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CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WS236-06-AR

WATER MANAGEMENT SERVICES, INC.

302

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
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DIVISION OF
ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2006

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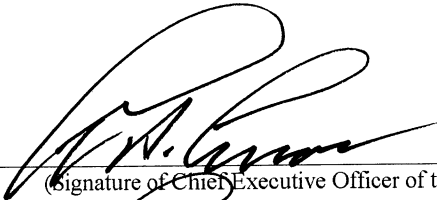
CERTIFICATION OF ANNUAL REPORT

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


- | | | |
|--|--------------------------------|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 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
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 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.
X	X	X	X

1.	2.	3.	4.
X	X	X	X



 (Signature of Chief Executive Officer of the utility) *



 (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 December 31, 2006
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Water Management Services, Inc.
 (Exact Name of Utility)

County: Franklin

List below the exact mailing address of the utility for which normal correspondence should be sent:
3200 Commonwealth Blvd.
Tallahassee, FL 32303

Telephone: (850)668-0440

E Mail Address: wmsi@istal.com

WEB Site: www.wmsistgeorge.com

Sunshine State One-Call of Florida, Inc. Member Number N/A

Name and address of person to whom correspondence concerning this report should be addressed:
Gene D. Brown
3200 Commonwealth Blvd.
Tallahassee, FL 32303

Telephone: (850)668-0440

List below the address of where the utility's books and records are located:
3200 Commonwealth Blvd.
Tallahassee, FL 32303

Telephone: (850)668-0440

List below any groups auditing or reviewing the records and operations:
None

Date of original organization of the utility: 03/03/1978

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.	<u>St. George Island Utility Co., Ltd.</u>	<u>85%</u>
2.	<u>Brown Management, Inc.</u>	<u>10%</u>
3.	<u>T. E. Bronson</u>	<u>5%</u>
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT December 31, 2006
--

**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
Gene D. Brown	President	General Manager	General Business Legal
Sandra M. Chase		Assistant General Manager	General Business
Brenda Molsbee		Operations Manager	General Business
Kenneth A. Hoffman Rutledge, Ecenia, Purnell & Hoffman, P.A. P.O. Box 551 Tallahassee, FL 32303 (850)681-6788	Attorney		Regulatory Matters
Barbara S. Withers 3035 N. Meridian Rd. Tallahassee, FL 32312 (850)893-4080	CPA		Accounting and Tax
Frank Seidman Management & Regulatory Consultants, Inc. P. O. Box 13427 Tallahassee, FL 32317 (850) 877-0673	Consultant		Regulatory Matters
Les Thomas, P.E. 3460 Pointview Circle Gainesville, GA 30506 (770) 718-9054	Engineer		Engineering

(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.

St. George Island Utility Company, Ltd. was certificated on March 31, 1978 to provide water service to St. George Island, which is a barrier island located in the Gulf of Mexico in Franklin County, Florida. The island is connected to the mainland at Eastpoint, Florida by a new bridge. The company's four wells are located on the mainland. The water is piped to the island through a 12" pipe attached to the bridge. The company has a treatment system, ground storage tank and elevated storage located in the center of the island. The water is distributed to customers from that location.

The island population fluctuates widely because it is a vacation/resort area. Accordingly, there are peak demands during summer and other holiday periods, with lower demand the remainder of the year.

The company is continuing to expand and improve production capacities to accommodate peak periods and future growth. Growth is anticipated at the rate of approximately 60 new customers per year. The company has sufficient capacity to meet all current demands. The company is now looking for an acceptable site for construction of a fifth well as part of its long range planning, and to accommodate the continuing growth of St. George Island.

On May 1, 1997, St. George Island Utility Company, Ltd. was reorganized into Water Management Services, Inc., a Florida corporation. All of the operating assets were transferred as of that date and Water Management Services, Inc. has continued to provide the same level of service with the same personnel as before the reorganization.

On May 5, 1999, WMSI was formally notified by the Florida Department of Transportation (FDOT) of its intent to abandon the existing bridge from the mainland to St. George Island and replace it with a new bridge. WMSI was required to abandon its existing water mains that were attached to the old bridge and construct a new main on the new bridge as well as the mains and appurtenances necessary to connect the main to the wells on the mainland and to the treatment and storage facilities on the island. In this regard, WMSI filed a Petition for Limited Proceeding on June 6, 2000 to increase its rates to recover the cost of financing the approximately \$6 million in new investment. In an effort to reduce the revenue impact of this major project, WMSI obtained low cost financing through the State's Revolving Trust Fund. Also, WMSI filed a lawsuit against FDOT seeking compensation from FDOT via inverse condemnation for the taking of its existing water main. Trial of that inverse condemnation case was held August 8 & 9, 2002, resulting in a judgment in favor of FDOT on all counts. This judgment was affirmed on appeal. The new water line was placed in service in early 2004. Shortly after the new water line across the bridge was completed, WMSI determined that there was a catastrophic failure of the paint system for the entire line. After negotiating with the pipe manufacturer, the paint suppliers and the contractor for almost two years, WMSI filed suit in 2006, seeking various remedies for the defective paint. That litigation was ongoing as of the date of this report. In April, 2004, WMSI completed the construction of approximately 40,000 feet of new 6" and 8" distribution lines and various plant improvements designed to provide fire protection for the company's customers on St. George Island.

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT
December 31, 2006

PARENT / AFFILIATE ORGANIZATION CHART

Current as of _____

December 31, 2006

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).

St. George Island Utility Company, Ltd.
Stockholder

Gene D. Brown, P.A.
Legal Counsel

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)
Gene D. Brown	President	85%	\$ 104,350

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)
Gene D. Brown	President	1	\$ 0

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)
Gene D. Brown	Legal, Expensed	\$ 48,000	Gene D. Brown, P.A.
			3200 Commonwealth Blvd
			Tallahassee, FL 32303

* 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.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Gene D. Brown	Officer/Director	Legal Services	Gene D. Brown, P.A.
Gene D. Brown	Officer/Director of General Partner	President of Corporate General Partners of General Partner	St. George Isl. Utility Co, Ltd
Gene D. Brown	Officer/Director of General Partner	President of Corporate General Partners	Leisure Properties, Ltd.
Gene D. Brown	Officer/Director	President	St. George's Plantation, Inc.
Gene D. Brown	Officer/Director	President	Leisure Development Services, Inc.
Gene D. Brown	Officer/Director	President	Brown Management, Inc.
Gene D. Brown	Officer/Director	President	Real Estate Services of North Florida, Inc.
Gene D. Brown	Officer/Director	President	Real Estate Equities of Florida, LLC
Gene D. Brown	Officer/Director	President	Equity Management Systems, Inc.
			All above located at 3200 Commonwealth Blvd Tallahassee, FL 32303

UTILITY NAME: EX Water Management Services, Inc.

**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)
NOT APPLICABLE	\$	\$	\$	\$		

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

- 1. Enter in this part all transactions involving services and products received or provided.
- 2. Below are some types of transactions to include:
 - management, legal and accounting services
 - computer services
 - engineering & construction services
 - repairing and servicing of equipment
 - material and supplies furnished
 - leasing of structures, land, and equipment
 - rental transactions
 - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
Gene D. Brown, P.A.	Legal Services	January 1, 2006 through December 31, 2006		\$ 48,000

UTILITY NAME: Water Management Services, Inc.

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.
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
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.

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)
Gene D. Brown	Sale of 2 Apartments	\$ 200,000	\$ 167,308	\$ 32,692	\$ 200,000

FINANCIAL SECTION

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 9,674,818	\$ 9,997,958
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,346,707	2,657,771
Net Plant			\$ 7,328,111	\$ 7,340,187
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 7,328,111	\$ 7,340,187
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ 858,173	\$ 858,173
122	Less: Accumulated Depreciation and Amortization		(47,155)	(47,155)
Net Nonutility Property			\$ 811,018	\$ 811,018
123	Investment In Associated Companies	F-10	645,848	773,434
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property & Investments			\$ 1,456,867	\$ 1,584,452
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 346	\$ (5,200)
132	Special Deposits	F-9	165,619	75,888
133	Other Special Deposits	F-9		
134	Working Funds		0	0
135	Temporary Cash Investments		7,854	0
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	109,658	117,412
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		200,000
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments		33,563	37,635
171	Accrued Interest and Dividends Receivable		719	0
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			\$ 317,758	\$ 425,735

* Not Applicable for Class B Utilities

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT December 31, 2006
--

**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	\$ 188,982	\$ 159,252
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Misc. Deferred Debits	F-14	207,959	169,847
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 396,941	\$ 329,099
TOTAL ASSETS AND OTHER DEBITS			\$ 9,499,677	\$ 9,679,474

* 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)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 10,000	\$ 10,000
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		(488,548)	(488,548)
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(832,256)	(926,972)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ (1,310,804)	\$ (1,405,520)
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	7,484,731	8,218,750
Total Long Term Debt			\$ 7,484,731	\$ 8,218,750
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		185,468	124,646
232	Notes Payable	F-18	864,524	535,825
233	Accounts Payable to Associated Companies	F-18	0	0
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		39,758	33,548
236	Accrued Taxes		79,464	71,091
237	Accrued Interest	F-19	41,180	34,284
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	2,082	
Total Current & Accrued Liabilities			\$ 1,212,474	\$ 799,393

* Not Applicable for Class B Utilities

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT December 31, 2006
--

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	0	\$ _____	\$ _____
252	Advances For Construction	F-20	23,437	22,537
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		_____	_____
Total Deferred Credits			\$ <u>23,437</u>	\$ <u>22,537</u>
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 3,117,710	\$ 3,156,343
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,027,872)	(1,112,031)
Total Net C.I.A.C.			\$ <u>2,089,838</u>	\$ <u>2,044,312</u>
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		_____	_____
Total Accumulated Deferred Income Tax			\$ _____	\$ _____
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>9,499,677</u>	\$ <u>9,679,474</u>

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT December 31, 2006
--

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 1,427,665	\$ 1,487,200
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	(737)	(982)
Net Operating Revenues			\$ 1,426,929	\$ 1,486,218
401	Operating Expenses	F-3(b)	\$ 775,113	\$ 910,801
403	Depreciation Expense:	F-3(b)	\$ 306,814	\$ 318,060
	Less: Amortization of CIAC	F-22	84,014	84,159
Net Depreciation Expense			\$ 222,800	\$ 233,901
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	15,123	14,616
408	Taxes Other Than Income	W/S-3	112,431	115,195
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
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			\$ 1,125,467	\$ 1,274,513
Net Utility Operating Income			\$ 301,462	\$ 211,704
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	737	982
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property		23,160	227,098
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 325,358	\$ 439,784

* 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)
\$ 1,487,200 (982)	\$ _____	\$ _____
\$ 1,486,218	\$ _____	\$ _____
\$ 910,801	\$ _____	\$ _____
318,060 84,159	_____	_____
\$ 233,901	\$ _____	\$ _____
14,616 115,195	_____	_____
_____	_____	_____
_____	_____	_____
\$ 1,274,513	\$ _____	\$ _____
\$ 211,704	\$ _____	\$ _____
982	_____	_____
227,098	_____	_____
\$ 439,784	\$ _____	\$ _____

* 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)]			\$ 325,358	\$ 439,784
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ 250	\$ 0
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		(100)	0
419	Interest and Dividend Income		7,409	12,988
421	Nonutility Income			0
426	Miscellaneous Nonutility Expenses		(16,154)	(3,083)
Total Other Income and Deductions			\$ (8,595)	\$ 9,904
TAXES APPLICABLE TO OTHER INCOME				
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			\$	\$
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 359,201	\$ 448,880
428	Amortization of Debt Discount & Expense	0	19,170	95,525
429	Amortization of Premium on Debt	0		
Total Interest Expense			\$ 378,371	\$ 544,405
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$	\$
NET INCOME			<u>\$ (61,607)</u>	<u>\$ (94,716)</u>

Explain Extraordinary Income:

UTILITY NAME: Water Management Services, Inc.

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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 (includes .CWIP)	F-7	\$ 9,997,958	\$
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	2,657,771	
110	Accumulated Amortization	F-8		
271	Contributions In Aid of Construction	F-22	3,156,343	
252	Advances for Construction	F-20	22,537	
Subtotal			\$ 4,161,307	\$
272	Add:			
	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,112,031	
Subtotal			\$ 5,273,338	\$
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		113,850	
	Other (Specify):			
RATE BASE			\$ 5,387,188	\$
NET UTILITY OPERATING INCOME			\$ 211,704	\$
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			3.93%	

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)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 0	0.00%	11.34%	
Preferred Stock				
Long & Short Term Debt	5,353,640	99.38%	5.37%	5.34%
Customer Deposits	33,548	0.62%	6.00%	0.04%
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$ <u>5,387,188</u>	<u>100.00%</u>		<u>5.38%</u>

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

NOTE: Debt cost calculated based on EOY interest rates applied to EOY balances

(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>11.34%</u>
Commission order approving Return on Equity:	<u>PSC-94-1383-FOF-WU</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u> %</u>
Commission order approving AFUDC rate:	<u> </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.

UTILITY NAME: Water Management Services, Inc.

**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	\$ (1,405,520)	\$	\$	\$ 1,405,520	\$	\$
Preferred Stock						
Long & Short Term Debt	8,754,575				(3,400,935)	5,353,640
Customer Deposits	33,548					33,548
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
Total	\$ 7,382,603	\$ 0	\$ 0	\$ 1,405,520	\$ (3,400,935)	\$ 5,387,188

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

Column (b) - Year end balances

Column (e) - Equity is negative, set to zero.

Column (f) - Hold customer deposits constant and reconcile to rate base as shown on Schedule F-4

UTILITY NAME: Water Management Services, Inc.

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**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	\$ 9,985,901	\$ _____	\$ _____	\$ 9,985,901
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	12,057	_____	_____	12,057
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	\$ 9,997,958	\$ _____	\$ _____	\$ 9,997,958

**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	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ N/A

UTILITY NAME: Water Management Services, Inc.

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 2,346,707	\$	\$	\$ 2,346,707
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 318,060	\$	\$	\$ 318,060
Account 108.2 (2)				
Account 108.3 (2)				
Other Accounts (specify):				
Salvage				
Other Credits (Specify): Corrections Adj. accrued depr. See Sch W-6(b)				
Total Credits	\$ 318,060	\$	\$	\$ 318,060
Debits during year:				
Book cost of plant retired	(6,996)			(6,996)
Cost of Removal (disposal by sale, net)	0			
Other Debits (specify):				
Total Debits	\$ (6,996)	\$	\$	\$ (6,996)
Balance end of year	\$ <u>2,657,771</u>	\$ <u> </u>	\$ <u> </u>	\$ <u>2,657,771</u>
ACCUMULATED AMORTIZATION Account 110				
Balance first of year	\$	\$	\$	\$
Credit during year:				
Accruals charged to:				
Account 110.2 (2)				
Other Accounts (specify):				
Total credits	\$	\$	\$	\$
Debits during year:				
Book cost of plant retired				
Other debits (specify):				
Total Debits	\$	\$	\$	\$
Balance end of year	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>

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

UTILITY NAME: Water Management Services, Inc.

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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)
Docket No. 000694-WU	\$ _____	666.80	\$ 24,184
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	_____	\$ 24,184

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)
Disallowed Investment in Plant	\$ 858,173	\$ 0	\$ _____	\$ 858,173
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ 858,173	\$ _____	\$ _____	\$ 858,173

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): Cash in Reserve - DEP (Special)	\$ 75,888
_____	_____
_____	_____
Total Special Deposits	\$ 75,888
OTHER SPECIAL DEPOSITS (Account 133):	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ _____

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**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): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ 773,434 _____ _____ _____ _____
Total Investment in Associated Companies		\$ <u>773,434</u>
UTILITY INVESTMENTS (Account 124): N/A _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): N/A _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): N/A _____ _____ _____ _____ _____		\$ _____ _____ _____ _____ _____
Total Special Funds		\$ _____

UTILITY NAME: Water Management Services, Inc.

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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	\$ 136,197	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 136,197
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ 0	

Total Other Accounts Receivable		\$
NOTES RECEIVABLE (Account 144):		
Notes Receivable	\$ _____	

Total Notes Receivable		\$
Total Accounts and Notes Receivable		\$ 136,197
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ 17,825	
Add: Provision for uncollectibles for current year	\$ 960	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions	\$ 960	
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off	\$ 0	
Balance end of year		\$ 18,785
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 117,412

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ _____

Total	\$ _____

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
Notes Receivable	7.00 %	\$ 200,000
	%	_____
	%	_____
	%	_____
	%	_____
	%	_____
	%	_____
	%	_____
	%	_____
Total		\$ 200,000

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
N/A	\$ _____

Total Miscellaneous Current and Accrued Liabilities	\$ _____

**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):		
DEP SRF Loans	\$ 5,590	\$ 16,172
SRF Associated Fees	29,543	88,628
Bank of Tallahassee	4,434	403
GSB - Construction Loan	3,010	0
GSB - Working Capital	1,314	0
J. Talley - DEP Loan	300	900
Citizen's Bank of Perry	96,896	0
GSB - DEP Loan	2,921	0
GSB - Tank Loan	1,018	0
GSB - Reserve Loan	988	0
GSB - Refinance Loan	5,670	52,833
Wakulla Bank - CD Loan	683	0
Hitachi Cap - Dump truck	71	179
CCB - Chevy truck	382	0
GSB - GMC Truck	7	98
FMB - GMC Truck		
FMB - Backhoe	134	39
Total Unamortized Debt Discount and Expense	\$ 152,963	\$ 159,252
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$	\$
Total Unamortized Premium on Debt	\$	\$

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$
Total Extraordinary Property Losses	\$

UTILITY NAME: Water Management Services, Inc.

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**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)		
186.05 Deferred Limited Proceeding	\$ 24,184	\$ 72,552
Total Deferred Rate Case Expense	\$ <u>24,184</u>	\$ <u>72,552</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
186.20 Deferred Loss on Bridge Supply Main	\$ 14,616	\$ 97,295
Total Other Deferred Debits	\$ <u>14,616</u>	\$ <u>97,295</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$	\$
Total Regulatory Assets	\$ <u> </u>	\$ <u> </u>
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ <u>38,800</u>	\$ <u>169,847</u>

UTILITY NAME: Water Management Services, Inc.

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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	%	\$ 0.10
Shares authorized		100,000
Shares issued and outstanding		100,000
Total par value of stock issued	%	\$ 10,000
Dividends declared per share for year	%	\$ 0
PREFERRED STOCK		
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)	
N/A	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

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

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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	\$ (832,256)
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____ _____	\$ _____ _____
	Total Credits:	\$ _____
	Debits: _____ _____	\$ _____ _____
	Total Debits:	\$ _____
435	Balance Transferred from Income	\$ (94,716)
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	\$ (926,972)
Notes to Statement of Retained Earnings:		

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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$ 0
Total	\$ <u>0</u>

**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)	
224.17- N/P -Envision	5.25%	Fixed	\$ 19,566
224.19 - N/P - Hitachi Capital	7.95%	Fixed	27,366
224.20 - N/P - Gulf State Bank	9.25%	Prime + 1%	2,991,519
224.27 - N/P - GMAC	8.75%	Fixed	22,834
224.32 - N/P - DEP	2.99%	Fixed	5,147,183
224.28 - N/P - Wakulla Bank	9.00%	Fixed	10,282
Total			\$ <u>8,218,750</u>

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

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**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):			
232.17 - N/P - Current - Envision	5.25%	Fixed	6,638
232.19 - N/P - Hitachi Capital	7.95%	Fixed	8,861
232.20 - N/P - Current - Gulf State Bank	9.25%	Prime + 1%	8,481
232.22 - N/P - Bank of Tallahassee	10.25%	Prime + 2%	220,000
232.27 - N/P - GMAC	8.75%	Fixed	6,541
232.37 - N/P - Current - Farmers & Merchants Bank	7.95%	Fixed	21,179
232.28 - Wakulla Bank	9.00%	Fixed	6,438
232.32 - N/P - Current - DEP	2.99%	Fixed	257,687
Total Account 232			\$ <u><u>535,825</u></u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
N/A	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ <u><u>0</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)
N/A	\$
Total	\$ <u><u>0</u></u>

**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					
Bank of Perry (237.15)	\$ 14,596	427.2,3	\$ 56,975	\$ 71,571	\$
Hitachi Capital (237.19)	135	427.2,3	3,208	3,233	110
Capital City Bank (237.21)	155	427.2,3	1,177	1,332	
Gulf State Bank (237.25)	2,163	427.2,3	15,185	17,348	(0)
Wakulla Bank (237.28)	718	427.2,3	4,623	5,287	54
Envision (237.34)	76	427.2,3	1,544	1,559	61
Gulf State Bank (237.35)	61	427.2,3	942	1,002	
Bank of Tallahassee	0	427.2,3	20,169	18,316	1,853
GMAC	0	427.2,3	528	328	200
Farmers & Merchants Bank (237.41)	179	427.2,3	2,991	3,095	75
DEP (237.60)	21,310	427	166,295	167,238	20,368
Gulf State Bank (237.65)	1,786	427.2,3	166,661	156,885	11,563
Total Account 237.1	\$ 41,180		\$ 440,299	447,195	\$ 34,284
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ 0	427.4	\$ 2,379	\$ 2,379	\$ 0
Vendors	0	427.5	6,202	6,202	0
Note: Items marked with an * were expensed but not accrued. They are included only to show the total interest expensed in Acct. 427.					
Total Account 237.2	\$ 0		\$ 8,581	8,581	\$ 0
Total Account 237 (1)	\$ 41,180		\$ 448,880	455,776	\$ 34,284
INTEREST EXPENSED:					
Total accrual Account 237.1		237.1	\$ 440,299		(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
Plus: GSB Working Cap. bank charge					(2) Must agree to F-3 (c), Current Year Interest Expense
Net Interest Expensed to Account No. 427 (2)			\$ 448,880		

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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
Total Miscellaneous Current and Accrued Liabilities	\$ <u>_____</u>

**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)		
Fla. Dept. of Environmental Protection	\$ 23,437			\$ 900	\$ 22,537
Total	\$ <u>23,437</u>			\$ <u>900</u>	\$ <u>22,537</u>

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

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**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):		
N/A	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
N/A	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>3,117,710</u>	\$ _____	\$ _____	\$ <u>3,117,710</u>
Add credits during year:	\$ <u>38,633</u>	\$ _____	\$ _____	\$ <u>38,633</u>
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ <u>3,156,343</u>	\$ _____	\$ _____	\$ <u>3,156,343</u>

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>1,027,872</u>	\$ _____	\$ _____	\$ <u>1,027,872</u>
Debits during the year:	\$ <u>84,159</u>	\$ _____	\$ _____	\$ <u>84,159</u>
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>1,112,031</u>	\$ _____	\$ _____	\$ <u>1,112,031</u>

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT December 31, 2006
--

**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)	\$ (94,716)
Reconciling items for the year:		
Taxable income not reported on books:		
Net additions to CIAC	F-22	(45,526)
Deductions recorded on books not deducted for return:		
Penalties and Interest	F-3(c)	3,083
Life Insurance, key man	W-10	12,376
Income recorded on books not included in return:		
Interest Income	F-3(c)	
Deduction on return not charged against book income:		
Federal tax net income		\$ (124,783)

Computation of tax : No Tax Due because of Net Operating Loss Carry Forwards from prior years.

**WATER
OPERATION
SECTION**

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT
December 31, 2006

WATER 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 water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-15) must be filed for each system in the group.

All of the following water pages (W-2 through W-15) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Water Management Services, Inc./ Franklin	302-W	N/A
There is only one reporting system.		

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT

December 31, 2006

SYSTEM NAME / COUNTY :

Franklin

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service (includes CWIP)	W-4(b)	\$ 9,997,958
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	2,657,771
110	Accumulated Amortization		
271	Contributions In Aid of Construction	W-7	3,156,343
252	Advances for Construction	F-20	22,537
Subtotal			\$ 4,161,307
272	Add:		
	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 1,112,031
Subtotal			\$ 5,273,338
114	Plus or Minus:		
	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		113,850
	Other (Specify):		
WATER RATE BASE			\$ 5,387,188
WATER OPERATING INCOME		W-3	\$ 211,704
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			3.93%

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: Water Management Services, Inc.

YEAR OF REPORT

December 31, 2006

Revised : 6/7/06

SYSTEM NAME / COUNTY : Franklin

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	W-9	\$ 1,487,200
469	Less: Guaranteed Revenue and AFPI	W-9	(982)
Net Operating Revenues			\$ 1,486,218
401	Operating Expenses	W-10(a)	\$ 910,801
403	Depreciation Expense	W-6(a)	318,060
	Less: Amortization of CIAC	W-8(a)	84,159
Net Depreciation Expense			\$ 233,901
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Def. Prop. loss, Acct. 186.1)		14,616
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		66,924
408.11	Property Taxes		18,044
408.12	Payroll Taxes		28,603
408.13	Other Taxes and Licenses		1,624
408	Total Taxes Other Than Income		\$ 115,195
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
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			\$ 1,274,513
Utility Operating Income			\$ 211,704
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 982
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		227,098
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ 439,784

YEAR OF REPORT
December 31, 2006

UTILITY NAME: Water Management Services, Inc.

SYSTEM NAME / COUNTY : _____

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	ADJ/RECLASS (dl)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$	\$		\$	
302	Franchises					
303	Land and Land Rights	97,756	236,000		(6,762)	326,994
304	Structures and Improvements	366,435	0		(37,310)	329,125
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs	405,021	0		0	405,021
308	Infiltration Galleries and Tunnels					
309	Supply Mains	4,703,845	0		0	4,703,845
310	Power Generation Equipment	113,061	0		0	113,061
311	Pumping Equipment	224,689	0		0	224,689
320	Water Treatment Equipment	73,403	0		0	73,403
330	Distribution Reservoirs and Standpipes	362,073	0		0	362,073
331	Transmission and Distribution Mains	2,296,949	227,977		0	2,524,926
333	Services	219,113	4,781		0	223,894
334	Meters and Meter Installations	198,083	5,824		0	203,907
335	Hydrants	123,559	0		0	123,559
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment	0	0		0	0
340	Office Furniture and Equipment	55,566	13,557		0	69,124
341	Transportation Equipment	206,307	28,754		(26,767)	208,294
342	Stores Equipment					
343	Tools, Shop and Garage Equipment	27,241	2,194		0	29,435
344	Laboratory Equipment					
345	Power Operated Equipment	64,551	0		0	64,551
346	Communication Equipment					
347	Miscellaneous Equipment	0	0		0	0
348	Other Tangible Plant					
	TOTAL WATER PLANT	\$ 9,537,653	\$ 519,087	\$	\$(70,839)	\$ 9,985,901

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

YEAR OF REPORT
December 31, 2006

UTILITY NAME: Water Management Services, Inc.

SYSTEM NAME / COUNTY : Franklin

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	* (c)	CURRENT YEAR	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$	0	\$	\$	\$	\$	\$
302	Franchises							
303	Land and Land Rights		326,994		67,443		20,151	239,400
304	Structures and Improvements		329,125		62,816	129,685		136,624
305	Collecting and Impounding Reservoirs							
306	Lake, River and Other Intakes							
307	Wells and Springs		405,021		405,021			
308	Infiltration Galleries and Tunnels							
309	Supply Mains		4,703,845		4,703,845			
310	Power Generation Equipment		113,061		113,061			
311	Pumping Equipment		224,689		224,689			
320	Water Treatment Equipment		73,403		73,403			
330	Distribution Reservoirs and Standpipes		362,073				362,073	
331	Transmission and Distribution Mains		2,524,926				2,524,926	
333	Services		223,894				223,894	
334	Meters and Meter Installations		203,907				203,907	
335	Hydrants		123,559				123,559	
336	Backflow Prevention Devices							
339	Other Plant Miscellaneous Equipment		0				0	
340	Office Furniture and Equipment		69,124					69,124
341	Transportation Equipment		208,294					208,294
342	Stores Equipment							
343	Tools, Shop and Garage Equipment		29,435					29,435
344	Laboratory Equipment							
345	Power Operated Equipment		64,551					64,551
346	Communication Equipment							
347	Miscellaneous Equipment		0					0
348	Other Tangible Plant							
	TOTAL WATER PLANT	\$	9,985,901	\$	5,576,875	203,088	3,458,511	747,427

W-4(b)
GROUP _____

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT

December 31, 2006

SYSTEM NAME / COUNTY :

Franklin

BASIS FOR WATER 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)
304	Structures and Improvements	33		3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	35		2.86%
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants	45		2.22%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment	25		4.00%
340	Office Furniture and Equipment	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment			
345	Power Operated Equipment	12		8.33%
346	Communication Equipment			
347	Miscellaneous Equipment	15		6.67%
348	Other Tangible Plant			
Water 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.

YEAR OF REPORT
December 31, 2006

UTILITY NAME: Water Management Services, Inc.

SYSTEM NAME / COUNTY: Franklin

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS* (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 72,897	\$ 9,422	\$	\$ 9,422
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	142,498	11,949		11,949
308	Infiltration Galleries and Tunnels				
309	Supply Mains	291,285	151,209		151,209
310	Power Generation Equipment	57,178	6,625		6,625
311	Pumping Equipment	117,061	9,874		9,874
320	Water Treatment Equipment	32,630	2,087		2,087
330	Distribution Reservoirs and Standpipes	201,652	9,378		9,378
331	Transmission and Distribution Mains	1,016,284	58,939		58,939
333	Services	119,773	6,207		6,207
334	Meters and Meter Installations	133,764	4,791		4,791
335	Hydrants	58,768	2,995		2,995
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	8,974	4,100		4,100
341	Transportation Equipment	74,076	33,419		33,419
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	9,444	1,685		1,685
344	Laboratory Equipment				
345	Power Operated Equipment	10,422	5,379		5,379
346	Communication Equipment				
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 2,346,707	\$ 318,060	\$	\$ 318,060

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

YEAR OF REPORT
December 31, 2006

UTILITY NAME: Water Management Services, Inc.

SYSTEM NAME / COUNTY : _____

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i)	BALANCE AT END OF YEAR (c+f-k)
(a)	(b)	(g)	(h)	(i)	(g-h+i)	(f)
304	Structures and Improvements	\$ (2,827) *	\$	\$	\$ (2,827)	\$ 79,493
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					154,447
308	Infiltration Galleries and Tunnels					
309	Supply Mains					442,494
310	Power Generation Equipment					63,803
311	Pumping Equipment					126,935
320	Water Treatment Equipment					34,717
330	Distribution Reservoirs and Standpipes					211,030
331	Transmission and Distribution Mains					1,075,223
333	Services					125,980
334	Meters and Meter Installations					138,556
335	Hydrants					61,763
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment					13,074
341	Transportation Equipment	(4,169) *			(4,169)	103,325
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					11,129
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					15,801
347	Miscellaneous Equipment					
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ (6,996) *	\$	\$	\$ (6,996)	\$ 2,657,771

* Net of gain(loss) booked in Account 414.00

W-6(b)
GROUP _____

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT

December 31, 2006

SYSTEM NAME / COUNTY :

Franklin

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ 3,117,710
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 38,633
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		\$ 38,633
Less debits charged during the year (All debits charged during the year must be explained below)		\$
Total Contributions In Aid of Construction		\$ 3,156,343

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

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

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT
December 31, 2006

SYSTEM NAME / COUNTY :

Franklin

WATER 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		\$

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT December 31, 2006
--

SYSTEM NAME / COUNTY : _____

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue	0	0	\$
461.1	Metered Water Revenue: Sales to Residential Customers	1,730	1,732	1,208,967
461.2	Sales to Commercial Customers	81	90	190,881
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	3	2	37,844
461.5	Sales Multiple Family Dwellings	9	9	34,126
Total Metered Sales		1,823	1,833	\$ 1,471,818
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue				\$
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		1,823	1,833	\$ 1,471,818
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 982
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,658
472	Rents From Water Property			11,742
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 15,382
Total Water Operating Revenues				\$ 1,487,200

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

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT
December 31, 2006

SYSTEM NAME / COUNTY :

Franklin

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 240,438	\$ 10,072	\$ 1,357
603	Salaries and Wages - Officers, Directors and Majority Stockholders	104,350	0	
604	Employee Pensions and Benefits	41,020	930	226
610	Purchased Water			
615	Purchased Power	77,707	33,355	
616	Fuel for Power Purchased	4,305	4,305	
618	Chemicals	14,439		
620	Materials and Supplies	21,991	270	2,697
631	Contractual Services-Engineering	0	0	
632	Contractual Services - Accounting	698		
633	Contractual Services - Legal	70,382		
634	Contractual Services - Mgt. Fees	21,163	4,233	
635	Contractual Services - Testing	3,735	1,868	
636	Contractual Services - Other	81,262		
641	Rental of Building/Real Property	31,626		
642	Rental of Equipment	10,071		
650	Transportation Expenses	25,475	1,858	1,858
656	Insurance - Vehicle			
657	Insurance - General Liability	33,615		
658	Insurance - Workman's Comp.	5,718	240	32
659	Insurance - Other	16,335		
660	Advertising Expense	1,915		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	24,184		
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	960		
675	Miscellaneous Expenses	79,414	1,138	2,934
Total Water Utility Expenses		\$ 910,801	\$ 58,267	\$ 9,104

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT December 31, 2006
--

SYSTEM NAME / COUNTY :

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 7,554	\$ 1,357	\$ 32,733	\$ 10,852	\$ 54,137	\$ 122,377
698	226	3,023	1,808	5,077	104,350
		44,352			29,032
14,439					
270	809	270	6,474	5,041	6,161
0		0			698
					70,382
3,174		13,756			
1,868			53,367		27,894
			6,901		31,626
1,858	1,858	1,858	1,858	7,163	3,170
					7,163
180	32	778	258	1,288	33,615
					2,911
					16,335
					1,915
					24,184
				960	
853	10,055	3,698	30,516	9,769	20,451
\$ 30,894	\$ 14,337	\$ 100,468	\$ 112,035	\$ 83,434	\$ 502,262

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT

December 31, 2006

SYSTEM NAME / COUNTY :

Franklin

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	0	12,977	730	12,247	10,853
February	0	13,484	705	12,779	11,430
March	0	18,107	1,005	17,102	15,185
April	0	23,841	1,100	22,741	20,652
May	0	21,894	1,260	20,634	18,235
June	0	35,979	1,480	34,499	31,671
July	0	33,299	1,740	31,559	28,245
August	0	25,553	1,280	24,273	21,836
September	0	23,906	1,070	22,836	20,788
October	0	19,835	1,100	18,735	16,612
November	0	15,795	830	14,965	13,386
December	0	14,344	730	13,614	12,216
Total for Year	0	259,014	13,030	245,984	221,110

If water is purchased for resale, indicate the following:

Vendor N/A

Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

N/A

List for each source of supply:	24 Hour CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well No. 1 (1975)	360,000 gpd	360,000	Floridan Aquifer
Well No. 2 (1985)	360,000 gpd	360,000	Floridan Aquifer
Well No. 3 (1993)	720,000 gpd	720,000	Floridan Aquifer
Well No. 4 (2000)	720,000 gpd	720,000	Floridan Aquifer
		2,160,000	

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT

December 31, 2006

SYSTEM NAME / COUNTY :

Franklin

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,100,000</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Storage Tank</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Aeration and Chlorination</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon):	Manufacturer: _____
FILTRATION	
Type and size of area:	
Pressure (in square feet):	Manufacturer: _____
Gravity (in GPM/square feet):	Manufacturer: _____

W-12

GROUP _____

SYSTEM _____

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT

December 31, 2006

SYSTEM NAME / COUNTY :

Franklin

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,732	1,732
5/8"	Displacement	1.0	66	66
3/4"	Displacement	1.5		
1"	Displacement	2.5	20	50
1 1/2"	Displacement or Turbine	5.0	7	35
2"	Displacement, Compound or Turbine	8.0	4	32
3"	Displacement	15.0	2	30
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	1	25
4"	Turbine	30.0		
6"	Displacement or Compound	50.0	1	50
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 Water System Meter Equivalents			1,833	<u>2,020</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water 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:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC Calculation:

$$221,110,200 \text{ total gallons} / 365/350 \text{ GPD/ERC} = 1,731 \text{ ERCs}$$

W-13

GROUP _____

SYSTEM _____

OTHER WATER SYSTEM INFORMATION

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

- 1. Present ERC's * the system can efficiently serve. 4,111 **
- 2. Maximum number of ERCs * which can be served. 4,111 **
- 3. Present system connection capacity (in ERCs *) using existing lines. 4,111 **
- 4. Future connection capacity (in ERCs *) upon service area buildout. 6,000 (est.)
- 5. Estimated annual increase in ERCs *. 60
- 6. Is the utility required to have fire flow capacity?
If so, how much capacity is required? No _____
- 7. Attach a description of the fire fighting facilities - Storage, pumping, looped mains.
- 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____
Installation of high pressure in-line pumps on east and west extremities of distribution system. Estimated in service date: 12/31/06. Well no. 5 is now in the planning stage.

- 9. When did the company last file a capacity analysis report with the DEP? September 24, 1999
- 10. 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? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
- 11. Department of Environmental Protection ID # 1190789
- 12. Water Management District Consumptive Use Permit # 830074
 - a. Is the system in compliance with the requirements of the CUP? Yes
 - b. If not, what are the utility's plans to gain compliance? Not applicable

* An ERC is determined based on the calculation on the bottom of Page W-13.

** - based on engineer's analysis of physical components of system.

WASTEWATER OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-13 have been omitted from this report.

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue**

Water Operations

Class A & B

Company: WATER MANAGEMENT SERVICES, INC.

For the Year Ended December 31, 2006

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ <u> - 0 -</u>	\$ <u> - 0 -</u>	\$ <u> - 0 -</u>
Total Metered Sales (461.1 - 461.5)	<u>1,471,818</u>	<u>1,471,818</u>	<u> - 0 -</u>
Total Fire Protection Revenue (462.1 - 462.2)	<u> - 0 -</u>	<u> - 0 -</u>	<u> - 0 -</u>
Other Sales to Public Authorities (464)	<u> - 0 -</u>	<u> - 0 -</u>	<u> - 0 -</u>
Sales to Irrigation Customers (465)	<u> - 0 -</u>	<u> - 0 -</u>	<u> - 0 -</u>
Sales for Resale (466)	<u> - 0 -</u>	<u> - 0 -</u>	<u> - 0 -</u>
Interdepartmental Sales (467)	<u> - 0 -</u>	<u> - 0 -</u>	<u> - 0 -</u>
Total Other Water Revenues (469 - 474)	<u>15,382</u>	<u>15,382</u>	<u> - 0 -</u>
Total Water Operating Revenue	\$ <u>1,487,200</u>	\$ <u>1,487,200</u>	\$ <u> - 0 -</u>
LESS: Expense for Purchased Water from FPSC-Regulated Utility	<u> - 0 -</u>	<u> - 0 -</u>	<u> - 0 -</u>
Net Water Operating Revenues	\$ <u>1,487,200</u>	\$ <u>1,487,200</u>	\$ <u> - 0 -</u>

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).