

DATE DEPOSIT

AUG 29 2011 194

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A STAFF ASSISTED RATE CASE

110260-WS

CK# 8611
11 AUG 29 11 00 AM '11
\$1,000.00
P29-11
RT

I. GENERAL DATA

A. Name of Utility:

USEPPA ISLAND UTILITIES CO., INC

B. Address:

P.O. Box 640 BOKEELTA, FL 33922

1. Telephone Nos.:

() 239/283-1061

2. County:

LEE

3. General Area Served:

USEPPA ISLAND

Nearest City:

BOKEELTA

RECEIVED - FPSC
11 AUG 29 AM 06
COMMISSION CLERK
BOKEELTA

C. Authority:

1. Water Certificate No.

WS249-07-W-R

Date Received:

2. Wastewater Certificate No.

WS249-07-S-R

Date Received:

3. Date Utility Started Operations:

Water: 1981

Wastewater:

1981

D. How System Was Acquired:

BUILT 1981

If utility was purchased, give date

Amount Paid \$

1. Name of Seller:

2. Was seller affiliated with present owners? Yes No

3. Did you purchase: Stock or assets only

E. Type of Legal Entity:

Corporation

Partnership

Sole Proprietorship

F. Ownership & Officers:

DOCUMENT NUMBER - DATE
06208 AUG 29 =
FPSC-COMMISSION CLERK

COM
APA
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N.G.

	Name	Title	Percent Ownership
1.	USEPPA INN + DOCK Co.		100%
2.			
3.			
4.			

G. List of Associated Companies and Addresses:

N/A

H. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

Name: N/A

Address:

II. ACCOUNTING DATA

A. Outside Accountant

- 1. Name: RONALD HARRIS
- 2. Firm: WELKER HARRIS AND COMPANY
- 3. Address: 4575 VIA ROYALE # 218 FT. MYERS, FL 33919
- 4. Telephone: () 239/278-1003

B. Individual To Contact On Accounting Matters:

- 1. Name: LOU ANN WEST
- 2. Telephone: () 239/283-1061 x115

C. Location of Books and Records: USEPPA ISLAND

D. Have you filed an Annual Report with the Commission? Yes No

Date Last Filed: YEAR 2010

E. Has your latest Regulatory Assessment Fee Payment been made? YES

(January 30 or July 30 whichever is applicable) Jan 30 July 30

F. Basic Rate Base Data: (Most recent two years)

SEE ATTACHED

	20 1 0	20 0 9
1. <u>Water:</u>		
Cost of Plant In Service	\$ *	\$ *
Less Accumulated Depreciation	_____	_____
Less Contributed Plant	_____	_____
Net Owner's Investment	\$ _____	\$ _____
2. <u>Wastewater:</u>	20	20

Cost of Plant In Service	\$ _____	\$ _____
Less Accumulated Depreciation	_____	_____
Less Contributed Plant	_____	_____
Net Owner's Investment	\$ _____	\$ _____

G. Basic Income Statement: *(Most recent two years)*

1. Water:

	20	20
Revenues (By Class)		
a.	\$ _____	\$ _____
b.	_____	_____
c.	_____	_____
Total Operating Revenues:	\$ _____	\$ _____
Less Expenses:		
a. Salaries & Wages - Employees	_____	_____
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	_____	_____
c. Employee Pensions & Benefits	_____	_____
d. Purchased Water	_____	_____
e. Purchased Power	_____	_____
f. Fuel for Power Production	_____	_____
g. Chemicals	_____	_____
h. Materials & Supplies	_____	_____
i. Contractual Services	_____	_____
j. Rents	_____	_____
k. Transportation Expenses	_____	_____
l. Insurance Expense	_____	_____
m. Regulatory Commission Expense	_____	_____
n. Bad Debt Expense	_____	_____
o. Miscellaneous Expense	_____	_____
p. Depreciation Expense	_____	_____
q. Property Taxes	_____	_____
r. Other Taxes	_____	_____
s. Income Taxes	_____	_____
Operating Income (Loss)	\$ _____	\$ _____

2. Wastewater

	20	20
Revenues (By Class):	\$ _____	\$ _____
a.	_____	_____
b.	_____	_____
c.	_____	_____
Total Operating Revenues:	\$ _____	\$ _____
Less Expenses:		
a. Salaries & Wages - Employees	_____	_____
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	_____	_____
c. Employee Pensions & Benefits	_____	_____
d. Purchased Wastewater Treatment	_____	_____
e. Sludge Removal Expense	_____	_____
f. Purchased Power	_____	_____
g. Fuel for Power Production	_____	_____
h. Chemicals	_____	_____
i. Materials & Supplies	_____	_____
j. Contractual Services	_____	_____
k. Rents	_____	_____
l. Transportation Expenses	_____	_____
m. Insurance Expense	_____	_____
n. Regulatory Commission Expense	_____	_____
o. Bad Debt Expense	_____	_____
p. Miscellaneous Expense	_____	_____
q. Depreciation Expense	_____	_____
r. Property Taxes	_____	_____
s. Other Taxes	_____	_____
t. Income Taxes	_____	_____
Operating Income (Loss)	\$ _____	\$ _____

H. Outstanding Debt:

Creditor	Date Borrowed	Balance Due	Interest Rate	Expiration Date
1. USEPPA INN AND DOCK COMPANY			10%	
2. _____	_____	BALANCE AS OF 7/31/11		\$ 687,227
3. _____	_____	_____	_____	_____
4. _____	_____	_____	_____	_____

I. Indicate Type of Tax Return Filed:

- Form 1120 - Corporation
- Form 1120S - Subchapter S Corporation
- Form 1065 - Partnership
- Form 1040 - Schedule C - Individual (Proprietorship)

III

ENGINEERING DATA

A. Outside Engineering Consultant:

- 1. Name: David Schmidt
- 2. Firm: Q. Grady minor
- 3. Address: 3800 Via Del Rey Bonita Springs FL 34134
- 4. Telephone: (239) 947-1144

Josh Epting
 Entrix
 1388 Colonial Blvd,
 Ft Myers, FL 33907
 239-574-1919

B. Individual to contact on engineering matters:

- 1. Name: see above
- 2. Telephone: () see above

C. Is the utility under citation by the Department of Environmental Protection (DEP) or County Health Department? If yes, explain:

DEP - (water) - Install 2/0 concentrate injection well(s)
 * See atttech contract

D. List any known service deficiencies and steps taken to remedy problems:

None

E. Name of plant operator(s) and DEP operator certificate number(s) held:

Eric Glidden Water - C 0012872
 wastewater - C 0012789

F. Is the utility serving customers outside of its certificated area?

If yes, explain: No

G. Wastewater:

1. Gallons per day capacity of treatment facilities:

- Plant designed 45,000 gpd
- a. Existing: Permitted 20,000 gpd
 - b. Under Construction: 0
 - c. Proposed: 0

2. Type and make of present treatment facilities:

Extended air / McNeil company
 WWTp with surge

3. Approximate average daily flow of treatment plant effluent:

0.0096 MGD Annual average 98 of July 31, 2011

4. Approximate length of wastewater mains:

Size (diameter):				
Linear feet:				

5. Number of manholes: 2

6. Number of lift stations: 25

7. How do you measure treatment plant effluent?

flow meter

8. Is the treatment plant effluent chlorinated? Yes No

If yes, what is the normal dosage rate? 3 ppm - 11 ppm

- 9. Tap in fees - Wastewater: \$ 0
- 10. Service availability fees - Wastewater: \$ 0
- 11. Note DEP Treatment Plant Certificate Number and date of expiration: ?
Number Expiration Date: ?
- 12. Total gallons treated during most recent twelve months: 3,526 mg
- 13. Wastewater treatment purchased during most recent twelve months: 0

H. Water:

- 1. Gallons per day capacity of treatment facilities:
 - a. Existing: 60,000 gpd
 - b. Under Construction: 0
 - c. Proposed: 0
- 2. Type of treatment:
Reverse osmosis
- 3. Approximate average daily flow of treated water: Annual average 95 of 7/3/11 - 39,731 gpd
- 4. Source of water supply: Ground water wells
- 5. Types of chemicals used and their normal dosage rates:
Antisepten - AF600
Sodium Hydrochlorite - 1-3 ppm
- 6. Number of wells in service: 2
Total capacity in gallons per minute (gpm):

Diameter/Depth:	6" / 320	6" / 340	1
Motor horsepower:	7.5	7.5	
Pump capacity (gpm):	Regulated @ 70gpm	Regulated @ 70gpm	

- 7. Reservoirs and/or hydropneumatic tanks:

Description:	Hydro tank - steel	Storage - ground	
Capacity:	1,000 gallons	100,000 gallon	

- 8. High service pumping:

Motor horsepower:	10 hp	10 hp		
Pump capacity (gpm):	140 gpm	140 gpm		

- 9. How do you measure treatment plant production? Flow meters

- 10. Approximate feet of water mains:

Size (diameter):				
Linear feet:				

- 11. Note any fire flow requirements and imposing government agency: None

- 12. Number of fire hydrants in service: None

13. Do you have a meter change out program? No Yes
14. Meter installation or tap in fees - Water \$ 0
15. Service availability fees - Water \$ 0
16. Has the existing treatment facility been approved by DEP? No Yes
17. Total gallons pumped during most recent twelve months: 14,505 MG
18. Total gallons sold during most recent twelve months: 12,938 MG
19. Gallons unaccounted for during most recent twelve months: 1,567 (Some Flushing/Leaks are accounted for)
20. Gallons purchased during most recent twelve months: 0

IV. RATE DATA

A. Individual to contact on tariff matters:

1. Name: Eric Glidden
2. Telephone Number: (239) 707-8780

B. Schedule of present rates: (Attach additional sheets if more space is needed)

1. Water:

- a. Residential Water \$ 6.33 Per 1,000 gallons
- b. General Service \$ 6.33 Per 1,000 gallons
- c. Special Contract —
- d. Other - Specify —

2. Wastewater:

- a. Residential Wastewater \$ 11.81 Per 1,000 gallons 6,000 max.
- b. General Service \$ 14.17 per 1,000 gallons No max.
- c. Special Contract —
- d. Other - Specify —

C. Number of Customers: (Most recent two years)

	2009	2010
1. Water Metered		
a. Residential	<u>144</u>	<u>144</u>
b. General Service	<u>12</u>	<u>12</u>
c. Special Contract	<u>—</u>	<u>—</u>
d. Other - Specify	<u>—</u>	<u>—</u>
2. Water Unmetered		
a. Residential	<u>—</u>	<u>—</u>
b. General Service	<u>—</u>	<u>—</u>
c. Special Contract	<u>—</u>	<u>—</u>
d. Other - Specify	<u>—</u>	<u>—</u>
3. Wastewater		
a. Residential	<u>138</u>	<u>138</u>
b. General Service	<u>7</u>	<u>7</u>
c. Special Contract	<u>—</u>	<u>—</u>
d. Other - Specify	<u>—</u>	<u>—</u>

V. AFFIRMATION

I, _____ the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge, and belief.

Signed Samuel Heunous
Title CEO

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ATTACHMENT A

REVISED SCOPE OF WORK FOR TESTING, AND INSTALLATION
OF A CLASS V INJECTION WELL SYSTEM

The following is a **revised** program to investigate and construct a Class V injection well disposal system. The original text of the proposal is in normal font and the revised text is **italic and bolded** print for ease of review. Dependent upon the hydraulics of the injection zone, this system may be used to dispose of both Reverse Osmosis by-product and treated waste water. To date the project has received the Florida Department of Protection (FDEP) Exploratory Well Construction and Testing Permit. Following the construction and testing authorized by this permit; additional permits may be required. The additional permits include: 1) Conversion of exploratory well to a Class V test injection well, 2) Construction Permit for additional Class V injection and monitor wells (as required and determined through site testing), and 3) Class V Well Operation Permit. During the permitting to convert the exploratory well to a test injection well the monitoring well system will be designed and permitted.

A – Exploratory Program Approval and Test Permit

1. Develop Testing Program
2. Program Submittal to FDEP and Response

The cost for this work element is \$4,000.00 *pd*

This work element has been completed No further action or changes are required for this task.

B – Complete Exploratory Program

1. Mobilize
2. Test Boring
 - Lithology
 - Water quality samples – samples from selected horizons
 - Identify target injection zone
 - Characterize confining layers
3. Convert Test Well to 2-inch or 4-inch monitor well (injection zone)
4. Construct 4-inch test injection well
5. Review injection testing plan and set-up with FDEP
6. Complete Injection Testing – Assumes 24-hours and 1 monitor well
7. Complete Analysis and Report – Includes conceptual design for final wellfield
8. Submit Report for Client Review
9. Submit Report to FDEP

The cost for this work element is \$30,000.00

The work elements scheduled under this task required modification to the original proposal and shall be conducted in accordance with the following:

1. ***Mobilize.***
2. ***Prepare drilling pad and containment areas.***
3. ***Install and sample four (4) shallow pad monitor wells.***
4. ***Construct well as detailed in the FDEP submittals.***
5. ***Conduct Testing as detailed in the FDEP submittals.***
6. ***Complete well as either deep zone monitor well or back plug to base of the injection zone for later conversion to test injection well.***
7. ***Complete Analysis and Reporting – Includes conceptual design for final wellfield***
8. ***Submit report for Client Review***
9. ***Submit Report to FDEP***

The revised cost for this work element is \$65,200.00

ATTACHMENT A

REVISED SCOPE OF WORK FOR TESTING, AND INSTALLATION
OF A CLASS V INJECTION WELL SYSTEM

- Continued -

The revised cost for Task B is \$65,200 can be reduced if Useppa Island would provide some initial mobilization and demobilization support to the project. . The mobilization items that would be required from the Utility are related to the installation of the drilling pad, shallow groundwater monitor wells, and the groundwater containment, which we would be able to provide technical support as it pertains to design and FDEP submittals. For demobilization, the drill fluids and cuttings require disposal. Cardno ENTRIX can support Useppa Island in managing these items to the satisfaction of the FDEP. A cost savings of about \$6,665 could be realized if these items were pulled from the drilling contractor.

C – Complete Injection Wells (for proposal purposes assumes a total of 3 Class V wells)

1. Permit for conversion of test-injection well to Class V well
2. Permit for construction of Class V wells
3. Mobilize
4. Install remaining Class V wells
 - Lithologic samples
 - Well construction supervision
5. Complete 4 hour injection capacity test on each well (2 each)
6. Completion report
 - Report will include individual well capacities and suggested operation protocol.

The cost for this work element is \$24,000.00

The final well design will be prepared following the completion of the exploratory drilling in Task B. Actual costs are likely to vary from the previously estimated cost. A revised project cost will be prepared for Task C at that time.

D – Operation Permit

1. Complete and submit Class V Operation Permit to FDEP
2. Assist in negotiating and developing operating and monitoring requirements

The cost for this work element is \$5,000.00

No expected changes are foreseen with this work element.

E – The original cost proposal was for **\$63,000** the revised cost proposal is **\$74,200**. Additional cost for work elements outlined in Task C will be prepared following the completion of the construction and testing in Task B, as there several variables that impact the cost of construction and construction oversight.

F – Assumptions and Limitations

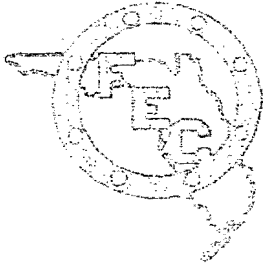
The following assumptions are made in the proposal:

1. The drill rig will be transported back to the mainland within 24-hours of client notification of work completion with the drill rig.
2. The day rate for the drill rig will be \$500.00/day if on the island after the 24-hour work completion notification.
3. The cost proposal assumes that the target injection interval will not exceed 100 feet below ground level. Other similar Class V projects in the area did not exceed this depth. However, since we do not have site-specific data, we cannot guarantee that a similar injection zone is present on site.
4. The injectivity test is estimated for two days (48 hours) duration. The client will provide the potable water to the wellhead for the test. The client will provide his on-site personnel to assist in data collection during the night shift. ENTRIX personnel will leave the site daily.



Shaping the Future

5. The well cost is for an open hole completion. Should a screened completion be necessary, an additional charge of \$500.00/well will be added.
6. Submittal of permit applications does not constitute a guarantee that the FDEP will issue permits. Further, the FDEP could request additional information that could result in additional costs.



PROPOSAL

August 12, 2011

To: Useppa Utility
PO Box 640
Bokeelia, FL 33922

Attn: Eric Glidden

Re: Useppa Island – Fusion Tank Rehab

Florida Environmental Construction, Inc. will provide all material, equipment and labor to do the following:

- Replace existing 4" galvanized flanged connection with 1 – 4" 316 stainless steel flanged connection.
- Replace existing 6" galvanized flanged connection with 1 – 6" 316 stainless steel flanged connection.
- Replace existing roof vent with a non-corrosive vent.
- Remove and replace all existing sealer on seams of inside of tank.
- Repair and coat corroded areas on inside of tank as deemed necessary.

This maintenance is required to ensure the longevity of the tank's lifespan. Without this maintenance the lifespan of the tank will be reduced significantly.

We recommend upon completion of this maintenance this tank be inspected every five years to ensure the longevity of the tank's lifespan.

This maintenance will require the tank be out emptied and out of service for 2 days.

TOTAL \$29,569.00

Proposal valid for 30 days from above date.

Submitted by: 
Florida Environmental Const., Inc.

Accepted by: 
Useppa Utility

Date: 8/12/11

Date: 8/16/11

USEPPA UTILITY, INC

Balance Sheet SubType

As of 12/31/2009

Assets**Current Assets**

WACHOVIA BANK	\$11,450.08	
ACCOUNTS RECEIVABLE	26,657.53	
Total Current Assets		\$38,107.61

Property, Plant & Equipment

RECEIVING WELLS	\$3,559.85	
PROPERTY PLANT & EQUIPMENT	1,082,852.37	
ACCUMULATED DEPRECIATION	(655,029.19)	
Total Property, Plant & Equipment		431,383.03

Total Assets\$469,490.64**Liabilities and Equity****Current Liabilities**

ACCOUNTS PAYABLE	\$19,357.73	
NOTES PAYABLE	776,266.59	
Total Current Liabilities		\$795,624.32

Long Term Liabilities

LONG TERM DEBT	\$23,632.05	
Total Long Term Liabilities		23,632.05

Total Liabilities\$819,256.37**Equity**

PAID IN CAPITAL	\$150,000.00	
RETAINED EARNINGS	(494,830.97)	
Current Year Profit/Loss	(4,934.76)	
Total Equity		(349,765.73)

Total Liabilities and Equity\$469,490.64

USEPPA UTILITY, INC

Balance Sheet

As of 12/31/2009

Assets**Current Assets**

CASH SW CAPITAL	\$11,450.08	
ACCOUNTS RECEIVABLE	26,657.53	
Total Current Assets		\$38,107.61

Property, Plant & Equipment

UTILITY PLANT WATER	\$565,159.00	
UTILITY PLANT WASTE	508,524.61	
ACCUM DEPRECIATION WATER	(328,837.72)	
ACCUM DEPRECIATION WASTE	(326,191.47)	
PUMPING EQUIPMENT	1,464.69	
WATER METERS	980.73	
COLLECTION SEWERS FORCE	6,309.94	
RECEIVING WELLS	3,559.85	
TREATMENT AND DISPOSAL EQUIPMENT	413.40	
Total Property, Plant & Equipment		431,383.03

Total Assets\$469,490.64**Liabilities and Equity****Current Liabilities**

ACCOUNTS PAYABLE	\$19,357.73	
NP STOCKHOLDERS	731,350.66	
NP FLORIDA GULF BANK	44,915.93	
Total Current Liabilities		\$795,624.32

Long Term Liabilities

CIAC WATER	\$225,670.00	
CIAC WASTEWATER	230,187.00	
AMORT CIAC WATER	(202,037.95)	
AMORT CIAC WASTE	(230,187.00)	
Total Long Term Liabilities		23,632.05

Total Liabilities

\$819,256.37

Equity

COMMON STOCK	\$1,000.00	
PAID IN CAPITAL	149,000.00	
RETAINED DEFICIT	(494,830.97)	
Current Year Profit/Loss	(4,934.76)	
Total Equity		(349,765.73)

Total Liabilities and Equity\$469,490.64

USEPPA UTILITY, INC
Income Statement
(Original Budget to Actual Comparison)
For the period of 12/1/2009 Through 12/31/2009
CONSOLIDATED

	Current Period				Year To Date			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Revenues								
WASTEWATER DEPARTMENT	11,475.00	13,707.36	2,232.36	19.5	136,900.00	160,317.85	23,417.85	17.1
WATER DEPARTMENT	14,478.00	19,024.03	4,546.03	31.4	172,936.00	178,845.88	5,909.88	3.4
Net Revenues	\$25,953.00	\$32,731.39	\$6,778.39	26.1 %	\$309,836.00	\$339,163.73	\$29,327.73	9.5 %
Operating Expenses								
WASTEWATER DEPARTMENT	10,865.00	28,511.06	(17,646.06)	(162.4)	130,583.00	152,756.31	(22,173.31)	(17.0)
WATER DEPARTMENT	12,403.00	39,846.73	(27,443.73)	(221.3)	150,013.00	191,342.18	(41,329.18)	(27.6)
Total Operating Expenses	\$23,268.00	\$68,357.79	\$(45,089.79)	(193.8)%	\$280,596.00	\$344,098.49	\$(63,502.49)	(22.6)%
Net Income (Loss)	\$2,685.00	\$(35,626.40)	\$(38,311.40)	(1426.9)%	\$29,240.00	\$(4,934.76)	\$(34,174.76)	(116.9)%

USEPPA UTILITY, INC

WATER DEPARTMENT

Income Statement

(Original Budget to Actual Comparison)

For the period of 12/1/2009 Through 12/31/2009

	Current Period				Year To Date			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Revenues								
AMORTIZATION INCOME WATER	\$0.00	\$7,026.24	\$7,026.24	0.0 %	\$0.00	\$7,026.24	\$7,026.24	0.0 %
WATER DEMAND	6,900.00	6,807.19	(92.81)	(1.3)	82,800.00	81,366.23	(1,433.77)	(1.7)
METERED WATER REVENUE	7,360.00	5,190.60	(2,169.40)	(29.5)	88,320.00	89,269.09	949.09	1.1
FIRE PROTECTION REVENUE	118.00	0.00	(118.00)	(100.0)	1,416.00	751.76	(664.24)	(46.9)
OTHER WATER REVENUE	100.00	0.00	(100.00)	(100.0)	400.00	432.56	32.56	8.1
Net Revenues	\$14,478.00	\$19,024.03	\$4,546.03	31.4 %	\$172,936.00	\$178,845.88	\$5,909.88	3.4 %
Operating Expenses								
DEPRECIATION	635.00	13,625.21	12,990.21	2045.7	7,620.00	20,610.21	12,990.21	170.5
TAXES OTHER	333.00	8,364.81	8,031.81	2412.0	4,601.00	19,822.63	15,221.63	330.8
INTEREST EXPENSE	1,100.00	5,322.93	4,222.93	383.9	13,200.00	18,522.93	5,322.93	40.3
SALARIES AND WAGES	4,800.00	4,625.50	(174.50)	(3.6)	63,825.00	57,064.01	(6,760.99)	(10.6)
EMPLOYEE BENEFITS	350.00	274.24	(75.76)	(21.6)	4,200.00	3,636.89	(563.11)	(13.4)
ELECTRIC	2,250.00	1,757.86	(492.14)	(21.9)	27,000.00	26,138.34	(861.66)	(3.2)
FUEL FOR POWER PROD	0.00	0.00	0.00	0.0	780.00	0.00	(780.00)	(100.0)
CHEMICALS	1,275.00	146.22	(1,128.78)	(88.5)	5,300.00	2,663.18	(2,636.82)	(49.8)
MATERIALS AND SUPPLIES	650.00	0.00	(650.00)	(100.0)	5,400.00	6,491.34	1,091.34	20.2
CONTRACT SERVICES PROFESSIONAL	0.00	0.00	0.00	0.0	0.00	5,867.54	5,867.54	0.0
CONTRACT SERVICES TESTING	160.00	275.34	115.34	72.1	3,375.00	5,125.97	1,750.97	51.9
CONTRACT SERVICES OTHER	0.00	1,087.10	1,087.10	0.0	1,875.00	6,197.86	4,322.86	230.6
TRANSPORTATION	150.00	230.86	80.86	53.9	1,800.00	2,684.35	884.35	49.1
INSURANCE	0.00	479.00	479.00	0.0	2,637.00	2,824.00	187.00	7.1
MISCELLANEOUS	300.00	257.66	(42.34)	(14.1)	3,600.00	5,892.93	2,292.93	63.7
RENT	400.00	3,400.00	3,000.00	750.0	4,800.00	7,800.00	3,000.00	62.5
Total Operating Expenses	\$12,403.00	\$39,846.73	\$27,443.73	221.3 %	\$150,013.00	\$191,342.18	\$41,329.18	27.6 %
Net Income (Loss)	\$2,075.00	\$(20,822.70)	\$(22,897.70)	(1103.5)%	\$22,923.00	\$(12,496.30)	\$(35,419.30)	(154.5)%

USEPPA UTILITY, INC
WASTEWATER DEPARTMENT
Income Statement
(Original Budget to Actual Comparison)
For the period of 12/1/2009 Through 12/31/2009

	Current Period				Year To Date			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Revenues								
AMORTIZATION INCOME WASTEWATER	\$0.00	\$1,205.31	\$1,205.31	0.0 %	\$0.00	\$1,205.31	\$1,205.31	0.0 %
WASTE WATER DEMAND	7,200.00	7,220.80	20.80	0.3	86,400.00	86,351.78	(48.22)	(0.1)
WASTE USAGE INCOME	4,175.00	5,281.25	1,106.25	26.5	50,100.00	72,760.76	22,660.76	45.2
OTHER WASTE REVENUE	100.00	0.00	(100.00)	(100.0)	400.00	0.00	(400.00)	(100.0)
Net Revenues	\$11,475.00	\$13,707.36	\$2,232.36	19.5 %	\$136,900.00	\$160,317.85	\$23,417.85	17.1 %
Operating Expenses								
DEPRECIATION	635.00	10,750.46	10,115.46	1593.0	7,620.00	17,735.46	10,115.46	132.7
TAXES OTHER	330.00	7,793.00	7,463.00	2261.5	4,601.00	19,071.84	14,470.84	314.5
INTEREST EXPENSE	1,200.00	1,884.70	684.70	57.1	14,400.00	16,284.70	1,884.70	13.1
SALARY/WAGES	4,320.00	4,145.50	(174.50)	(4.0)	57,585.00	51,618.82	(5,966.18)	(10.4)
EMPLOYEE BENEFITS	350.00	274.25	(75.75)	(21.6)	4,200.00	3,636.96	(563.04)	(13.4)
SLUDGE REMOVAL	0.00	0.00	0.00	0.0	0.00	387.42	387.42	0.0
ELECTRIC	650.00	1,097.31	447.31	68.8	7,800.00	13,115.11	5,315.11	68.1
FUEL FOR POWER PROD	0.00	0.00	0.00	0.0	780.00	0.00	(780.00)	(100.0)
CHEMICALS	235.00	146.22	(88.78)	(37.8)	2,820.00	1,858.04	(961.96)	(34.1)
MATERIALS AND SUPPLIES	600.00	(3,251.52)	(3,851.52)	(641.9)	4,800.00	1,561.50	(3,238.50)	(67.5)
CONTRACT SERVICES PRO	0.00	0.00	0.00	0.0	875.00	1,435.00	560.00	64.0
CONTRACT SERVICES TEST	800.00	941.00	141.00	17.6	10,320.00	9,451.35	(868.65)	(8.4)
CONTRACT SERVICE OTHER	0.00	360.00	360.00	0.0	300.00	1,318.50	1,018.50	339.5
RENT	400.00	3,400.00	3,000.00	750.0	4,800.00	7,800.00	3,000.00	62.5
TRANSPORTATION	400.00	230.87	(169.13)	(42.3)	2,800.00	2,567.00	(233.00)	(8.3)
INSURANCE	645.00	479.00	(166.00)	(25.7)	3,282.00	2,824.00	(458.00)	(14.0)
MISCELLANEOUS	300.00	260.27	(39.73)	(13.2)	3,600.00	2,090.61	(1,509.39)	(41.9)
Total Operating Expenses	\$10,865.00	\$28,511.06	\$17,646.06	162.4 %	\$130,583.00	\$152,756.31	\$22,173.31	17.0 %
Net Income (Loss)	\$610.00	\$(14,803.70)	\$(15,413.70)	(2526.8)%	\$6,317.00	\$7,561.54	\$1,244.54	19.7 %

USEPPA UTILITY, INC

Balance Sheet SubType

As of 12/31/2010

Assets**Current Assets**

WACHOVIA BANK	\$10,996.29	
ACCOUNTS RECEIVABLE	29,957.04	
Total Current Assets		\$40,953.33

Property, Plant & Equipment

RECEIVING WELLS	\$3,559.85	
PROPERTY PLANT & EQUIPMENT	1,101,848.43	
ACCUMULATED DEPRECIATION	(699,590.53)	
Total Property, Plant & Equipment		405,817.75

Total Assets**\$446,771.08****Liabilities and Equity****Current Liabilities**

ACCOUNTS PAYABLE	\$6,699.60	
NOTES PAYABLE	786,811.04	
ACCRUED TAXES	7,407.63	
ACCRUED TAXES	6,945.93	
Total Current Liabilities		\$807,864.20

Long Term Liabilities

LONG TERM DEBT	\$16,605.81	
Total Long Term Liabilities		16,605.81

Total Liabilities**\$824,470.01****Equity**

PAID IN CAPITAL	\$150,000.00	
RETAINED EARNINGS	(499,765.73)	
Current Year Profit/Loss	(27,933.20)	
Total Equity		(377,698.93)

Total Liabilities and Equity**\$446,771.08**

USEPPA UTILITY, INC

Balance Sheet

As of 12/31/2010

Assets**Current Assets**

CASH SW CAPITAL	\$10,996.29	
ACCOUNTS RECEIVABLE	29,957.04	
Total Current Assets		\$40,953.33

Property, Plant & Equipment

UTILITY PLANT WATER	\$565,159.00	
UTILITY PLANT WASTE	508,524.61	
CONSTRUCTION WORK IN PROCESS	8,248.00	
ACCUM DEPRECIATION WATER	(354,787.39)	
ACCUM DEPRECIATION WASTE	(344,803.14)	
WELLS AND SPRINGS	3,048.00	
PUMPING EQUIPMENT	4,502.64	
WATER TREATMENT EQUIPMENT	483.79	
WATER METERS	1,413.99	
COLLECTION SEWERS FORCE	6,309.94	
FLOW MEASURING DEVICES	888.37	
RECEIVING WELLS	3,559.85	
TREATMENT AND DISPOSAL EQUIPMENT	3,270.09	
Total Property, Plant & Equipment		405,817.75

Total Assets\$446,771.08**Liabilities and Equity****Current Liabilities**

ACCOUNTS PAYABLE	\$6,699.60	
NP STOCKHOLDERS	786,811.04	
ACCRUED TAXES	7,407.63	
ACCRUED TAXES	6,945.93	
Total Current Liabilities		\$807,864.20

Long Term Liabilities

CIAC WATER	\$225,670.00	
CIAC WASTEWATER	230,187.00	
AMORT CIAC WATER	(209,064.19)	
AMORT CIAC WASTE	(230,187.00)	
Total Long Term Liabilities		16,605.81

Total Liabilities\$824,470.01**Equity**

COMMON STOCK	\$1,000.00	
PAID IN CAPITAL	149,000.00	
RETAINED DEFICIT	(499,765.73)	
Current Year Profit/Loss	(27,933.20)	
Total Equity		(377,698.93)

Total Liabilities and Equity\$446,771.08

USEPPA UTILITY, INC
Income Statement
(Original Budget to Actual Comparison)
For the period of 12/1/2010 Through 12/31/2010
CONSOLIDATED

	Current Period				Year To Date			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Revenues								
WASTEWATER DEPARTMENT	13,300.00	13,222.01	(77.99)	(0.6)	160,800.00	154,354.03	(6,445.97)	(4.0)
WATER DEPARTMENT	15,054.00	22,534.41	7,480.41	49.7	173,448.00	171,640.22	(1,807.78)	(1.0)
Net Revenues	\$28,354.00	\$35,756.42	\$7,402.42	26.1 %	\$334,248.00	\$325,994.25	\$(8,253.75)	(2.5)%
Operating Expenses								
WASTEWATER DEPARTMENT	11,845.00	30,209.87	(18,364.87)	(155.0)	151,954.00	175,505.07	(23,551.07)	(15.5)
WATER DEPARTMENT	14,146.00	34,723.78	(20,577.78)	(145.5)	164,108.00	178,422.38	(14,314.38)	(8.7)
Total Operating Expenses	\$25,991.00	\$64,933.65	\$(38,942.65)	(149.8)%	\$316,062.00	\$353,927.45	\$(37,865.45)	(12.0)%
Net Income (Loss)	\$2,363.00	\$(29,177.23)	\$(31,540.23)	(1334.8)%	\$18,186.00	\$(27,933.20)	\$(46,119.20)	(253.6)%

USEPPA UTILITY, INC
WATER DEPARTMENT
Income Statement
(Original Budget to Actual Comparison)
For the period of 12/1/2010 Through 12/31/2010

	Current Period				Year To Date			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Revenues								
AMORTIZATION INCOME WATER	\$0.00	\$7,026.24	\$7,026.24	0.0 %	\$0.00	\$7,026.24	\$7,026.24	0.0 %
WATER DEMAND	6,800.00	6,817.08	17.08	0.3	81,600.00	81,765.40	165.40	0.2
METERED WATER REVENUE	8,060.00	8,691.09	631.09	7.8	90,320.00	82,809.06	(7,510.94)	(8.3)
FIRE PROTECTION REVENUE	94.00	0.00	(94.00)	(100.0)	1,128.00	0.00	(1,128.00)	(100.0)
OTHER WATER REVENUE	100.00	0.00	(100.00)	(100.0)	400.00	39.52	(360.48)	(90.1)
Net Revenues	\$15,054.00	\$22,534.41	\$7,480.41	49.7 %	\$173,448.00	\$171,640.22	\$(1,807.78)	(1.0)%
Operating Expenses								
DEPRECIATION	635.00	18,964.67	18,329.67	2886.6	7,620.00	25,949.67	18,329.67	240.5
TAXES OTHER	341.00	7,831.50	7,490.50	2196.6	4,776.00	19,747.48	14,971.48	313.5
INTEREST EXPENSE	1,100.00	1,100.00	0.00	0.0	13,200.00	13,447.02	247.02	1.9
SALARIES AND WAGES	4,935.00	4,839.97	(95.03)	(1.9)	65,565.00	58,424.23	(7,140.77)	(10.9)
EMPLOYEE BENEFITS	265.00	239.52	(25.48)	(9.6)	3,180.00	3,020.70	(159.30)	(5.0)
ELECTRIC	2,250.00	1,839.19	(410.81)	(18.3)	27,000.00	23,094.18	(3,905.82)	(14.5)
FUEL FOR POWER PROD	200.00	0.00	(200.00)	(100.0)	800.00	338.43	(461.57)	(57.7)
CHEMICALS	300.00	0.00	(300.00)	(100.0)	4,600.00	3,069.43	(1,530.57)	(33.3)
MATERIALS AND SUPPLIES	500.00	201.38	(298.62)	(59.7)	6,000.00	4,423.81	(1,576.19)	(26.3)
CONTRACT SERVICES PROFESSIONAL	0.00	875.00	875.00	0.0	0.00	2,558.62	2,558.62	0.0
CONTRACT SERVICES TESTING	0.00	(1,637.64)	(1,637.64)	0.0	6,000.00	3,328.87	(2,671.13)	(44.5)
CONTRACT SERVICES OTHER	170.00	0.00	(170.00)	(100.0)	3,550.00	166.59	(3,383.41)	(95.3)
CONTRACT SERVICES - OTHER	2,100.00	0.00	(2,100.00)	(100.0)	2,400.00	0.00	(2,400.00)	(100.0)
TRANSPORTATION	400.00	160.98	(239.02)	(59.8)	2,950.00	2,961.09	11.09	0.4
INSURANCE	0.00	398.00	398.00	0.0	5,067.00	6,262.94	1,195.94	23.6
MISCELLANEOUS	300.00	(738.79)	(1,038.79)	(346.3)	3,600.00	3,829.32	229.32	6.4
RENT	650.00	650.00	0.00	0.0	7,800.00	7,800.00	0.00	0.0
Total Operating Expenses	\$14,146.00	\$34,723.78	\$20,577.78	145.5 %	\$164,108.00	\$178,422.38	\$14,314.38	8.7 %
Net Income (Loss)	\$908.00	\$(12,189.37)	\$(13,097.37)	(1442.4)%	\$9,340.00	\$(6,782.16)	\$(16,122.16)	(172.6)%

USEPPA UTILITY, INC
WASTEWATER DEPARTMENT
Income Statement
(Original Budget to Actual Comparison)
For the period of 12/1/2010 Through 12/31/2010

	Current Period				Year To Date			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Revenues								
WASTE WATER DEMAND	\$7,220.00	\$7,210.91	\$(9.09)	(0.1)%	\$86,640.00	\$86,570.48	\$(69.52)	(0.1)%
WASTE USAGE INCOME	5,980.00	6,011.10	31.10	0.5	73,760.00	67,045.08	(6,714.92)	(9.1)
OTHER WASTE REVENUE	100.00	0.00	(100.00)	(100.0)	400.00	738.47	338.47	84.6
Net Revenues	\$13,300.00	\$13,222.01	\$(77.99)	(0.6)%	\$160,800.00	\$154,354.03	\$(6,445.97)	(4.0)%
Operating Expenses								
DEPRECIATION	635.00	11,626.67	10,991.67	1731.0	7,620.00	18,611.67	10,991.67	144.2
TAXES OTHER	405.00	7,369.80	6,964.80	1719.7	5,582.00	19,285.83	13,703.83	245.5
INTEREST EXPENSE	1,200.00	1,200.00	0.00	0.0	14,400.00	14,647.00	247.00	1.7
SALARY/WAGES	5,330.00	4,599.97	(730.03)	(13.7)	69,160.00	52,470.11	(16,689.89)	(24.1)
EMPLOYEE BENEFITS	265.00	239.52	(25.48)	(9.6)	3,180.00	3,020.73	(159.27)	(5.0)
SLUDGE REMOVAL	0.00	0.00	0.00	0.0	400.00	0.00	(400.00)	(100.0)
ELECTRIC	1,100.00	1,029.06	(70.94)	(6.4)	13,200.00	12,810.86	(389.14)	(2.9)
FUEL FOR POWER PROD	200.00	0.00	(200.00)	(100.0)	800.00	338.43	(461.57)	(57.7)
CHEMICALS	210.00	0.00	(210.00)	(100.0)	2,520.00	2,135.92	(384.08)	(15.2)
MATERIALS AND SUPPLIES	450.00	201.38	(248.62)	(55.2)	5,400.00	2,854.31	(2,545.69)	(47.1)
CONTRACT SERVICES PRO	0.00	1,875.00	1,875.00	0.0	875.00	17,104.70	16,229.70	1854.8
CONTRACT SERVICES TEST	800.00	713.88	(86.12)	(10.8)	10,300.00	9,943.11	(356.89)	(3.5)
CONTRACT SERVICE OTHER	0.00	0.00	0.00	0.0	300.00	323.50	23.50	7.8
RENT	650.00	650.00	0.00	0.0	7,800.00	7,800.00	0.00	0.0
TRANSPORTATION	400.00	160.98	(239.02)	(59.8)	2,950.00	3,083.16	133.16	4.5
INSURANCE	0.00	398.00	398.00	0.0	5,067.00	6,262.93	1,195.93	23.6
MISCELLANEOUS	200.00	145.61	(54.39)	(27.2)	2,400.00	4,812.81	2,412.81	100.5
Total Operating Expenses	\$11,845.00	\$30,209.87	\$18,364.87	155.0 %	\$151,954.00	\$175,505.07	\$23,551.07	15.5 %
Net Income (Loss)	\$1,455.00	\$(16,987.86)	\$(18,442.86)	(1267.6)%	\$8,846.00	\$(21,151.04)	\$(29,997.04)	(339.1)%