

CLASS "A" OR "B"

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**Public Service Commission**  
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WATER AND/OR WASTEWATER UTILITIES  
(Gross Revenue of More Than \$200,000 Each)

**ANNUAL REPORT**

OF

SU749-05-AR

**UTILITIES INC OF EAGLE RIDGE**

---

Exact Legal Name of Respondent

**369-S**

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

03 APR -05 PM 12:51  
BOARD OF PUBLIC SERVICE  
ECONOMIC REGULATION

**PUBLIC SERVICE COMMISSION**

FOR THE

YEAR ENDED

**31-Dec-05**

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# **EXECUTIVE SUMMARY**

**CERTIFICATION OF ANNUAL REPORT**

I HEREBY CERTIFY, to the best of my knowledge and belief:

YES      NO  
        1.    The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES      NO  
        2.    The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES      NO  
        3.    There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.

YES      NO  
        4.    The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified

1.	2.	3.	4.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\_\_\_\_\_  
 (Signature of Chief Executive Officer of the utility) \*

1.	2.	3.	4.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

  
 \_\_\_\_\_  
 (Signature of Chief Financial Officer of the utility) \*

\* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

**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.

ANNUAL REPORT OF

YEAR OF REPORT  
31-Dec-05

**UTILITIES INC OF EAGLE RIDGE**  
(Exact Name of Utility)

County: **Lee County**

List below the exact mailing address of the utility for which normal correspondence should be sent:

**2335 SANDERS ROAD**  
**NORTHBROOK IL 60062**

Telephone: **847-498-6440**

E Mail Address: **NONE**

WEB Site: **NONE**

Sunshine State One-Call of Florida, Inc. Member Number **UER828**

Name and address of person to whom correspondence concerning this report should be addressed:

**JOHN S HAYNES**  
**2335 SANDERS ROAD**  
**NORTHBROOK IL 60062**

Telephone: **847-498-6440**

List below the address of where the utility's books and records are located:

**2335 SANDERS ROAD**  
**NORTHBROOK IL 60062**

Telephone: **847-498-6440**

List below any groups auditing or reviewing the records and operations:

**PRICEWATERHOUSECOOPERS**

Date of original organization of the utility: **06/20/95**

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

Individual  Partnership  Sub S Corporation  1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	<b>UTILITIES INC</b>	<b>100%</b>
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

**DIRECTORY OF PERSONNEL WHO CONTACT  
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
LAWRENCE N SCHUMACHER	PRES/SEC/CFO		FINANCIAL
LISA CROSSETT	VP OPERATIONS		OPERATIONS
STEVE LUBERTOZZI	DIRECTOR OF REGULATORY		RATE CASE
PATRICK FLYNN	REGIONAL DIRECTOR		OPERATIONS

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

**COMPANY PROFILE**

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

- A. 100% of the stock to this company was acquired by Utilities, Inc. The Company Provides sewer service.
- B. The Company supplies sewer services only.
- C. Provide adequate sewerage and disposal services and earn a fair return.
- D. Sewer division only.
- E. Anticipated growth
- F. The stock of this company was purchased by Utilities, Inc. Improvements have been and are still being made to the system.



PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/2005

Complete below an organizational chart that show all parents, subsidiaries and affiliates of the utility.  
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

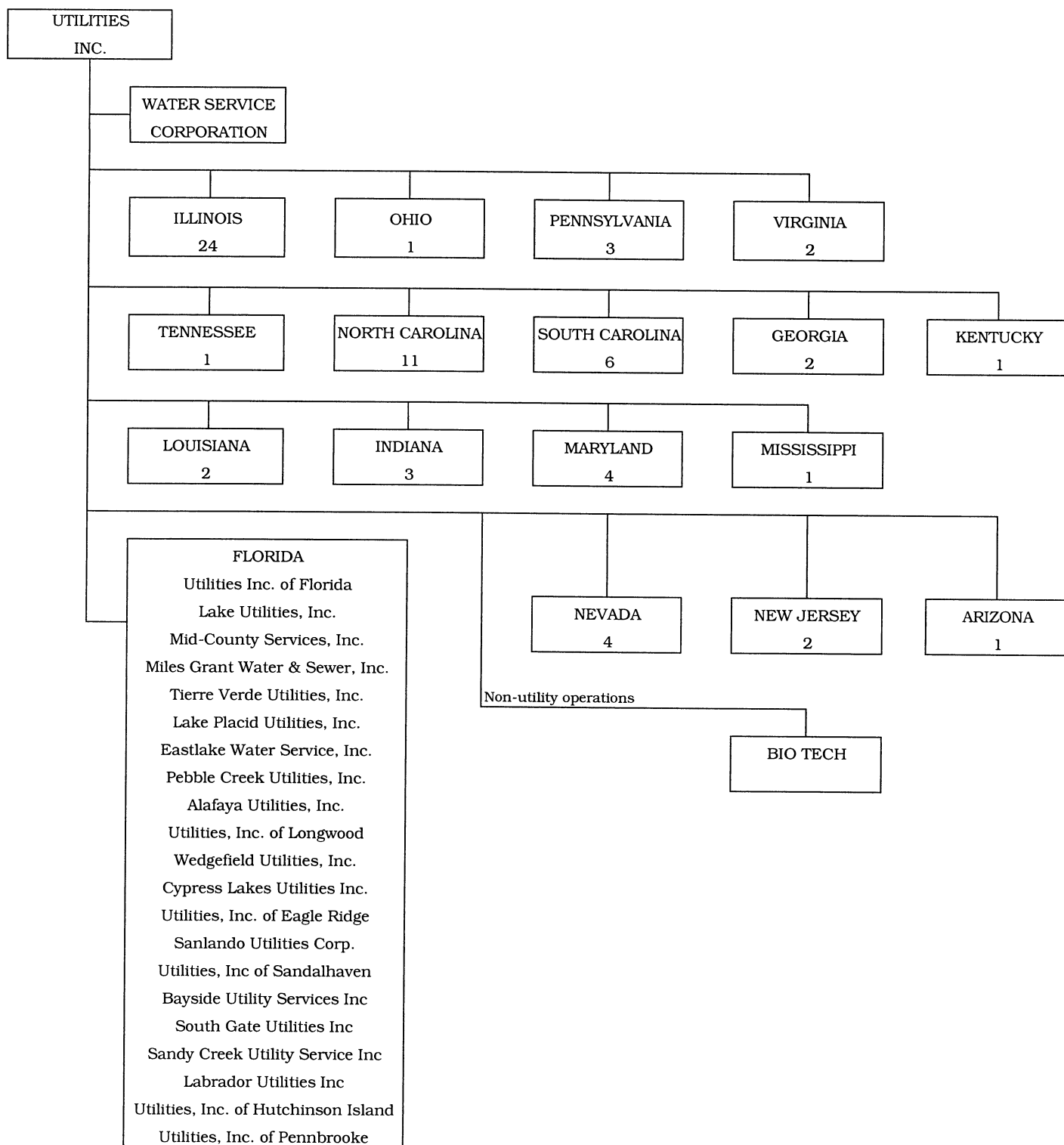
UTILITIES, INC. -- PARENT COMPANY

WATER SERVICE CORP. -- SERVICE COMPANY SUPPLYING MOST  
SERVICES REQUIRED BY UTILITY.

UTILITIES INC. of FLORIDA -- provides office personnel and administrative  
staff.

SEE ATTACHED

## Parent And Affiliate Organizational Chart



UTILITIES, INC. - Parent Company

WATER SERVICE CORP. - Service organization providing administrative and other service functions for the utility.

NOTE: Within each state except Florida is the number of companies owned.

**COMPENSATION OF OFFICERS**

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
JAMES L CAMAREN	CEO		\$ NONE
LAWRENCE N SCHUMACHER	PRES/SEC/CFO		NONE
LISA CROSSETT	VP		NONE

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
JAMES L CAMAREN	CEO	1	\$ NONE
LAWRENCE N SCHUMACHER	PRES/SEC/CFO	1	NONE

**BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES**

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.				
NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)	
<b>NO BUSINESS CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS WERE ENTERED INTO DURING THE CURRENT YEAR BY THE OFFICERS LISTED ON PAGE E6, THE DIRECTORS OR AFFILIATES.</b>		\$		

\* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

**AFFILIATION OF OFFICERS AND DIRECTORS**

For each of the officials listed on page E-6, list the principle occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

<p><b>NAME</b>  (a)</p>	<p><b>PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION</b>  (b)</p>	<p><b>AFFILIATION OR CONNECTION</b>  (c)</p>	<p><b>NAME AND ADDRESS OF AFFILIATION OR CONNECTION</b>  (d)</p>
<p>JAMES L CAMAREN UTILITIES INC &amp; SUBSIDIARIES</p>	<p>CHARIMAN &amp; CEO</p>	<p>DIRECTOR/OFFICER</p>	<p>NORTHBROOK IL</p>
<p>LAWARENCE N SCHUMACHER UTILITIES INC &amp; SUBSIDIARIES</p>	<p>PRESIDENT</p>	<p>DIRECTOR/OFFICER</p>	<p>NORTHBROOK IL</p>

**BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT  
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS			REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)	
NO BUSINESS WHICH ARE	\$		\$				
A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULTING FROM PROVIDING WATER AND/OR SEWER SERVICE.							

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6, identifying the parties, amounts, dates and product, and asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

- Enter in this part all transactions involving services and products received or provided.
- Below are some types of transactions to include:
 

<ul style="list-style-type: none"> <li>-management, legal and accounting services</li> <li>-computer services</li> <li>-engineering &amp; construction services</li> <li>-repairing and servicing of equipment</li> </ul>	<ul style="list-style-type: none"> <li>-material and supplies furnished</li> <li>-leasing of structures, land, and equipment</li> <li>-rental transactions</li> <li>-sale, purchase or transfer of various products</li> </ul>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES (Purchased (S)old (d)	AMOUNT (e)
<b>WATER SERVICE CORP</b>	Operators Salaries & Benefits	Continuous	Purchase	207,993
	Insurance	Continuous	Purchase	17,626
	Computer Operations	Continuous	Purchase	1,614
	Supplies & Postage	Continuous	Purchase	665
	Outside Services	Continuous	Purchase	739
	Management Services	Continuous	Purchase	15,095

**UTILITY NAME:** UTILITIES INC OF EAGLE RIDGE

**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

**Part II. Specific Instructions: Sale, Purchase and Transfer of Assets**

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
  3. The columnar instructions follow:
    - (a) Enter name of related party or company.
    - (b) Describe briefly the type of assets purchased, sold or transferred.
    - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
    - (d) Enter the net book value for each item reported.
    - (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
    - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.
2. Below are examples of some types of transactions to include:
  - purchase, sale or transfer of equipment
  - purchase, sale or transfer of land and structures
  - purchase, sale or transfer of securities
  - noncash transfers of assets
  - noncash dividends other than stock dividends
  - write-off of bad debts or loans

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
		\$ _____	\$ _____	\$ _____	\$ _____
NO ASSETS WERE SOLD, PURCHASED OR TRANSFERRED WITH A RELATED PARTY DURING THE FISCAL YEAR ENDED 31-Dec-05		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____



# **FINANCIAL SECTION**

**COMPARATIVE BALANCE SHEET**  
**ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 5,838,164	\$ 5,773,727
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,504,886	2,278,181
Net Plant			\$ 3,333,278	\$ 3,495,546
114-115	Utility Plant Acquisition adjustment (Net)	F-7	266,765	266,765
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 3,600,043	\$ 3,762,311
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	\$ _____	\$ _____
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ _____	\$ _____
123	Investment In Associated Companies	F-10	_____	_____
124	Utility Investments	F-10	_____	_____
125	Other Investments	F-10	_____	_____
126-127	Special Funds	F-10	_____	_____
Total Other Property & Investments			\$ _____	\$ _____
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ -	\$ -
132	Special Deposits	F-9	6,545	35
133	Other Special Deposits	F-9	_____	_____
134	Working Funds		_____	_____
135	Temporary Cash Investments		_____	_____
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	96,712	88,451
145	Accounts Receivable from Associated Companies	F-12	_____	_____
146	Notes Receivable from Associated Companies	F-12	-	-
151-153	Material and Supplies		_____	_____
161	Stores Expense		_____	_____
162	Prepayments		-	-
171	Accrued Interest and Dividends Receivable		-	-
172 *	Rents Receivable		_____	_____
173 *	Accrued Utility Revenues		_____	_____
174	Misc. Current and Accrued Assets	F-12	-	-
Total Current and Accrued Assets			\$ 103,257	\$ 88,486

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	86,322	65,780
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		19,409	19,353
			_____	_____
	Total Deferred Debits		\$ <u>105,731</u>	\$ <u>85,133</u>
	TOTAL ASSETS AND OTHER DEBITS		\$ <u><u>3,809,031</u></u>	\$ <u><u>3,935,930</u></u>

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

The space below is provided for important notes regarding the balance sheet.

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 1,000	\$ 1,000
204	Preferred Stock Issued	F-15		
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		1,923,231	1,985,023
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	86,779	144,228
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 2,011,010	\$ 2,130,251
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			\$ -	\$ -
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		1,149	8,866
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	209,519	296,031
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		36,636	36,731
236	Accrued Taxes	W/S-3	1,861	29,965
237	Accrued Interest	F-19	4,414	4,427
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
Total Current & Accrued Liabilities			\$ 253,579	\$ 376,020

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		-	-
Total Deferred Credits			\$ _____	\$ _____
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____	\$ _____
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 3,554,408	\$ 3,556,484
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	2,183,247	2,304,659
Total Net C.I.A.C.			\$ 1,371,161	\$ 1,251,825
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 113,077	\$ 123,281
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		60,204	54,553
Total Accumulated Deferred Income Tax			\$ 173,281	\$ 177,834
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ 3,809,031	\$ 3,935,930

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 757,805	\$ 828,797
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 757,805	\$ 828,797
401	Operating Expenses	F-3(b)	\$ 604,148	\$ 609,772
403	Depreciation Expense:	F-3(b)	\$ 163,714	\$ 175,634
	Less: Amortization of CIAC	F-22	(104,630)	(121,412)
Net Depreciation Expense			\$ 59,084	\$ 54,222
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	-	-
407	Amortization Expense (Other than CIAC)	F-3(b)	8,564	8,202
408	Taxes Other Than Income	W/S-3	56,154	57,251
409	Current Income Taxes	W/S-3	(81,755)	(8,350)
410.10	Deferred Federal Income Taxes	W/S-3	63,375	4,026
410.11	Deferred State Income Taxes	W/S-3	3,707	673
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	-	-
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3	-	-
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	-	-
Utility Operating Expenses			\$ 713,277	\$ 725,796
Net Utility Operating Income			\$ 44,528	\$ 103,001
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction		794	5,103
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 45,322	\$ 108,104

\* For each account, Column e should agree with Columns f, g and h on F-3(b)

**COMPARATIVE OPERATING STATEMENT (Cont'd)**

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ _____ -	\$ _____ 828,797	\$ _____ -
\$ _____ -	\$ _____ 828,797	\$ _____ -
\$ _____ -	\$ _____ 609,772	\$ _____ -
_____ - _____ -	_____ 175,634 _____ (121,412)	_____ -
\$ _____ -	\$ _____ 54,222	\$ _____ -
_____ - _____ - _____ - _____ - _____ - _____ - _____ - _____ - _____ - _____ -	_____ - _____ 8,202 _____ 57,251 _____ (8,350) _____ 4,026 _____ 673 _____ - _____ - _____ - _____ -	_____ - _____ - _____ - _____ - _____ - _____ - _____ - _____ - _____ - _____ -
\$ _____ -	\$ _____ 725,796	\$ _____ -
\$ _____ -	\$ _____ 103,001	\$ _____ -
_____ - _____ - _____ - _____ -	_____ - _____ - _____ - _____ 5,103	_____ - _____ - _____ - _____ -
\$ _____ -	\$ _____ 108,104	\$ _____ -

\* Total of Schedules W-3 / S-3 for all rate groups.

**COMPARATIVE OPERATING STATEMENT (Cont'd)**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 45,322	\$ 108,104
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		(783)	(1,713)
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		-	-
Total Other Income and Deductions			\$ (783)	\$ (1,713)
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		_____	_____
410.20	Provision for Deferred Income Taxes		_____	_____
411.20	Provision for Deferred Income Taxes - Credit		_____	_____
412.20	Investment Tax Credits - Net		_____	_____
412.30	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ -	\$ -
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 81,444	\$ 87,488
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 81,444	\$ 87,488
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ -	\$ -
<b>NET INCOME</b>			<u>\$ (36,905)</u>	<u>\$ 18,903</u>

Explain Extraordinary Income:

NONE

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**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ -	\$ 5,607,183
	Less:			
	Nonused and Useful Plant (1)			-
108	Accumulated Depreciation	F-8	-	2,210,644
110	Accumulated Amortization	F-8	-	67,537
271	Contributions In Aid of Construction	F-22	-	3,556,484
252	Advances for Construction	F-20		-
Subtotal			\$ -	\$ (227,482)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	-	1,310,336
Subtotal			\$ -	\$ 1,082,854
Plus or Minus:				
114	Acquisition Adjustments (2)	F-7		-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		-
	Working Capital Allowance (3)			76,222
	Other (Specify):			-
				-
				-
RATE BASE			\$ _____	\$ 1,159,076
NET UTILITY OPERATING INCOME			\$ _____	\$ 103,001
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			_____	8.89%

**NOTES :**

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.  
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**SCHEDULE OF CURRENT COST OF CAPITAL  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

<b>CLASS OF CAPITAL (a)</b>	<b>DOLLAR AMOUNT (2) (b)</b>	<b>PERCENTAGE OF CAPITAL (c)</b>	<b>ACTUAL COST RATES (3) (d)</b>	<b>WEIGHTED COST (c x d) (e)</b>
Common Equity	\$ 412,012	35.55%	11.21%	3.98%
Preferred Stock	-	0.00%	0.00%	0.00%
Long Term Debt	551,852	47.61%	6.81%	3.24%
Customer Deposits	36,731	3.17%	6.00%	0.19%
Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
Deferred Income Taxes	158,481	13.67%	0.00%	0.00%
Other (Explain) Short Term Debt	-	0.00%	0.00%	0.00%
<b>Total</b>	<b>\$ 1,159,076</b>	<b>100.00%</b>		<b>7.41%</b>

(1) If the utility's capital structure is not used, explain which capital structure is used.

\_\_\_\_\_

\_\_\_\_\_

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

**APPROVED RETURN ON EQUITY**

Current Commission Return on Equity:	<u>11.21%</u>
Commission order approving Return on Equity:	<u>PSC-04-1107-PAA-SU</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>9.03%</u>
Commission order approving AFUDC rate:	<u>PSC_04-0262-PAA-WS</u>

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITIES INC OF EAGLE RIDGE

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 92,611,247	\$ 0	\$ 0	\$ 0	\$ (92,199,235)	\$ 412,012
Preferred Stock	-	0	0	0		-
Long Term Debt	124,044,203	0	0	0	(123,492,351)	551,852
Customer Deposits	36,731	0	0	0		36,731
Tax Credits - Zero Cost	-	0	0	0		-
Tax Credits - Weighted Cost	-	0	0	0		-
Deferred Inc. Taxes	158,481	0	0	0		158,481
Other (Explain)	-	0	0	0		-
Total	\$ 216,850,662	\$ 0	\$ 0	\$ 0	\$ (215,691,587)	\$ 1,159,076

(1) Explain below all adjustments made in Columns (e) and (f):

NOT APPLICABLE

UTILITY PLANT  
ACCOUNTS 101 - 106

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ -	\$ 5,607,183	\$ -	\$ 5,607,183
102	Utility Plant Leased to Other				-
103	Property Held for Future Use				-
104	Utility Plant Purchased or Sold				-
105	Construction Work in Progress		166,544		166,544
106	Completed Construction Not Classified	-	-		-
	Total Utility Plant	\$ -	\$ 5,773,727	\$ -	\$ 5,773,727

UTILITY PLANT ACQUISITION ADJUSTMENTS  
ACCOUNTS 114 AND 115

Report each acquisition adjustment and related accumulated amortization separately.  
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ -	\$ 266,765	\$ -	\$ 266,765
					-
					-
					-
					-
	Total Plant Acquisition Adjustments	\$ -	\$ 266,765	\$ -	\$ 266,765
115	Accumulated Amortization Accruals charged during year	\$ -	\$ -	\$ -	\$ -
					-
					-
					-
					-
	Total Accumulated Amortization	\$ -	\$ -	\$ -	\$ -
	Net Acquisition Adjustments	\$ -	\$ 266,765	\$ -	\$ 266,765

ACCUMULATED DEPRECIATION ( ACCT. 108 ) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b> Account 108				
Balance first of year	\$ -	\$ 2,444,283	\$ -	\$ 2,444,283
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ -	\$ 175,634	\$ -	\$ 175,634
Account 108.2 (2)				-
Account 108.3 (2)				-
Other Accounts (specify):				-
	-	(388,924)		(388,924)
Salvage				-
Other Credits (Specify):				-
<b>Total Credits</b>	\$ -	\$ (213,290)	\$ -	\$ (213,290)
Debits during year:				
Book cost of plant retired	-	20,349		20,349
Cost of Removal				-
Other Debits (specify):				-
				-
<b>Total Debits</b>	\$ -	\$ 20,349	\$ -	\$ 20,349
<b>Balance end of year</b>	\$ -	\$ 2,210,644	\$ -	\$ 2,210,644
<b>ACCUMULATED AMORTIZATION</b> Account 110				
Balance first of year	\$ -	\$ 60,603	\$ -	\$ 60,603
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ -	\$ 8,202	\$ -	\$ 8,202
Other Accounts (specify):				-
		-		-
<b>Total credits</b>	\$ -	\$ 8,202	\$ -	\$ 8,202
Debits during year:				
Book cost of plant retired		-		-
Other debits (specify):				-
Accting adjustments mandated by FPSC		1,268		1,268
<b>Total Debits</b>	\$ -	\$ 1,268	\$ -	\$ 1,268
<b>Balance end of year</b>	\$ -	\$ 67,537	\$ -	\$ 67,537

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

YEAR OF REPORT 31-Dec-05
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**REGULATORY COMMISSION EXPENSE  
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
NONE	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	_____	\$ _____

**NONUTILITY PROPERTY (ACCOUNT 121)**

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.  
Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
NONE	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ _____	\$ _____	\$ _____	\$ _____

**SPECIAL DEPOSITS ( ACCOUNTS 132 AND 133)**

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): Electric	\$ _____ 35
_____	_____
_____	_____
Total Special Deposits	\$ _____ 35
OTHER SPECIAL DEPOSITS (Account 133): NONE	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ _____ -

**INVESTMENTS AND SPECIAL FUNDS**  
**ACCOUNTS 123 - 127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): NONE <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): NONE <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): NONE <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE <hr/> <hr/> <hr/> <hr/> <hr/>	_____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Special Funds		\$ _____

**ACCOUNTS AND NOTES RECEIVABLE - NET**  
**ACCOUNTS 141 - 144**

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in  
 Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):	
Water	\$ -
Wastewater	88,451
Other	
Total Customer Accounts Receivable	\$ 88,451
OTHER ACCOUNTS RECEIVABLE ( Account 142):	
_____	\$ _____
_____	_____
_____	_____
Total Other Accounts Receivable	\$ -
NOTES RECEIVABLE (Account 144 ):	
_____	\$ _____
_____	_____
_____	_____
Total Notes Receivable	\$ -
Total Accounts and Notes Receivable	\$ 88,451
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143 )	
Balance first of year	\$ -
Add: Provision for uncollectibles for current year	\$ _____
Collection of accounts previously written off	_____
Utility Accounts	_____
Others	_____
_____	_____
Total Additions	\$ -
Deduct accounts written off during year:	
Utility Accounts	_____
Others	_____
_____	_____
Total accounts written off	\$ -
Balance end of year	\$ -
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>	<b>\$ 88,451</b>



UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> 31-Dec-05
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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
NONE	_____ %	\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ _____

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS  
ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> 31-Dec-05
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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT  
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181): <u>NONE</u>	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
<u>NONE</u>	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

**MISCELLANEOUS DEFERRED DEBITS  
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
<b>RATE CASE</b>	\$ -	\$ 46,440
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Deferred Rate Case Expense</b>	<b>\$ -</b>	<b>\$ 46,440</b>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
<b>OTHER DEFERRED MAINTENANCE</b>	\$ -	\$ 19,340
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Other Deferred Debits</b>	<b>\$ -</b>	<b>\$ 19,340</b>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
<b>NONE</b>	\$ -	\$ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Regulatory Assets</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	<b>\$ -</b>	<b>\$ 65,780</b>

**CAPITAL STOCK**  
**ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	_____ %	\$ _____ 1
Shares authorized		_____ -
Shares issued and outstanding		_____ 1,000
Total par value of stock issued	_____ %	\$ _____ 1,000
Dividends declared per share for year	_____ %	\$ _____ -
<b>PREFERRED STOCK</b>		
Par or stated value per share	_____ %	\$ _____ -
Shares authorized		_____ -
Shares issued and outstanding		_____ -
Total par value of stock issued	_____ %	\$ _____ -
Dividends declared per share for year	_____ %	\$ _____ -

\* Account 204 not applicable for Class B utilities.

**BONDS**  
**ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	_____ %	_____	\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
<b>Total</b>			\$ _____

\* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**STATEMENT OF RETAINED EARNINGS**

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 86,779
439	Changes to Account: Adjustments to Retained Earnings ( requires Commission approval prior to use): Credits: <u>Accting adjustments mandated by FPSC</u>	\$ <u>38,546</u>
	Total Credits:	\$ 38,546
	Debits: _____	\$ _____
	Total Debits:	\$ _____
435	Balance Transferred from Income	\$ 18,903
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ _____
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ _____
215	Year end Balance	\$ _____
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>144,228</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> 31-Dec-05
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**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ -
Total	\$ -

**OTHER LONG-TERM DEBT  
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

\* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**NOTES PAYABLE  
 ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE ( Account 232): <b>NONE</b>	_____ %		\$ _____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
<b>Total Account 232</b>			\$ <u>_____</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): <b>NONE</b>	_____ %		\$ _____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
<b>Total Account 234</b>			\$ <u>_____</u>

\* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES  
 ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
<b>WATER SERVICE CORPORATION</b>	\$ (296,031)
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
<b>Total</b>	\$ <u>(296,031)</u>

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ _____		\$ _____	\$ _____	\$ _____
UTILITIES INC INTERCOMPANY INTEREST	-		87,488	87,488	-
Total Account 237.1	\$ _____		\$ 87,488	\$ 87,488	\$ _____
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	(4,414)	427			-
MISC ITEMS			(13)		(4,427)
Total Account 237.2	\$ (4,414)		\$ (13)	\$ -	\$ (4,427)
Total Account 237 (1)	\$ (4,414)		\$ 87,475	\$ 87,488	\$ (4,427)
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 87,488		(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
Less Capitalized Interest Portion of AFUDC:			-		(2) Must agree to F-3 (c), Current Year Interest Expense
Net Interest Expensed to Account No. 427 (2)			\$ 87,488		



**UTILITY NAME: UTILITIES INC OF EAGLE RIDGE**

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES**  
**ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

**ADVANCES FOR CONSTRUCTION**  
**ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
NONE _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____		\$ _____ _____ _____ _____ _____ _____ _____ _____		\$ _____ _____ _____ _____ _____ _____ _____ _____
Total	\$ _____		\$ _____		\$ _____

\* Report advances separately by reporting group, designating water or wastewater in column (a).

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-05</b>
-------------------------------------------

**OTHER DEFERRED CREDITS  
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):  <div style="text-align: center;">NONE</div> <hr/> <hr/> <hr/>	\$ _____ <hr/> <hr/> <hr/>	\$ _____ <hr/> <hr/> <hr/>
Total Regulatory Liabilities	\$ _____ <hr/> <hr/>	\$ _____ <hr/> <hr/>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):  <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
Total Other Deferred Liabilities	\$ _____ <hr/> <hr/>	\$ _____ <hr/> <hr/>
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ _____ <hr/> <hr/>	\$ _____ <hr/> <hr/>

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

<b>DESCRIPTION (a)</b>	<b>WATER (W-7) (b)</b>	<b>WASTEWATER (S-7) (c)</b>	<b>W &amp; WW OTHER THAN SYSTEM REPORTING (d)</b>	<b>TOTAL (e)</b>
Balance first of year	\$ <u>          -</u>	\$ <u>  3,554,408</u>	\$ <u>          -</u>	\$ <u>  3,554,408</u>
Add credits during year:	\$ <u>          -</u>	\$ <u>      2,076</u>	\$ <u>          -</u>	\$ <u>      2,076</u>
Less debit charged during the year	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>
Total Contribution In Aid of Construction	\$ <u>          -</u>	\$ <u>  3,556,484</u>	\$ <u>          -</u>	\$ <u>  3,556,484</u>

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 272**

<b>DESCRIPTION (a)</b>	<b>WATER (W-8(a)) (b)</b>	<b>WASTEWATER (S-8(a)) (c)</b>	<b>W &amp; WW OTHER THAN SYSTEM REPORTING (d)</b>	<b>TOTAL (e)</b>
Balance first of year	\$ <u>          -</u>	\$ <u>  2,183,247</u>	\$ <u>          -</u>	\$ <u>  2,183,247</u>
Debits during the year:	\$ <u>          -</u>	\$ <u>   121,412</u>	\$ <u>          -</u>	\$ <u>   121,412</u>
Credits during the year	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>          -</u>	\$ <u>  2,304,659</u>	\$ <u>          -</u>	\$ <u>  2,304,659</u>

UTILITY NAME: **UTILITIES INC OF EAGLE RIDGE**

<b>YEAR OF REPORT</b> <b>31-Dec-05</b>
-------------------------------------------

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 18,903
Reconciling items for the year:		
Taxable income not reported on books:		
Tap Fees		2,076
Deductions recorded on books not deducted for return:		
Net Change - Deferred Maintenance		6,196
Net Change - Rate Case		158,289
Excess Tax Depreciation over Book Depreciation		(31,913)
Current FIT		(7,856)
Deferred FIT		4,026
Deferred SIT		673
Income recorded on books not included in return:		
Interest During Construction		(5,103)
Deduction on return not charged against book income:		
Organization Exp		(2,896)
Accting adjustments mandated by FPSC		(165,501)

Federal tax net income		\$ <u>(23,106)</u>
------------------------	--	--------------------

Computation of tax :		
	(23,106)	
	34%	
	(7,856)	

# **WATER OPERATING SECTION**

**Note:** This utility is a wastewater only service; therefore, Pages W-1 through W-14 have been omitted from this report.

**WASTEWATER  
OPERATION  
SECTION**

UTILITY NAME:

UTILITIES INC OF EAGLE RIDGE

**YEAR OF REPORT**  
31-Dec-05

**WASTEWATER LISTING OF SYSTEM GROUPS**

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The wastewater financial schedules (S-2 through S-10) should be filed for the group in total.

The wastewater engineering schedules (S-11 and S-12) must be filed for each system in the group.

All of the following wastewater pages (S-2 through S-12) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
<u>EAGLE RIDGE/LEE</u>	<u>369S</u>	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-05</b>
-------------------------------------------

SYSTEM NAME / COUNTY : Lee County

**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4A	\$ 5,607,183
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6B	<u>2,210,644</u>
110	Accumulated Amortization	F-8	<u>67,537</u>
271	Contributions In Aid of Construction	S-7	<u>3,556,484</u>
252	Advances for Construction	F-20	<u>-</u>
Subtotal			\$ <u>(227,482)</u>
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8A	\$ <u>1,310,336</u>
Subtotal			\$ <u>1,082,854</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	<u>-</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>-</u>
	Working Capital Allowance (3)		<u>76,222</u>
	Other (Specify):		
WASTEWATER RATE BASE			\$ <u>1,159,076</u>
WASTEWATER OPERATING INCOME		S-3	\$ <u>103,001</u>
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u><u>8.89%</u></u>

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.



UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-05</b>
-------------------------------------------

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9A	\$ 828,797
530	Less: Guaranteed Revenue (and AFPI)	S-9A	
	Net Operating Revenues		\$ 828,797
401	Operating Expenses	S-10A	\$ 609,772
403	Depreciation Expense	S-6A	175,634
	Less: Amortization of CIAC	S-8A	(121,412)
	Net Depreciation Expense		\$ 54,222
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	8,202
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		36,959
408.11	Property Taxes		4,810
408.12	Payroll Taxes		15,482
408.13	Other Taxes and Licenses		-
408	Total Taxes Other Than Income		\$ 57,251
409.1	Income Taxes		(8,350)
410.10	Deferred Federal Income Taxes		4,026
410.11	Deferred State Income Taxes		673
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 725,796
	Utility Operating Income		\$ 103,001
530	Add Back: Guaranteed Revenue (and AFPI)	S-9A	\$
413	Income From Utility Plant Leased to Others		\$
414	Gains (losses) From Disposition of Utility Property		\$
420	Allowance for Funds Used During Construction		5,103
	Total Utility Operating Income		\$ 108,104

**UTILITY NAME:** UTILITIES, INC OF EAGLE RIDGE

**SYSTEM NAME / COUNTY:** Lee County

**WASTEWATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 98,590	\$ (14,483)	\$	\$ 84,107
352	Franchises	243,953	-		243,953
353	Land and Land Rights	39,579	-		39,579
354	Structures and Improvements	338,595	2,645,797	7,507	2,976,885
355	Power Generation Equipment		-		
360	Collection Sewers - Force	251,114	287		251,401
361	Collection Sewers - Gravity	1,423,893	24,154		1,448,047
362	Special Collecting Structures	-	-		-
363	Services to Customers	-	-		-
364	Flow Measuring Devices	-	-		-
365	Flow Measuring Installations	-	-		-
366	Reuse Services	-	-		-
367	Reuse Meters and Meter Installations	-	-		-
370	Receiving Wells	-	-		-
371	Pumping Equipment	-	-		-
374	Reuse Distribution Reservoirs	-	-		-
375	Reuse Transmission and Distribution System	-	-		-
380	Treatment and Disposal Equipment	3,336,107	(2,867,825)	12,842	455,440
381	Plant Sewers	-	-		-
382	Outfall Sewer Lines	16,375	-		16,375
389	Other Plant Miscellaneous Equipment		-		
390	Office Furniture and Equipment	3,863	-		3,863
391	Transportation Equipment	52,390	-		52,390
392	Stores Equipment		-		
393	Tools, Shop and Garage Equipment	19,085	1,011		20,096
394	Laboratory Equipment	10,608	480		11,088
395	Power Operated Equipment	-	-		-
396	Communication Equipment	-	-		-
397	Miscellaneous Equipment		-		
398	Other Tangible Plant	3,784	175		3,959
	Total Wastewater Plant	\$ 5,837,936	\$ (210,404)	\$ 20,349	\$ 5,607,183

**NOTE:** Any adjustments made to reclassify property from one account to another must be footnoted. Accounting adjustments mandated by FPSC

UTILITY NAME: UTILITIES INC. OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (i)	.7 GENERAL PLANT (k)
351	Organization	\$ 84,107						
352	Franchises	243,953						
353	Land and L and Rights		39,579					
354	Structures and Improvements		2,976,885					
355	Power Generation Equipment		-					
360	Collection Sewers - Force		251,401					
361	Collection Sewers - Gravity		1,448,047					
362	Special Collecting Structures		-					
363	Services to Customers		-					
364	Flow Measuring Devices		-					
365	Flow Measuring Installations		-					
366	Reuse Services		-					
367	Reuse Meters and Meter Installations		-					
370	Receiving Wells							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				455,440			3,863
381	Plant Sewers							52,390
382	Outfall Sewer Lines				16,375			-
389	Other Plant Miscellaneous Equipment							20,096
390	Office Furniture and Equipment							11,088
391	Transportation Equipment							-
392	Stores Equipment							-
393	Tools, Shop and Garage Equipment							-
394	Laboratory Equipment							-
395	Power Operated Equipment							-
396	Communication Equipment							-
397	Miscellaneous Equipment							-
398	Other Tangible Plant							3,959
	Total Wastewater Plant	\$ 328,060	\$ 4,715,912	\$ -	\$ 471,815	\$ -	\$ -	\$ 91,396

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

S-4(b)

GROUP \_\_\_\_\_

UTILITY NAME:

UTILITIES INC OF EAGLE RIDGE

<p><b>YEAR OF REPORT</b> 31-Dec-05</p>
--------------------------------------------

SYSTEM NAME / COUNTY :

Lee County

**BASIS FOR WASTEWATER DEPRECIATION CHARGES**

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements			3.13%
355	Power Generation Equipment			
360	Collection Sewers - Force			3.33%
361	Collection Sewers - Gravity			2.22%
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells			
371	Pumping Equipment			
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment			5.56%
381	Plant Sewers			
382	Outfall Sewer Lines			2.86%
389	Other Plant Miscellaneous Equipment			
390	Office Furniture and Equipment			6.67%
391	Transportation Equipment			16.67%
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			6.25%
394	Laboratory Equipment			6.67%
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			10.00%
Wastewater Plant Composite Depreciation Rate *				

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS *	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 123,326	\$ 14,895	\$ 1,532,398	\$ 1,547,293
355	Power Generation Equipment				
360	Collection Sewers - Force	142,043	12,635		12,635
361	Collection Sewers - Gravity	468,988	31,376	(2,929)	28,447
362	Special Collecting Structures	-	-		
363	Services to Customers	-	-		
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	1,658,255	102,495	(1,917,067)	(1,814,572)
381	Plant Sewers				
382	Outfall Sewer Lines	5,015	545		545
389	Other Plant Miscellaneous Equipment				
390	Office Furniture and Equipment	(889)	127		127
391	Transportation Equipment	35,222	8,021		8,021
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	10,108	3,261		3,261
394	Laboratory Equipment	(852)	665		665
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment-Allocation from UIF				
398	Other Tangible Plant	3,067	1,614	(1,326)	288
Total Depreciable Wastewater Plant in Service		\$ 2,444,283	\$ 175,634	\$ (388,924)	\$ (213,290)

Accounting adjustments mandated by FPSC

\* Specify nature of transaction.

Use ( ) to denote reversal entries.

\*Note: The "other credits" (e) is recording allocation of UIF and adjustments to the acquisition entry.

S-6(a)

GROUP \_\_\_\_\_

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (e+f-j) (k)
(a)	(b)	(g)	(h)	(i)	(j)	(k)
354	Structures and Improvements	\$ 7,507	\$ -	\$ -	\$ 7,507	\$ 1,663,112
355	Power Generation Equipment	-	-	-	-	154,678
360	Collection Sewers - Force	-	-	-	-	497,435
361	Collection Sewers - Gravity	-	-	-	-	-
362	Special Collecting Structures	-	-	-	-	-
363	Services to Customers	-	-	-	-	-
364	Flow Measuring Devices	-	-	-	-	-
365	Flow Measuring Installations	-	-	-	-	-
366	Reuse Services	-	-	-	-	-
367	Reuse Meters and Meter Installations	-	-	-	-	-
370	Receiving Wells	-	-	-	-	-
371	Pumping Equipment	-	-	-	-	-
375	Reuse Transmission and Distribution System	-	-	-	-	-
380	Treatment and Disposal Equipment	12,842	-	-	12,842	(169,159)
381	Plant Sewers	-	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-	5,560
389	Other Plant Miscellaneous Equipment	-	-	-	-	(762)
390	Office Furniture and Equipment	-	-	-	-	43,243
391	Transportation Equipment	-	-	-	-	-
392	Stores Equipment	-	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-	13,369
394	Laboratory Equipment	-	-	-	-	(187)
395	Power Operated Equipment	-	-	-	-	-
396	Communication Equipment	-	-	-	-	-
397	Miscellaneous Equipment-Allocation from UIF	-	-	-	-	-
398	Other Tangible Plant	-	-	-	-	3,355
Total Depreciable Wastewater Plant in Service		\$ 20,349	\$ -	\$ -	\$ 20,349	\$ 2,210,644

\* Specify nature of transaction.  
Use ( ) to denote reversal entries.

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-05</b>
-------------------------------------------

SYSTEM NAME / COUNTY : Lee County

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>3,553,024</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8A	\$ <u>3,460</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8B	<u>-</u>
Total Credits		\$ <u>3,460</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>3,556,484</u>

Explain all debits charged to Account 271 during the year below:

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UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-05</b>
-------------------------------------------

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER CIAC SCHEDULE "A"**

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,  
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
SEWER CONNECTIONS FEES	5	\$ 692	\$ 3,460
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ <u>3,460</u>

**ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 1,188,924
Debits during the year:	
Accruals charged to Account 272	\$ 121,412
Other debits (specify) :	-
_____	_____
_____	_____
Total debits	\$ 121,412
Credits during the year (specify) :	
_____	\$ -
_____	_____
Total credits	\$ -
Balance end of year	\$ <u>1,310,336</u>



UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-05</b>
-------------------------------------------

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER CIAC SCHEDULE "B"**  
 ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION  
 RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS  
 WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
None		\$ -
Total Credits		\$ -

Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Wastewater Operations

**UTILITY NAME:** UTILITIES INC OF EAGLE RIDGE

YEAR OF REPORT 31-Dec-05
-----------------------------

(A)	(B)	(C)	(D)
Accounts	Gross Wastewater Revenues per Sch S-9	Gross Wastewater Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:			-
Total Flat-Rate Revenues			-
Total Measured Revenues	828,797	828,797	-
Revenues from Public Authorities			-
Revenues from Other Systems			-
Interdepartmental Revenues			-
Total Other Wastewater Revenues			-
Reclaimed Water Sales			-
Total Wastewater Operating Revenue	828,797	828,797	-
Less: Expense for Purchased Wastewater from FPSC Regulated Utility			-
Net Wastewater Operating Revenues	828,797	828,797	-

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

YEAR OF REPORT 31-Dec-05
-----------------------------

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
	Flat Rate Revenues:			
521.1	Residential Revenues	860	865	\$ 827,538
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues	860	865	\$ 827,538
	Measured Revenues:			
522.1	Residential Revenues			
522.2	Commercial Revenues			
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues			\$ _____
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		860	865	\$ 827,538
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues			\$ _____
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			1,259
Total Other Wastewater Revenues				\$ 1,259

\* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-05</b>
-------------------------------------------

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS *	YEAR END NUMBER OF CUSTOMERS *	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	_____	_____	\$ _____
541.1	Measured Reuse Revenues: Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	_____	_____	\$ _____
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ _____
Total Wastewater Operating Revenues				\$ <u>828,797</u>

\* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY Lee County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 COLLECTION EXPENSES- OPERATIONS	.2 COLLECTION EXPENSES- MAINTENANCE	.3 PUMPING EXPENSES - OPERATIONS	.4 PUMPING EXPENSES - MAINTENANCE	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
701	Salaries and Wages - Employees	\$ 167,619	\$ 5,029	\$ 20,114	\$ 33,524	\$ 8,381	\$ 80,457	\$ 20,114
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits	40,374	1,211	2,826	4,845	2,019	12,112	4,845
710	Purchased Sewage Treatment	1,297					1,297	
711	Sludge Removal Expense	85,500			20,601		85,500	
715	Purchased Power	82,403					61,802	
716	Fuel for Power Purchased							
718	Chemicals	42,567					42,567	
720	Materials and Supplies	112,014	4,481	17,922	26,883	6,721	44,806	11,201
731	Contractual Services-Engineering	-						
732	Contractual Services - Accounting	-						
733	Contractual Services - Legal	-						
734	Contractual Services - Mgt. Fees	-						
735	Contractual Services - Testing							
736	Contractual Services - Other	5,676						
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expenses	17,337	520	2,080	3,467	867	8,322	2,081
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workman's Comp.							
759	Insurance - Other	17,626						
760	Advertising Expense							
766	Regulatory Commission Expenses							
767	- Amortization of Rate Case Expense	16,089						
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	1,201						
775	Miscellaneous Expenses	20,069						
Total Wastewater Utility Expenses		\$ 609,772	\$ 11,241	\$ 42,942	\$ 89,320	\$ 17,988	\$ 336,863	\$ 38,241

UTILITY NAME: UTILITIES INC. OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits	12,516					
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering		0				
732	Contractual Services - Accounting		0				
733	Contractual Services - Legal		0				
734	Contractual Services - Mgt. Fees		0				
735	Contractual Services - Testing		0				
736	Contractual Services - Other	2,838	2,838				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.						
759	Insurance - Other		17,626				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense		16,089				
767	Regulatory Commission Exp.-Other	1,201					
770	Bad Debt Expense	10,035	10,034				
775	Miscellaneous Expenses						
Total Wastewater Utility Expenses		\$ 26,590	\$ 46,587	\$ -	\$ -	\$ -	\$ -

UTILITY NAME: UTILITIES, INC. OF EAGLE RIDGE

SYSTEM NAME / COUNTY : EAGLE RIDGE / LEE

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	771	771
5/8"	Displacement	1.0	11	11
3/4"	Displacement	1.5		
1"	Displacement	2.5	17	42.5
1 1/2"	Displacement or Turbine	5.0	36	180
2"	Displacement, Compound or Turbine	8.0	28	224
3"	Displacement	15.0	1	
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				<u>1228.5</u>

**CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS**

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

$$ERC = ( \text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day} )$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

**NOTE:** Total gallons treated includes both treated and purchased treatment.

ERC Calculation:

$$101.684/280/365 = 995 \quad \text{One (1) ERC} = 995 \text{ gallons AADF}$$

UTILITY NAME: UTILITIES, INC. OF EAGLE RIDGE

SYSTEM NAME / COUNTY : EAGLE RIDGE / LEE

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>0.443 mgd/0.318mgd</u>	_____	_____
Basis of Permit Capacity (1)	<u>TMADF</u>	_____	_____
Manufacturer	<u>Davco</u>	_____	_____
Type (2)	<u>Contact Stabilization/ Ext Aeration</u>	_____	_____
Hydraulic Capacity	<u>0.443 mgd</u>	_____	_____
Average Daily Flow	<u>0.279</u> mgd	_____	_____
Total Gallons of Wastewater Treated	<u>101.684</u> mgd	_____	_____
Method of Effluent Disposal	<u>Golf Course Irrigation</u>	_____	_____

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.



UTILITY NAME: UTILITIES, INC. OF EAGLE RIDGE

SYSTEM NAME / COUNTY : EAGLE RIDGE / LEE

OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present number of ERCs\* now being served 975

2. Maximum number of ERCs\* which can be served 1582

3. Present system connection capacity (in ERCs\*) using existing lines 1582

4. Future connection capacity (in ERCs\*) upon service area buildout 1582

5. Estimated annual increase in ERCs\* 0

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
Rebuild process blower - 3/05. Replace polishing filter with membrane filter - 2/05. Install odor control system at headworks - 6/06.

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. Eagle Ridge Golf and Country Club - 0.252 mgd

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? N/A

If so, when? \_\_\_\_\_

9. Has the utility been required by the DEP or water management district to implement reuse? No

If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_

10. When did the company last file a capacity analysis report with the DEP? 2002

11. If the present system does not meet the requirements of DEP rules:

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? N/A

c. When will construction begin? N/A

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

12. Department of Environmental Protection ID # FLA014498

\* An ERC is determined based on the calculation on S-11.

UTILITY NAME:

#REF!

YEAR OF REPORT 31-Dec-05
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SYSTEM NAME / COUNTY :

CROSS CREEK/LEE

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential	(1) Bulk Sewer Connection	1.0	1	1
5/8"	Displacement	1.0		
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				<u>1.0</u>

**CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS**

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

$$ERC = ( \text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day} )$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

**NOTE:** Total gallons treated includes both treated and purchased treatment.

ERC Calculation:		
25.099/280/365 =	246	One (1) ERC = 246 gallons AADF

UTILITY NAME: #REF!

SYSTEM NAME / COUNTY : CROSS CREEK/LEE

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>0.249 mgd</u>	<u>                    </u>	<u>                    </u>
Basis of Permit Capacity (1)	<u>MMADF</u>	<u>                    </u>	<u>                    </u>
Manufacturer	<u>Marolf</u>	<u>                    </u>	<u>                    </u>
Type (2)	<u>Extended Aeration</u>	<u>                    </u>	<u>                    </u>
Hydraulic Capacity	<u>0.249 mgd</u>	<u>                    </u>	<u>                    </u>
Average Daily Flow	<u>0.069</u> mgd	<u>                    </u>	<u>                    </u>
Total Gallons of Wastewater Treated	<u>25.099</u> mgd	<u>                    </u>	<u>                    </u>
Method of Effluent Disposal	<u>Golf Course Irrigation</u>	<u>                    </u>	<u>                    </u>

- (1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc.)
- (2) Contact stabilization, advanced treatment, etc.

UTILITY NAME:

#REF!

YEAR OF REPORT  
31-Dec-05

SYSTEM NAME / COUNTY : CROSS CREEK/LEE

OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present number of ERCs\* now being served 908

2. Maximum number of ERCs\* which can be served 908

3. Present system connection capacity (in ERCs\*) using existing lines 908

4. Future connection capacity (in ERCs\*) upon service area buildout 908

5. Estimated annual increase in ERCs\* 0

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
Rebuild blower #2 - 10/05.

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. Cross Creek Golf Club - 0.075 mgd

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? N/A

If so, when? \_\_\_\_\_

9. Has the utility been required by the DEP or water management district to implement reuse? No

If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_

10. When did the company last file a capacity analysis report with the DEP? 2002

11. If the present system does not meet the requirements of DEP rules:

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? N/A

c. When will construction begin? N/A

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

12. Department of Environmental Protection ID # FLA014505

\* An ERC is determined based on the calculation on S-11.