

CLASS "A" OR "B"

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

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Public Service Commission
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ANNUAL REPORT

OF

WS236-07-AR

WATER MANAGEMENT SERVICES, INC.

COMMISSION
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Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2007

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added; provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems".
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

UTILITY NAME: Water Management Services, Inc.

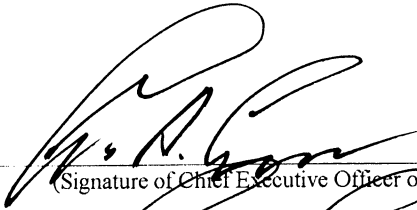
CERTIFICATION OF ANNUAL REPORT

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

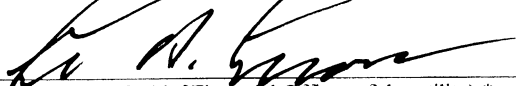
- | | | |
|--|--------------------------------|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | 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, 2007

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:

250 John Knox Road, #4
Tallahassee, FL 32303

Telephone: (850)668-0440

E Mail Address: wmsi@comcast.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
250 John Knox Road, #4
Tallahassee, FL 32303

Telephone: (850)668-0440

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

250 John Knox Road, #4
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.	St. George Island Utility Co., Ltd.	85%
2.	Brown Management, Inc.	10%
3.	T. E. Bronson	5%
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
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 411 Live Oak Plantation 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 is ongoing as of the date of this report, and trial is set for late July, 2008, before a jury in the Franklin County Circuit Court.

UTILITY NAME: Water Management Services, Inc.F13ZF13Z

YEAR OF REPORT December 31, 2007
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PARENT / AFFILIATE ORGANIZATION CHART

Current as of _____

December 31, 2007

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).

<p>St. George Island Utility Company, Ltd. Stockholder</p> <p>Gene D. Brown, P.A. Legal Counsel</p>

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%	\$ 138,904

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

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 Group, 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 250 John Knox Road, #4 Tallahassee, FL 32303

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

- Part II. Specific Instructions: Sale, Purchase and Transfer of Assets**
- Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
 - 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
 - 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)
Brown Management Group, Inc.	Commonwealth Lots	\$ 480,000	\$ 261,571	\$ 218,429	\$ 480,000

**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	\$ 9,997,958	\$ 9,721,231
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,657,771	2,889,930
Net Plant			\$ 7,340,187	\$ 6,831,301
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 7,340,187	\$ 6,831,301
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	773,434	924,617
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property & Investments			\$ 1,584,452	\$ 1,735,635
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ (5,200)	\$ 8,816
132	Special Deposits	F-9	75,888	984
133	Other Special Deposits	F-9		
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	117,412	99,953
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12	200,000	200,000
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments		37,635	48,080
171	Accrued Interest and Dividends Receivable		0	0
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			\$ 425,735	\$ 357,834

* Not Applicable for Class B Utilities

UTILITY NAME: Water Management Services, Inc.

**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	\$ 159,252	\$ 140,179
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Misc. Deferred Debits	F-14	169,847	131,047
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		\$ 329,099	\$ 271,226
	TOTAL ASSETS AND OTHER DEBITS		\$ 9,679,474	\$ 9,195,996

* 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	(926,972)	(984,742)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ (1,405,520)	\$ (1,463,290)
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	8,218,750	7,918,042
Total Long Term Debt			\$ 8,218,750	\$ 7,918,042
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		124,646	130,075
232	Notes Payable	F-18	535,825	362,829
233	Accounts Payable to Associated Companies	F-18	0	0
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		33,548	135,229
236	Accrued Taxes		71,091	75,356
237	Accrued Interest	F-19	34,284	30,377
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	0	
Total Current & Accrued Liabilities			\$ 799,393	\$ 733,864

* 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)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	0	\$ _____	\$ _____
252	Advances For Construction	F-20	_____ 22,537	_____ 21,337
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		_____	_____
Total Deferred Credits			\$ _____ 22,537	\$ _____ 21,337
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	\$ _____ 3,156,343	\$ _____ 3,182,607
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	_____ (1,112,031)	_____ (1,196,566)
Total Net C.I.A.C.			\$ _____ 2,044,312	\$ _____ 1,986,041
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			\$ _____ 9,679,474	\$ _____ 9,195,996

UTILITY NAME: Water Management Services, Inc.

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)	\$ 1,487,200	\$ 1,501,205
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	(982)	0
Net Operating Revenues			\$ 1,486,218	\$ 1,501,205
401	Operating Expenses	F-3(b)	\$ 910,801	\$ 959,148
403	Depreciation Expense:	F-3(b)	\$ 318,060	\$ 292,199
	Less: Amortization of CIAC	F-22	84,159	84,535
Net Depreciation Expense			\$ 233,901	\$ 207,664
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	14,616	14,616
408	Taxes Other Than Income	W/S-3	115,195	119,309
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			\$ 1,274,513	\$ 1,300,737
Net Utility Operating Income			\$ 211,704	\$ 200,468
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	982	0
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property		227,098	210,420
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 439,784	\$ 410,888

* 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)
\$ 1,501,205 0	\$ _____	\$ _____
\$ 1,501,205	\$ _____	\$ _____
\$ 959,148	\$ _____	\$ _____
292,199 84,535	_____	_____
\$ 207,664	\$ _____	\$ _____
14,616 119,309	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
\$ 1,300,737	\$ _____	\$ _____
\$ 200,468	\$ _____	\$ _____
0	_____	_____
210,420	_____	_____
\$ 410,888	\$ _____	\$ _____

* 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)]			\$ 439,784	\$ 410,888
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ 0	\$ 140
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		0	(100)
419	Interest and Dividend Income		12,988	15,838
421	Nonutility Income			0
426	Miscellaneous Nonutility Expenses		(3,083)	0
Total Other Income and Deductions			\$ 9,904	\$ 15,878
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	\$ 448,880	\$ 464,853
428	Amortization of Debt Discount & Expense	0	95,525	19,683
429	Amortization of Premium on Debt	0		
Total Interest Expense			\$ 544,405	\$ 484,536
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ _____	\$ _____
NET INCOME			<u>\$ (94,716)</u>	<u>\$ (57,770)</u>

Explain Extraordinary Income:

UTILITY NAME: Water Management Services, Inc.

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	\$ 9,721,231	\$
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	2,889,930	
110	Accumulated Amortization	F-8		
271	Contributions In Aid of Construction	F-22	3,182,607	
252	Advances for Construction	F-20	21,337	
Subtotal			\$ 3,627,357	\$
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	1,196,566	
Subtotal			\$ 4,823,923	\$
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		119,893	
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 4,943,816	\$
NET UTILITY OPERATING INCOME			\$ 200,468	\$
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			4.05%	

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)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 0	0.00%	11.34%	
Preferred Stock				
Long & Short Term Debt	4,808,587	97.26%	4.97%	4.83%
Customer Deposits	135,229	2.74%	6.00%	0.16%
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$ <u>4,943,816</u>	<u>100.00%</u>		<u>5.00%</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.

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**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	\$ (1,463,290)	\$	\$	\$ 1,463,290	\$	\$
Preferred Stock						
Long & Short Term Debt	8,280,872				(3,472,284)	4,808,587
Customer Deposits	135,229					135,229
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
Total	\$ 6,952,810	\$ 0	\$ 0	\$ 1,463,290	\$ (3,472,284)	\$ 4,943,816

(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	\$ 9,721,231	\$ _____	\$ _____	\$ 9,721,231
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	0	_____	_____	_____
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	\$ 9,721,231	\$ _____	\$ _____	\$ 9,721,231

**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

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	\$ 2,657,771	\$	\$	\$ 2,657,771
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 292,199	\$	\$	\$ 292,199
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	\$ 292,199	\$	\$	\$ 292,199
Debits during year:				
Book cost of plant retired	(60,040)	_____	_____	(60,040)
Cost of Removal (disposal by sale, net)	0	_____	_____	_____
Other Debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ (60,040)	\$	\$	\$ (60,040)
Balance end of year	\$ <u>2,889,930</u>	\$ <u> </u>	\$ <u> </u>	\$ <u>2,889,930</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)	\$ 984
_____	_____
_____	_____
Total Special Deposits	\$ 984
OTHER SPECIAL DEPOSITS (Account 133):	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ _____

UTILITY NAME: Water Management Services, Inc.

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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): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ 924,617 _____ _____ _____
Total Investment in Associated Companies		\$ <u>924,617</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	\$ 110,823	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 110,823
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ 8,830	

Total Other Accounts Receivable		\$ 8,830
NOTES RECEIVABLE (Account 144):		
Notes Receivable	\$ _____	

Total Notes Receivable		\$ _____
Total Accounts and Notes Receivable		\$ 119,653
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ 18,785	
Add: Provision for uncollectibles for current year	\$ 915	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions	\$ 915	
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off	\$ 0	
Balance end of year		\$ 19,700
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 99,953

**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	\$ 5,904	\$ 10,268
SRF Associated Fees	1,083	87,545
Bank of Tallahassee	403	0
Bank of Tallahassee	100	0
J. Talley - DEP Loan	60	840
GSB - Refinance Loan	11,741	41,092
Hitachi Cap - Dump truck	179	0
CCB - Chevy truck	5	133
GSB - GMC Truck	98	0
FMB - Backhoe Refinance	73	301
FMB - Backhoe	39	0
Total Unamortized Debt Discount and Expense	\$ 19,683	\$ 140,179
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	\$

**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	\$ 48,368
Total Deferred Rate Case Expense	\$ 24,184	\$ 48,368
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
186.20 Deferred Loss on Bridge Supply Main	\$ 14,616	\$ 82,679
Total Other Deferred Debits	\$ 14,616	\$ 82,679
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
Total Regulatory Assets	\$	\$
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 38,800	\$ 131,047

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.)

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT December 31, 2007
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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	\$ (926,972)
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	\$ (57,770)
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>(984,742)</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: Water Management Services, Inc.

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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

**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)	
224.15 World Omni	8.64%		17,145
224.17 Envision	5.25%	Fixed	\$ 12,569
224.18 Capital City Bank	6.61%	Fixed	31,145
224.20 Gulf State Bank	8.25%	Prime + 1%	2,935,266
224.32 DEP	2.99%	Fixed	4,881,734
224.37 Farmers & Merchants Bank	8.25%	Fixed	40,183
Total			\$ 7,918,042

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

UTILITY NAME: Water Management Services, Inc.

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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					
World Omni (237.15)	\$ 0	427.2.3	\$ 601	\$ 463	\$ 138
Capital City Bank (237.18)	0	427.2.3	581	430	152
Hitchhiker Capital (237.19)	110	427.2.3	458	569	0
GMAC (237.21)	200	427.2.3	1,734	1,934	0
Bank of Tallahassee (237.22)	1,853	427.2.3	18,828	20,682	(0)
Wakulla Bank (237.28)	54	427.2.3	840	893	0
Envision (237.34)	61	427.2.3	1,219	1,234	46
Farmers & Merchants Bank (237.41)	75	427.2.3	3,893	3,590	378
DEP (237.60)	20,368	427.2.3	158,732	159,703	19,397
Gulf State Bank (237.65)	11,563	427.2.3	275,309	276,606	10,266
Total Account 237.1	\$ 34,284	427.2.3	\$ 462,195	\$ 466,103	\$ 30,377
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ 0	427.4	\$ 1,324 *	\$ 1,324	\$ 0
Vendors	0	427.5	1,334 *	1,334	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		\$ 2,657	\$ 2,657	\$ 0
Total Account 237 (1)	\$ 34,284		\$ 464,853	\$ 468,760	\$ 30,377
INTEREST EXPENSED:					
Total accrual Account 237.1		237.1	\$ 462,195		
Net Interest Expensed to Account No. 427 (2)			\$ 464,853		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.

(2) Must agree to F-3 (c), Current Year Interest Expense

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
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)		
Fla. Dept. of Environmental Protection	\$ 22,537			\$ 1,200	\$ 21,337
Total	\$ 22,537			\$ 1,200	\$ 21,337

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

UTILITY NAME: Water Management Services, Inc.

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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	\$ _____	\$ _____

UTILITY NAME: Water Management Services, Inc.

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**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	\$ 3,156,343	\$ _____	\$ _____	\$ 3,156,343
Add credits during year:	\$ 26,264	\$ _____	\$ _____	\$ 26,264
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ <u>3,182,607</u>	\$ _____	\$ _____	\$ <u>3,182,607</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	\$ 1,112,031	\$ _____	\$ _____	\$ 1,112,031
Debits during the year:	\$ 84,535	\$ _____	\$ _____	\$ 84,535
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>1,196,566</u>	\$ _____	\$ _____	\$ <u>1,196,566</u>

UTILITY NAME: Water Management Services, Inc.

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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)	\$ (57,770)
Reconciling items for the year:		
Taxable income not reported on books:		
Net additions to CIAC	F-22	(58,271)
Deductions recorded on books not deducted for return:		
Penalties and Interest	F-3(c)	0
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		\$ (103,665)

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.

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)	\$ 9,721,231
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	2,889,930
110	Accumulated Amortization	W-7	3,182,607
271	Contributions In Aid of Construction	F-20	21,337
252	Advances for Construction		
Subtotal			\$ 3,627,357
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 1,196,566
Subtotal			\$ 4,823,923
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	119,893
	Working Capital Allowance (3)		
	Other (Specify):		
WATER RATE BASE			\$ 4,943,816
WATER OPERATING INCOME		W-3	\$ 200,468
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			4.05%

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.

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	\$ 1,501,205
469	Less: Guaranteed Revenue and AFPI	W-9	0
Net Operating Revenues			\$ 1,501,205
401	Operating Expenses	W-10(a)	\$ 959,148
403	Depreciation Expense	W-6(a)	292,199
	Less: Amortization of CIAC	W-8(a)	84,535
Net Depreciation Expense			\$ 207,664
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		67,554
	Utility Regulatory Assessment Fee		17,817
408.11	Property Taxes		32,803
408.12	Payroll Taxes		1,134
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 119,309
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			\$ 1,300,737
Utility Operating Income			\$ 200,468
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 0
413	Income From Utility Plant Leased to Others		0
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ 200,468

YEAR OF REPORT
December 31, 2007

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 (d1)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$	\$		\$	
302	Franchises					
303	Land and Land Rights	326,994	0		(236,000)	90,994
304	Structures and Improvements	329,125	4,437		0	333,562
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	2,524,926	0		0	2,524,926
333	Services	223,894	4,251		0	228,145
334	Meters and Meter Installations	203,907	3,623	(820)	0	206,710
335	Hydrants	123,559	2,020		0	125,578
336	Backflow Prevention Devices				0	0
339	Other Plant Miscellaneous Equipment	0	0		0	0
340	Office Furniture and Equipment	69,124	6,791		0	75,914
341	Transportation Equipment	208,294	69,406		(118,377)	159,323
342	Stores Equipment				0	29,435
343	Tools, Shop and Garage Equipment	29,435	0		0	29,435
344	Laboratory Equipment				0	64,551
345	Power Operated Equipment	64,551	0		0	64,551
346	Communication Equipment				0	0
347	Miscellaneous Equipment	0	0		0	0
348	Other Tangible Plant					
	TOTAL WATER PLANT	\$ 9,985,901	\$ 90,527	\$ (820)	\$ (354,377)	\$ 9,721,231

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.
Acct 334: Reclass from plant to O&M (repairs).

W-4(a)
GROUP _____

UTILITY NAME: Water Management Services, Inc.

SYSTEM NAME / COUNTY: Franklin

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 INTANGIBLE PLANT	.2 SOURCE OF SUPPLY AND PUMPING PLANT	.3 WATER TREATMENT PLANT	.4 TRANSMISSION AND DISTRIBUTION PLANT	.5 GENERAL PLANT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
301	Organization	0					
302	Franchises						
303	Land and Land Rights	90,994		67,443		20,151	3,400
304	Structures and Improvements	333,562		62,816	134,122		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	228,145				228,145	
334	Meters and Meter Installations	206,710				206,710	
335	Hydrants	125,578				125,578	
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment	0				0	
340	Office Furniture and Equipment	75,914					75,914
341	Transportation Equipment	159,323					159,323
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	9,721,231		5,576,875	207,525	3,467,584	469,247

UTILITY NAME: Water Management Services, Inc.

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, 2007

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	\$ 79,493	\$ 8,895	\$	\$ 8,895
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	154,447	11,949		11,949
308	Infiltration Galleries and Tunnels				
309	Supply Mains	442,494	152,260		152,260
310	Power Generation Equipment	63,803	6,255		6,255
311	Pumping Equipment	126,935	10,048		10,048
320	Water Treatment Equipment	34,717	2,087		2,087
330	Distribution Reservoirs and Standpipes	211,030	9,784		9,784
331	Transmission and Distribution Mains	1,075,223	41,673		41,673
333	Services	125,980	6,248		6,248
334	Meters and Meter Installations	138,556	4,902		4,902
335	Hydrants	61,763	3,018		3,018
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	13,074	4,801		4,801
341	Transportation Equipment	103,325	23,147		23,147
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	11,129	1,753		1,753
344	Laboratory Equipment				
345	Power Operated Equipment	15,801	5,379		5,379
346	Communication Equipment				
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 2,657,771	\$ 292,199	\$	\$ 292,199

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

W-6(a)
GROUP _____

YEAR OF REPORT
December 31, 2007

UTILITY NAME: Water Management Services, Inc.

SYSTEM NAME / COUNTY : _____

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

ACCT. NO.	ACCOUNT NAME (b)	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 (c+f+k) (l)
304	Structures and Improvements		\$	\$		\$ 88,388
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					166,396
307	Wells and Springs					
308	Infiltration Galleries and Tunnels					
309	Supply Mains					594,754
310	Power Generation Equipment					70,058
311	Pumping Equipment					136,983
320	Water Treatment Equipment					36,805
330	Distribution Reservoirs and Standpipes					220,814
331	Transmission and Distribution Mains					1,116,896
333	Services					132,228
334	Meters and Meter Installations					143,458
335	Hydrants					64,781
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					17,876
340	Office Furniture and Equipment				(60,040)	66,432
341	Transportation Equipment	(60,040) x				
342	Stores Equipment					12,882
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					21,180
345	Power Operated Equipment					
346	Communication Equipment					
347	Miscellaneous Equipment					
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ (60,040)	\$	\$	\$ (60,040)	\$ 2,889,930

* Net of gain(loss) & note paid off

W-6(b)
GROUP _____

UTILITY NAME: Water Management Services, Inc.

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	1,732	1,722	1,233,971
461.2	Sales to Commercial Customers	90	85	180,220
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	2	3	43,553
461.5	Sales Multiple Family Dwellings	9	20	39,163
Total Metered Sales		1,833	1,830	\$ 1,496,907
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		1,833	1,830	\$ 1,496,907
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 0
470	Forfeited Discounts			4,298
471	Miscellaneous Service Revenues			0
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 4,298
Total Water Operating Revenues				\$ 1,501,205

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

UTILITY NAME: Water Management Services, Inc.

SYSTEM NAME / COUNTY : Franklin

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1	.2
			SOURCE OF SUPPLY AND EXPENSES - OPERATIONS	SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE
(a)	(b)	(c)	(d)	(e)
601	Salaries and Wages - Employees	\$ 290,220	\$ 14,855	\$ 3,387
603	Salaries and Wages - Officers, Directors and Majority Stockholders	138,904		
604	Employee Pensions and Benefits	52,955	1,633	406
610	Purchased Water			
615	Purchased Power	74,309	29,608	
616	Fuel for Power Purchased	0	0	
618	Chemicals	13,243		
620	Materials and Supplies	13,187	212	2,119
631	Contractual Services-Engineering	0	0	
632	Contractual Services - Accounting	2,250		
633	Contractual Services - Legal	87,391		
634	Contractual Services - Mgt. Fees	15,800	3,160	
635	Contractual Services - Testing	3,055	1,528	
636	Contractual Services - Other	35,427		
641	Rental of Building/Real Property	30,647		
642	Rental of Equipment	4,824		
650	Transportation Expenses	34,031	3,768	3,768
656	Insurance - Vehicle			
657	Insurance - General Liability	35,537		
658	Insurance - Workman's Comp.	11,013	564	129
659	Insurance - Other	16,600		
660	Advertising Expense	193		
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	915		
675	Miscellaneous Expenses	74,464	1,149	666
Total Water Utility Expenses		\$ 959,148	\$ 56,477	\$ 10,475

UTILITY NAME: Water Management Services, Inc.
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)
\$ 11,142	\$ 3,387	\$ 48,280	\$ 27,098	\$ 56,265	\$ 125,805
					138,904
1,225	406	5,309	3,245	5,355	35,376
		44,701			
13,243					
212	636	212	5,085	2,120	2,591
0		0			2,250
					87,391
2,370		10,270			
1,528					
			24,287		11,141
					30,647
			1,914	2,328	582
3,768	3,768	3,768	3,768	5,710	5,710
					35,537
423	129	1,832	1,028	2,135	4,774
					16,600
					193
					24,184
				915	
1,389	5,235	3,394	38,052	9,473	15,105
\$ 35,299	\$ 13,561	\$ 117,767	\$ 104,478	\$ 84,302	\$ 536,789

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT

December 31, 2007

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	13,296	1,942	11,354	10,292
February	0	11,821	1,044	10,777	9,694
March	0	17,764	1,007	16,757	15,097
April	0	18,068	161	17,907	16,293
May	0	19,031	658	18,373	16,542
June	0	32,730	529	32,201	29,007
July	0	27,619	369	27,250	25,352
August	0	28,767	1,919	26,848	24,197
September	0	17,545	1,183	16,362	14,758
October	0	16,418	1,893	14,525	13,099
November	0	19,143	3,029	16,114	14,395
December	0	10,938	2,884	8,054	7,023
Total for Year	0	233,140	16,618	216,522	195,748

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, 2007

SYSTEM NAME / COUNTY :

Franklin

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):

1,100,000

Location of measurement of capacity
(i.e. Wellhead, Storage Tank):

Storage Tank

Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc.):

Aeration and Chlorination

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, 2007

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	1,683	1,683
5/8"	Displacement	1.0	73	73
3/4"	Displacement	1.5	11	17
1"	Displacement	2.5	45	113
1 1/2"	Displacement or Turbine	5.0	10	50
2"	Displacement, Compound or Turbine	8.0	4	32
3"	Displacement	15.0		
3"	Compound	16.0	2	32
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			1,830	2,074

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:

195,747,900 total gallons / 365/350 GPD/ERC = 1,532 ERCs

W10BW10B
UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT
December 31, 2007

SYSTEM NAME / COUNTY :

Franklin

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? No
If so, how much capacity is required? _____
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.

W-14

GROUP _____

SYSTEM _____

WASTEWATER OPERATION SECTION

This is a water only utility.

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class A & B**

**Company: Water Management Services, Inc.
For the Year Ended December 31, 2007**

(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>1,496,907</u>	<u>1,496,907</u>	<u> - 0 -</u>
Total Fire Protection Revenue (462.1 - 462.2)	<u> </u>	<u> </u>	<u> </u>
Other Sales to Public Authorities (464)	<u> </u>	<u> </u>	<u> </u>
Sales to Irrigation Customers (465)	<u> </u>	<u> </u>	<u> </u>
Sales for Resale (466)	<u> </u>	<u> </u>	<u> </u>
Interdepartmental Sales (467)	<u> </u>	<u> </u>	<u> </u>
Total Other Water Revenues (469 - 474)	<u> 4,298</u>	<u> 4,298</u>	<u> - 0 -</u>
Total Water Operating Revenue	\$ <u>1,501,205</u>	\$ <u>1,501,205</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>1,501,205</u>	\$ <u>1,501,205</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).