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Arizona Corporation Commission
Docket Control
1200 West Washington Street
Phoenix, AZ 85007

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Arizona Corporation Commission
DOCKETED

JAN 12 2015

DOCKETED BY 

Re: Baca Float Water Company, Inc. – Sewer Division
Docket No. WS-01678A-14-0424

Enclosed please find an original and fifteen (15) copies of additional documents required to meet the sufficiency requirements per the instructions for the Rate Application For Sewer Companies With Annual Gross Operating Revenues of Less Than \$250,000 for the company above. The items below detail the items that either have been updated or were not included with the original filing on December 30, 2014:

1. Updated page 15a and 15b – Comparative Statement of Income and Expense and Detail of Proforma Adjustments have been updated to reclassify payroll fees and payroll taxes from account 701 to 721 and 408. Proforma adjustment 6 is for reclassification purposes and does not change current or proposed operating income or rates. Proforma adjustment 7 reclassifies office related expenses from account 720 to account 721. Proforma adjustment 7 is also for reclassification purposes and does not change current or proposed operating income or rates.
2. Updated salary and wage descriptions are attached that approximate the revised amount in account 701.
3. ADEQ Inspection Report – this item is in process and will be submitted to the ACC upon receipt by Baca Float.

If you have any questions, please do not hesitate to contact me at the email address below.

Sincerely,



Sonn S Ahlbrecht
Certified Public Accountant

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

	OPERATING REVENUES	PRIOR YEAR	TEST YEAR	PROFORMA ADJUSTMENTS	Ref #	ADJUSTED TEST YEAR	PROPOSED RATE INCREASE	Ref #	PROPOSED TEST YEAR
521	Flat Rate Revenues	\$ 237,304	\$ 248,222			\$ 248,222	\$ 42,000	5	\$ 290,222
522	Measured Revenues								
536	Other Wastewater Revenues	5,750	1,769			1,769			1,769
	TOTAL REVENUES	\$ 243,054	\$ 249,991			\$ 249,991	\$ 42,000		\$ 291,991
	OPERATING EXPENSES								
701	Salaries and Wages	\$ -	\$ 73,092	\$ (5,426)	6	\$ 67,666			\$ 67,666
710	Purchased Wastewater Treatment	-	-			-			-
711	Sludge Removal Expense	-	1,075			1,075			1,075
715	Purchased Power	10,487	11,239			11,239			11,239
716	Fuel for Power Production	-	-			-			-
718	Chemicals	14,322	19,235			19,235			19,235
720	Materials and Supplies	20,879	33,075	(3,380)	7	29,695			29,695
721	Office Supplies	-	-	3,853	6&7	3,853			3,853
731	Contractual Services - Professional	135,234	66,755			66,755			66,755
735	Contractual Services - Testing	13,406	11,289			11,289			11,289
736	Contractual Services - Other	2,500	2,631			2,631			2,631
740	Rents	5,893	4,856			4,856			4,856
750	Transportation Expenses	1,478	784			784			784
755	Insurance Expense	5,784	11,728			11,728			11,728
765	Regulatory Commission Expense	14,454	3,750	4,583	1	8,333			8,333
775	Miscellaneous Expense	125	-			-			-
403	Depreciation Expense	138,816	120,703	(112,067)	2	8,636			8,636
408	Taxes Other Than Income	135	156	4,953	6	5,109			5,109
408.11	Property Taxes	7,253	7,707	5,270	3a	12,977	2,180	3b	15,157
409	Income Taxes	-	-	(3,047)	4a	(3,047)	8,608	4b	5,562
	TOTAL OPERATING EXPENSES	\$ 370,766	\$ 368,075	\$ (105,261)		\$ 260,183	\$ 10,788		\$ 270,971
	OPERATING INCOME/(LOSS)	\$ (127,712)	\$ (118,084)	\$ 105,261		\$ (10,192)	\$ 31,212		\$ 21,020
	OTHER INCOME/(EXPENSE)								
419	Interest and Dividend Income	\$ -	\$ -	\$ -		\$ -	\$ -		\$ -
421	Non-Utility Income								
426	Miscellaneous Non-Utility Expenses								
427	Interest Expense								
	TOTAL OTHER INCOME/(EXPENSE)	\$ -	\$ -	\$ -		\$ -	\$ -		\$ -
	NET INCOME/(LOSS)	\$ (127,712)	\$ (118,084)	\$ 105,261		\$ (10,192)	\$ 31,212		\$ 21,020

NOTE: Do not include sales tax in revenue or expense. Please refer to the checklist on Page 29 for the required attachments related to this schedule.

DETAIL OF PROFORMA ADJUSTMENTS

1	<u>Adjustment 1</u>		
2	Rate Case Expense		
3	Total	\$ 25,000	Annual Rate Case Expense \$ 8,333
4	Amortized over 3 years	8,333	Test Year Rate Case Expense 3,750
5			Adjustment 1 <u>\$ 4,583</u>
6	<u>Adjustment 2</u>		
7	Depreciation Expense	(Reconciles Book Depreciation Expense to Calculated Deprecation Expense)	
8	Book Depreciation Expense		\$ 120,703
9	Depreciation Expense Calculated with correct plant and CIAC amortization balances		8,636
10			Adjustment 2 <u>\$ (112,067)</u>
11	<u>Adjustment 3</u>		
12	Property Tax		
13	Calculated Property Tax Expense (See page 15c)		\$ 12,977
14	Actual Property Tax Expense		7,707
15			Adjustment 3a <u>\$ 5,270</u>
16	Property Tax at Proposed Rates		
17	Calculated Property Tax Expense at Proposed Rates		\$ 15,157
18	Adjusted Test Year Property Tax Expense		12,977
19			Adjustment 3b <u>\$ 2,180</u>
20	<u>Adjustment 4</u>		
21	Income Tax Expense		
22	Calculated Test Year Income Tax Expense		\$ (3,047)
23	Test Year Income Tax		-
24			Adjustment 4a <u>\$ (3,047)</u>
25	Income Tax Expense at Proposed Revenue		
26	Calculated Proposed Income Tax Expense		\$ 5,562
27	Adjusted Test Year Income Tax		(3,047)
28			Adjustment 4b <u>\$ 8,608</u>
29	<u>Adjustment 5</u>		
30	Proposed Revenue		
31	Company Proposed Revenue		\$ 291,991
32	Test Year Adjusted Revenue		249,991
33			Adjustment 5 <u>\$ 42,000</u>
34	<u>Adjustment 6</u>		
35	Salaries and Wages		Adjustment 6 \$ (5,426)
36	Office Supplies		Adjustment 6 473
37	Taxes Other Than Income		Adjustment 6 4,953
38	Adjustment 6 has zero net effect on operating income - reclassification only		<u>\$ -</u>
39	<u>Adjustment 7</u>		
40	Materials and Supplies		Adjustment 7 \$ (3,380)
41	Office Supplies		Adjustment 7 3,380
42	Adjustment 7 has zero net effect on operating income - reclassification only		<u>\$ -</u>

BACA FLOAT WATER COMPANY – Sewer Division OPERATIONS R&M TECHNICIANS

Employee: Edgar Moreno

Annual Salary: \$16,640

Summary of essential job functions

- **Weed eating maintenance of treatment plant**
- **Perform general site cleanup**
- **Perform daily Chlorination and De-Chlorination duties at pump stations**
- **Do annual weed eating of treatment cells and raking and cleanup procedures**
- **Help with site inspections of plant**
- **Perform repairs on sewer lines**
- **Install equipment in septic tanks**
- **Check electric panels for septic tanks**
- **Daily check on septic tanks in community**
- **Perform routine maintenance on tanks**
- **Help with sludge removal in tanks**
- **Operate equipment for needs of plant and septic tank areas in community**
- **Routine checks of master cleanouts throughout community**
- **Assist in cleanup and maintenance of habitat pond and storage pond**
- **Keep effluent irrigation lines and drippers cleaned out for effective irrigation around treatment plant area**

BACA FLOAT WATER COMPANY – Sewer Division OPERATIONS R&M TECHNICIANS

Employee: Carlos Gonzales

Annual Salary: \$17,160

Summary of essential job functions

- **Weed eating maintenance of treatment plant**
- **Perform general site cleanup**
- **Perform daily Chlorination and De-Chlorination duties at pump stations**
- **Do annual weed eating of treatment cells and raking and cleanup procedures**
- **Help with site inspections of plant**
- **Perform repairs on sewer lines**
- **Install equipment in septic tanks**
- **Check electric panels for septic tanks**
- **Daily check on septic tanks in community**
- **Perform routine maintenance on tanks**
- **Help with sludge removal in tanks**
- **Operate equipment for needs of plant and septic tank areas in community**
- **Routine checks of master cleanouts throughout community**
- **Assist in cleanup and maintenance of habitat pond and storage pond**
- **Keep effluent irrigation lines and drippers cleaned out for effective irrigation around treatment plant area**

BACA FLOAT WATER COMPANY – Sewer Division OPERATIONS MANAGER

Employee: Raul Amezcua

Annual Salary: \$30,160

Summary of essential job functions

- **Monitor and record inflow at flow meter twice daily**
- **Inspect perimeter fencing and enclosed area**
- **Inspect pump stations**
- **Inspect flow splitter distribution boxes**
- **Observe and note all open water surface levels. Note any unusual and/or signs of sudden unaccounted increase or decrease in water levels**
- **Note any areas of standing water or wet soil where there should not be any**
- **Inspect irrigation sprinklers**
- **Daily chemical work**
- **Record daily turbidity readings**
- **Take daily samples Mon. thru Thurs. for analysis at Legend Tech.**
- **Walk the perimeter of the facility site looking for indications of seepage from the site IE: damp or wet soil, standing water, excessive vegetative growth, etc.**
- **Maintenance of weed control and general site cleanup**
- **Spot check operation of septic tanks in subdivisions by turning pumps on manually to insure proper operation**
- **Check mater cleanouts throughout subdivisions**
- **Check habitat pond for determining need of mosquito control**
- **Carefully inspect all embankments for any signs of settlement, cracking, erosion or breaching of embankments.**
- **Carefully inspect the basins or channel linings, to the extent practical without draining the facilities, for any signs of potential seepage or deterioration of the linings**
- **Inspect individual septic tanks located throughout the collection system**
- **Inspect and perform required maintenance on individual septic tanks twice a year**
- **Cut down vegetation growth in wetland cells (normally November-December) and haul off debris**
- **Operate heavy equipment for various maintenance duties**
- **Install equipment in septic tanks**
- **Setup electric panels and control boxes for septic tanks**

Baca Float Water Company – Sewer Division Administrative Assistant

Employee: Nicole Busboom

Annual Salary: \$5,000

Summary of essential job functions

- **Coordinate all activities with state agencies: A.D.E.Q, A.D.W.R & A.C.C**
- **Oversee all reporting procedures, IE: Meter readings, flow reports, chemical analysis, arsenic reporting, yearly M.A.P procedures, Daily Administrative Activities**
- **Oversee customer satisfaction programs**
- **Interact with local homeowners associations and community groups for water conservation**
- **Managing and reviewing of financial information**
- **Budget and planning for all operations**
- **Oversee administrative offices and customer call center department**
- **Prepare and produce information for quarterly board meetings**
- **Update and communicate with COO**