing, tax preparation and
15 consulting. I have done consulting work and have
16 experience in auditing public utilities. I am familiar
17 with the 1984 NARUC Uniform System of Accounts (USOA)
18 as adopted by the Florida Public Service Commission.

19

20 **Q. Do you provide accounting services to St. George
21 Island Utility Company, Ltd.?**

22 A. Yes. On a contractual basis since 1992, I have
23 been responsible for overseeing the books of the
24 utility, verifying procedures, making journal entries
25 and verifying regular and closing entries in the
26 general ledger.

1 Q. In the course of performing accounting services for
2 St. George Island Utility Company, Ltd., have you
3 become familiar with its accounting books and records?

4 A. Yes I have, especially with regard to the records
5 kept since I began providing services.

6

7 Q. Are you familiar with the accounting records kept
8 prior to your engagement with St. George Island
9 Utility?

10 A. To some extent. Although I had no responsibility
11 or input with regard to records established before my
12 engagement, I have assisted St. George Island Utility
13 in accumulating and verifying supporting documentation
14 for entries made since the last rate case so as to
15 maintain compliance with the USOA ad directed by the
16 Commission.

17

18 Q. In your opinion, are SGI's books and records in
19 substantial compliance with the USOA?

20 A. Yes they are. As this Commission is aware, SGI has
21 been cited in the past for failure to properly maintain
22 records. In Order No. 23038, issued 6/6/90, the
23 Commission found that SGI's plant records were not
24 being maintained in sufficient detail. Then in Order
25 No. 23649, issued 10/22/90, the Commission noted that

1 the problem regarding plant records had been resolved
2 as "borne out by our most recent audit." In 1991, the
3 Commission initiated additional audits, and to assist
4 in surveillance it required SGI to file copies of its
5 general ledger and trial balance for the year ended
6 12/31/90, for the four months ended 4/30/91 and for
7 every month from that point forward. The Commission
8 initiated audits noted several exceptions and
9 disclosures, but mostly with regard to the timing of
10 entries. Then on 3/31/92, the Commission issued Order
11 No. 92-0122-FOF-WU which addressed the status of SGI's
12 books and records. In that order, the Commission found
13 "that the utility's books and records are in
14 substantial compliance with Rules 25-30.110(1)(a) and
15 25-30.115(1), Florida Administrative Code." These are
16 the rules regarding preservation of records and
17 compliance with the USOA. Although the Commission
18 found SGI in substantial compliance, SGI was ordered to
19 continue to provide copies of its general ledger and
20 trial balance on a monthly basis. Preparing those
21 documents is a part of my services for SGI.

22 I began providing accounting services to SGI at
23 about the time that Order No. PSC-92-0122-FOF-WU was
24 issued, and since that time the books and records have
25 been kept in substantial compliance with the USOA and

1 Commission rules.

2

3 Q. How much time does it take you to perform your
4 ongoing accounting services for SGI?

5 A. Approximately two full days, or sixteen hours per
6 week.

7

8 Q. Did you compile or provide for the compilation of
9 the historical accounting information for St. George
10 Island Utility from the last rate case test year,
11 12/31/87, through this test year, 12/31/92?

12 A. Yes. That information was provided to Mr. Seidman.
13 He used that information to prepare the Minimum Filing
14 Requirements and all of the adjustments contained
15 therein.

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17 Q. Does that conclude your direct testimony?

18 A. Yes, it does.

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