

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WS236-08-AR

WATER MANAGEMENT SERVICES, INC.

302

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2008

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
09 APR 30 PM 3: 14
Division of
ECONOMIC REGULATION

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.

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
EXECUTIVE SUMMARY			
Certification	E-1	Business Contracts with Officers, Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers & Directors	E-8
Directory of Personnel Who Contact the FPSC	E-3	Businesses which are a Byproduct, Coproduct or Joint Product Result of Providing Service	E-9
Company Profile	E-4	Business Transactions with Related Parties. Part I and II	E-10
Parent / Affiliate Organization Chart	E-5		
Compensation of Officers & Directors	E-6		
FINANCIAL SECTION			
Comparative Balance Sheet - Assets and Other Debits	F-1	Unamortized Debt Discount / Expense / Premium	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Extraordinary Property Losses	F-13
Comparative Operating Statement	F-3	Miscellaneous Deferred Debits	F-14
Schedule of Year End Rate Base	F-4	Capital Stock	F-15
Schedule of Year End Capital Structure	F-5	Bonds	F-15
Capital Structure Adjustments	F-6	Statement of Retained Earnings	F-16
Utility Plant	F-7	Advances from Associated Companies	F-17
Utility Plant Acquisition Adjustments	F-7	Long Term Debt	F-17
Accumulated Depreciation	F-8	Notes Payable	F-18
Accumulated Amortization	F-8	Accounts Payable to Associated Companies	F-18
Regulatory Commission Expense - Amortization of Rate Case Expense	F-9	Accrued Interest and Expense	F-19
Nonutility Property	F-9	Misc. Current & Accrued Liabilities	F-20
Special Deposits	F-9	Advances for Construction	F-21
Investments and Special Funds	F-10	Other Deferred Credits	F-21
Accounts and Notes Receivable - Net	F-11	Contributions In Aid of Construction	F-22
Accounts Receivable from Associated Companies	F-12	Accumulated Amortization of CIAC	F-22
Notes Receivable from Associated Companies	F-12	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	F-23
Miscellaneous Current & Accrued Assets	F-12		

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
WATER OPERATION SECTION			
Listing of Water System Groups	W-1	CIAC Additions / Amortization	W-8
Schedule of Year End Water Rate Base	W-2	Water Operating Revenue	W-9
Water Operating Statement	W-3	Water Utility Expense Accounts	W-10
Water Utility Plant Accounts	W-4	Pumping and Purchased Water Statistics, Source Supply	W-11
Basis for Water Depreciation Charges	W-5	Water Treatment Plant Information	W-12
Analysis of Entries in Water Depreciation Reserve	W-6	Calculation of ERC's	W-13
Contributions In Aid of Construction	W-7	Other Water System Information	W-14
WASTEWATER OPERATION SECTION			
Listing of Wastewater System Groups	S-1	Contributions In Aid of Construction	S-7
Schedule of Year End Wastewater Rate Base	S-2	CIAC Additions / Amortization	S-8
Wastewater Operating Statement	S-3	Wastewater Utility Expense Accounts	S-9
Wastewater Utility Plant Accounts	S-4	Wastewater Operating Revenue	S-10
Analysis of Entries in Wastewater Depreciation Reserve	S-5	Calculation of ERC's	S-11
Basis for Wastewater Depreciation Charges	S-6	Wastewater Treatment Plant Information	S-12
		Other Wastewater System Information	S-13

EXECUTIVE SUMMARY

UTILITY NAME: Water Management Services, Inc.


CERTIFICATION OF ANNUAL REPORT

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

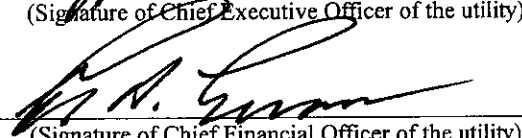
- | | | |
|--|--------------------------------|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/>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

<u>Items Certified</u>			
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, 2008

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: gdb5@comcast.net; sandymchase@comcast.net

WEB Site: www.wmsistgeorge.com

Sunshine State One-Call of Florida, Inc. Member Number WM1736

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	VP & Secretary	Assistant General Manager	General Business
Brenda Molsbee		Operations Manager	General Business
Marsha Rule Rutledge, Ecenia & Purnell, P.A. 119 S. Monroe St., Suite 202 Tallahassee, FL 32301 (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. 18444 Lost Lake Way Jupiter, FL 33458 (561) 743-9510	Consultant		Regulatory Matters
Michael Shibelli PBS&J 2639 N. Monroe St., Building C Tallahassee, FL 32303 (850)580-7877	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.

**REVISED
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 approximately 5 miles into the Gulf of Mexico in Franklin County, Florida. The company's four wells are located on the mainland in the Eastpoint area. The water is piped to the island through a 12" pipe attached to a bridge to the island. 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 the treatment plant. 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.

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.

The company is continuing to expand and improve production capacities to accommodate peak periods and future growth. The company has sufficient capacity to meet all demands, and is planning the construction of a fifth well, a new ground storage tank and other capital improvements necessary to provide a continued high level of service.

WMSI is now working on plans to provide wastewater service to its customers in the middle part of the island, as detailed in the certificate application filed April 15, 2009 and assigned Docket No. 090189-SU.

UTILITY NAME: Water Management Services, Inc.

PARENT / AFFILIATE ORGANIZATION CHART

Current as of _____

December 31, 2008

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	95%	\$ 152,656

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

UTILITY NAME: Water Management Services, Inc.

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	\$ 25,000	Gene D. Brown, P.A. 250 John Knox Road, #4 Tallahassee, FL 32303
Brown Management Group, Inc.	Office Rental	\$ 18,000	BMG, Inc. 250 John Knox Road, #4 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 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

UTILITY NAME: EXE 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.

	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	\$	\$	\$	\$		

UTILITY NAME: Water Management Services, Inc.

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

-management, legal and accounting services	-material and supplies furnished
-computer services	-leasing of structures, land, and equipment
-engineering & construction services	-rental transactions
-repairing and servicing of equipment	-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, 2008 through December 31, 2008		\$ 25,000
Brown Management Group, Inc.	Office Rental	Jan, 2008		\$ 18,000

YEAR OF REPORT
December 31, 2008

UTILITY NAME: Water Management Services, Inc.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

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	Part II. Specific Instructions: Sale, Purchase and Transfer of Assets 3. The columnar instructions follow:	(a) Enter name of related party or company. (b) Describe briefly the type of assets purchased, sold or transferred. (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S". (d) Enter the net book value for each item reported. (e) Enter the net profit or loss for each item reported. (column (c) - column (d)) (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
N/A							

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	\$ 9,721,231	\$ 9,017,455
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,889,930	3,135,367
Net Plant			\$ 6,831,301	\$ 5,882,088
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 6,831,301	\$ 5,882,088
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	924,617	1,160,703
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property & Investments			\$ 1,735,635	\$ 1,971,722
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 8,816	\$ (19,370)
132	Special Deposits	F-9	984	337
133	Other Special Deposits	F-9		
134	Working Funds			0
135	Temporary Cash Investments			51
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	99,953	97,718
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12	200,000	150,000
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments		48,080	40,857
171	Accrued Interest and Dividends Receivable			0
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			\$ 357,834	\$ 269,593

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ 140,179	\$ 121,240
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Misc. Deferred Debits	F-14	131,047	92,246
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		\$ 271,226	\$ 213,486
	TOTAL ASSETS AND OTHER DEBITS		\$ 9,195,996	\$ 8,336,890

* Not Applicable for Class B Utilities

<p><u>NOTES TO THE BALANCE SHEET</u> The space below is provided for important notes regarding the balance sheet.</p>
--

UTILITY NAME: Water Management Services, Inc.

**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	(984,742)	(1,245,206)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ (1,463,290)	\$ (1,723,754)
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	7,918,042	7,467,818
Total Long Term Debt			\$ 7,918,042	\$ 7,467,818
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		130,075	91,933
232	Notes Payable	F-18	362,829	359,836
233	Accounts Payable to Associated Companies	F-18		0
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		135,229	108,815
236	Accrued Taxes		75,356	47,776
237	Accrued Interest	F-19	30,377	23,512
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		8,872
Total Current & Accrued Liabilities			\$ 733,864	\$ 640,742

* 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		\$ _____	\$ _____
252	Advances For Construction	F-20	21,337	21,037
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		_____	_____
Total Deferred Credits			\$ <u>21,337</u>	\$ <u>21,037</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	\$ 3,182,607	\$ 3,212,574
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,196,566)	(1,281,529)
Total Net C.I.A.C.			\$ <u>1,986,041</u>	\$ <u>1,931,045</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>9,195,996</u>	\$ <u>8,336,890</u>

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)	\$ 1,501,205	\$ 1,374,799
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	0	(123)
Net Operating Revenues			\$ 1,501,205	\$ 1,374,676
401	Operating Expenses	F-3(b)	\$ 959,148	\$ 940,311
403	Depreciation Expense:	F-3(b)	\$ 292,199	\$ 281,739
	Less: Amortization of CIAC	F-22	84,535	84,963
Net Depreciation Expense			\$ 207,664	\$ 196,776
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	119,309	108,243
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			\$ 1,300,737	\$ 1,259,946
Net Utility Operating Income			\$ 200,468	\$ 114,730
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	0	123
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property		210,420	(7,286)
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 410,888	\$ 107,567

* 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)
1,374,799 (123)		
\$ 1,374,676		
\$ 940,311		
281,739 84,963		
\$ 196,776		
14,616 108,243		
\$ 1,259,946		
\$ 114,730		
123 (7,286)		
\$ 107,567		

* 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)]			\$ 410,888	\$ 107,567
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ 140	\$ 0
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		(100)	0
419	Interest and Dividend Income		15,838	14,892
421	Nonutility Income		0	0
426	Miscellaneous Nonutility Expenses		0	(13,194)
Total Other Income and Deductions			\$ 15,878	\$ 1,698
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	\$ 464,853	\$ 350,790
428	Amortization of Debt Discount & Expense	F-13	19,683	18,939
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			\$ 484,536	\$ 369,729
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$	\$
NET INCOME			\$ (57,770)	\$ (260,464)

Explain Extraordinary Income:

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	\$ 9,017,455	\$ _____
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	3,135,367	_____
110	Accumulated Amortization	F-8	_____	_____
271	Contributions In Aid of Construction	F-22	3,212,575	_____
252	Advances for Construction	F-20	21,037	_____
Subtotal			\$ 2,648,476	\$ _____
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,281,529	_____
Subtotal			\$ 3,930,005	\$ _____
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	_____	_____
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	_____	_____
	Working Capital Allowance (3)		117,539	_____
	Other (Specify):		_____	_____
	_____		_____	_____
	_____		_____	_____
RATE BASE			\$ 4,047,544	\$ _____
NET UTILITY OPERATING INCOME			\$ 114,730	\$ _____
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			2.83%	_____

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	3,938,729	97.31%	3.49%	3.40%
Customer Deposits	108,815	2.69%	6.00%	0.16%
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$ <u>4,047,544</u>	<u>100.00%</u>		<u>3.56%</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	\$ (1,723,754)	\$	\$	\$ 1,723,754	\$	\$
Preferred Stock						
Long & Short Term Debt	7,827,653				(3,888,924)	3,938,729
Customer Deposits	108,815					108,815
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
Total	\$ 6,212,714	\$ 0	\$ 0	\$ 1,723,754	\$ (3,888,924)	\$ 4,047,544

(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.

YEAR OF REPORT
December 31, 2008

**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	\$ 9,017,455	\$ _____	\$ _____	\$ 9,017,455
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	\$ 9,017,455	\$ _____	\$ _____	\$ 9,017,455

**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	\$ 2,889,930	\$	\$	\$ 2,889,930
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 293,774	\$	\$	\$ 293,774
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):				
_____	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify): Corrections Adj. accrued depr. See Sch W-6(b)	(12,035)	_____	_____	(12,035)
Total Credits	\$ 281,739	\$	\$	\$ 281,739
Debits during year:				
Book cost of plant retired	(36,302)	_____	_____	(36,302)
Cost of Removal (disposal by sale, net)	0	_____	_____	_____
Other Debits (specify):				
_____	_____	_____	_____	_____
Total Debits	\$ (36,302)	\$	\$	\$ (36,302)
Balance end of year	\$ <u>3,135,367</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>3,135,367</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.

**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 - GSB (Special)	\$ 337
_____	_____
_____	_____
Total Special Deposits	\$ 337
OTHER SPECIAL DEPOSITS (Account 133):	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ _____

UTILITY NAME: Water Management Services, Inc.

**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): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ 1,160,703 _____ _____ _____
Total Investment in Associated Companies		\$ <u>1,160,703</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.

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	\$ 121,667	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 121,667
OTHER ACCOUNTS RECEIVABLE (Account 142):		
	\$ 551	
Total Other Accounts Receivable		\$ 551
NOTES RECEIVABLE (Account 144):		
Notes Receivable	\$	
Total Notes Receivable		\$
Total Accounts and Notes Receivable		\$ 122,218
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ 19,700	
Add: Provision for uncollectibles for current year	\$ 4,800	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions		\$ 4,800
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off		\$ 0
Balance end of year		\$ 24,500
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 97,718

UTILITY NAME: Water Management Services, Inc.

**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 %	\$ 150,000
	%	_____
	%	_____
	%	_____
	%	_____
	%	_____
	%	_____
	%	_____
	%	_____
Total		\$ 150,000

**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	\$ 1,078	\$ 14,016
SRF Associated Fees	5,904	76,749
DEP - Dept. of State	5	62
	0	0
J. Talley - DEP Loan	60	780
GSB - Refinance Loan	11,741	29,352
	0	0
CCB - 2008 GMC Loan	27	105
	0	0
FMB - Backhoe Loan	124	176
	0	0
Total Unamortized Debt Discount and Expense	\$ 18,939	\$ 121,240
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.

**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	\$ 24,184
Total Deferred Rate Case Expense	\$ <u>24,184</u>	\$ <u>24,184</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
186.20 Deferred Loss on Bridge Supply Main	\$ 14,616	\$ 68,062
Total Other Deferred Debits	\$ <u>14,616</u>	\$ <u>68,062</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
Total Regulatory Assets	\$ _____	\$ _____
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ <u>38,800</u>	\$ <u>92,246</u>

UTILITY NAME: Water Management Services, Inc.

**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.**

STATEMENT OF RETAINED EARNINGS

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- 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	\$ (984,742)
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	\$ (260,464)
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>(1,245,206)</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: Water Management Services, Inc.

**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%		0
224.17 Envision	5.25%	Fixed	\$ 0
224.18 Capital City Bank (GMC)	6.61%	Fixed	23,766
224.20 Gulf State Bank	4.25%	Prime + 1%	2,821,641
224.32 DEP	2.99%	Fixed	4,608,289
224.37 Farmers & Merchants Bank (Backhoe)	8.25%	Fixed	14,121
Total			\$ 7,467,818

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

UTILITY NAME: Water Management Services, Inc.

**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):			
232.15 World Omni	8.64%	Fixed	0
232.17 Envision	5.25%	Fixed	0
232.18 Capital City Bank	6.61%	Fixed	7,379
232.20 Gulf State Bank	4.25%	Prime + 1%	52,882
232.32 DEP	2.99%	Fixed	273,445
232.37 Farmers & Merchants Bank	8.25%	Fixed	26,130
Total Account 232			\$ 359,836
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
N/A	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ 0

* 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	\$ 0

UTILITY NAME: Water Management Services, Inc.

**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)	\$ 138	427.2,3	\$ 1,834	\$ 1,972	\$
Capital City Bank (237.18)	152	427.2,3	2,287	2,315	124
Envision (237.34)	46	427.2,3	509	555	
Farmers & Merchants Bank (237.41)	378	427.2,3	4,408	4,547	240
DEP (237.60)	19,397	427	150,940	151,941	18,397
Gulf State Bank (237.65)	10,266	427.2,3	182,297	187,812	4,751
Total Account 237.1	\$ 30,377		\$ 342,276	349,141	\$ 23,512
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ 0	427.4	\$ 7,878	\$ 7,878	\$ 0
Vendors	0	427.5	636 *	636	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		\$ 8,514	8,514	\$ 0
Total Account 237 (1)	\$ 30,377		\$ 350,790	357,655	\$ 23,512
INTEREST EXPENSED:					
Total accrual Account 237.1		237.1	\$ 342,276		
Net Interest Expensed to Account No. 427 (2)			\$ 350,790		

(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

UTILITY NAME: Water Management Services, Inc.

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued Wages	\$ 8,872
Total Miscellaneous Current and Accrued Liabilities	\$ <u>8,872</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	\$ 21,337			\$ 300	\$ 21,037
Total	\$ <u>21,337</u>			\$ <u>300</u>	\$ <u>21,037</u>

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

UTILITY NAME: Water Management Services, Inc.

**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	\$ 3,182,607	\$ _____	\$ _____	\$ 3,182,607
Add credits during year:	\$ 29,967	\$ _____	\$ _____	\$ 29,967
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ 3,212,574	\$ _____	\$ _____	\$ 3,212,574

**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	\$ 1,196,566	\$ _____	\$ _____	\$ 1,196,566
Debits during the year:	\$ 84,963	\$ _____	\$ _____	\$ 84,963
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 1,281,529	\$ _____	\$ _____	\$ 1,281,529

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT December 31, 2008
--

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)	\$ (260,464)
Reconciling items for the year:		
Taxable income not reported on books:		
Net additions to CIAC	F-22	(54,996)
Deductions recorded on books not deducted for return:		
Penalties and Interest	F-3(c)	13,194
Life Insurance, key man	W-10	9,759
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		\$ (292,506)

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, 2008

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.

 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)	\$ 9,017,455
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	3,135,367
110	Accumulated Amortization		
271	Contributions In Aid of Construction	W-7	3,212,575
252	Advances for Construction	F-20	21,037
Subtotal			\$ 2,648,476
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 1,281,529
Subtotal			\$ 3,930,005
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		117,539
	Other (Specify):		
WATER RATE BASE			\$ 4,047,544
WATER OPERATING INCOME		W-3	\$ 114,730
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			2.83%

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, 2008

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	\$ 1,374,799
469	Less: Guaranteed Revenue and AFPI	W-9	(123)
Net Operating Revenues			\$ 1,374,676
401	Operating Expenses	W-10(a)	\$ 940,311
403	Depreciation Expense	W-6(a)	281,739
	Less: Amortization of CIAC	W-8(a)	84,963
Net Depreciation Expense			\$ 196,776
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		61,866
408.11	Property Taxes		11,913
408.12	Payroll Taxes		33,920
408.13	Other Taxes and Licenses		544
408	Total Taxes Other Than Income		\$ 108,243
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			\$ 1,259,946
Utility Operating Income			\$ 114,730
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 123
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		(7,286)
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ 107,567

YEAR OF REPORT
December 31, 2008

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	90,994	0		0	90,994
304	Structures and Improvements	333,562	7,628		0	341,190
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)	(719,337)		3,984,508
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	228,145	5,783		0	233,928
334	Meters and Meter Installations	206,710	3,982		0	210,692
335	Hydrants	125,578	4,061		0	129,640
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment	0	0		0	0
340	Office Furniture and Equipment	75,914	7,109	(1,382)	(7,570)	74,071
341	Transportation Equipment	159,323	61,397		(71,703)	149,018
342	Stores Equipment					
343	Tools, Shop and Garage Equipment	29,435	6,256		0	35,690
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		9,721,231	96,215	(720,719)	(79,273)	9,017,455

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.
 Acct 309: Reduction, pipeline settlement
 Acct 340: Reclass washer/dryer from utility to BMG, Inc.

YEAR OF REPORT
December 31, 2008

UTILITY NAME: Water Management Services, Inc.

SYSTEM NAME / COUNTY : Franklin

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.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)
(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	341,190		70,444	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	3,984,508		3,984,508			
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	233,928				233,928	
334	Meters and Meter Installations	210,692				210,692	
335	Hydrants	129,640				129,640	
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	74,071					74,071
341	Transportation Equipment	149,018					149,018
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	35,690					35,690
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		9,017,455		4,865,167	207,525	3,481,410	463,353

W-4(b)
GROUP _____

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, 2008

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)	ACCRAUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 88,388	\$ 9,067		\$ 9,067
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	166,396	11,949		11,949
308	Infiltration Galleries and Tunnels				
309	Supply Mains	594,754	152,260	(11,989) A	140,271
310	Power Generation Equipment	70,058	6,255		6,255
311	Pumping Equipment	136,983	10,048		10,048
320	Water Treatment Equipment	36,805	2,087		2,087
330	Distribution Reservoirs and Standpipes	220,814	10,729		10,729
331	Transmission and Distribution Mains	1,116,896	41,673		41,673
333	Services	132,228	6,373		6,373
334	Meters and Meter Installations	143,458	5,072		5,072
335	Hydrants	64,781	3,085		3,085
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	17,876	4,953	(46) B	4,907
341	Transportation Equipment	66,432	23,090		23,090
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	12,882	1,753		1,753
344	Laboratory Equipment				
345	Power Operated Equipment	21,180	5,379		5,379
346	Communication Equipment				
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 2,889,930	\$ 293,774	(12,035)	\$ 281,739

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

A - Depr. Reduction, Pipeline Settlement.
B - Re-class washer/dryer to BMG, Inc.
W-6(a)
GROUP _____

YEAR OF REPORT
December 31, 2008

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) (l)	BALANCE AT END OF YEAR (c+f-k) (l)
304	Structures and Improvements	\$	\$	\$	\$	\$ 97,455
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					178,344
307	Wells and Springs					
308	Infiltration Galleries and Tunnels					735,024
309	Supply Mains					76,313
310	Power Generation Equipment					147,031
311	Pumping Equipment					38,892
320	Water Treatment Equipment					231,543
330	Distribution Reservoirs and Standpipes					1,158,568
331	Transmission and Distribution Mains					138,601
333	Services					148,530
334	Meters and Meter Installations					67,866
335	Hydrants					
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment	(944)			(944)	21,839
341	Transportation Equipment	(35,358)			(35,358)	54,164
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					14,635
344	Laboratory Equipment					
345	Power Operated Equipment					26,559
346	Communication Equipment					
347	Miscellaneous Equipment					
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION						\$ 3,135,367

W-6(b)
GROUP _____

UTILITY NAME: Water Management Services, Inc.
 SYSTEM NAME / COUNTY : Franklin

**CONTRIBUTIONS IN AID OF CONSTRUCTION
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ 3,182,607
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 29,967
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		\$ 29,967
Less debits charged during the year (All debits charged during the year must be explained below)		\$
Total Contributions In Aid of Construction		\$ 3,212,575

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.

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.

SYSTEM NAME / COUNTY : Franklin

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	1,722	1,697	1,122,337
461.2	Sales to Commercial Customers	85	88	153,906
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	3	3	42,324
461.5	Sales Multiple Family Dwellings	20	30	53,997
	Total Metered Sales	<u>1,830</u>	<u>1,818</u>	\$ <u>1,372,565</u>
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	<u>1,830</u>	<u>1,818</u>	\$ <u>1,372,565</u>
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 123
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,111
472	Rents From Water Property			0
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ <u>2,234</u>
	Total Water Operating Revenues			\$ <u>1,374,799</u>

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

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT
December 31, 2008

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	\$ 294,020	\$ 13,153	\$ 3,586
603	Salaries and Wages - Officers, Directors and Majority Stockholders	152,656		
604	Employee Pensions and Benefits	52,751	1,822	509
610	Purchased Water			
615	Purchased Power	63,693	27,125	
616	Fuel for Power Purchased	0	0	
618	Chemicals	13,581		
620	Materials and Supplies	19,148	361	3,605
631	Contractual Services-Engineering	0	0	
632	Contractual Services - Accounting	535		
633	Contractual Services - Legal	40,005		
634	Contractual Services - Mgt. Fees	11,824	2,365	
635	Contractual Services - Testing	5,569	2,785	
636	Contractual Services - Other	22,292		
641	Rental of Building/Real Property	22,839		
642	Rental of Equipment	5,104		
650	Transportation Expenses	37,730	4,153	4,153
656	Insurance - Vehicle	9,615	925	925
657	Insurance - General Liability	26,880		
658	Insurance - Workman's Comp.	7,708	345	94
659	Insurance - Other	14,278		
660	Advertising Expense	90		
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	4,800		
675	Miscellaneous Expenses	111,009	1,288	4,866
Total Water Utility Expenses		\$ 940,311	\$ 54,320	\$ 17,737

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT
December 31, 2008

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)
\$ 9,865	\$ 3,586	\$ 42,748	\$ 28,687	\$ 62,112	\$ 130,284
					152,656
1,367	509	5,923	4,071	6,723	31,827
		36,569			
13,581					
361	1,082	361	8,652	2,127	2,600
0		0			
					535
					40,005
1,774		7,686			
2,785					
			17,106		5,186
					22,839
			4,013	873	218
4,153	4,153	4,153	4,153	6,407	6,407
925	925	925	925	2,034	2,034
					26,880
259	94	1,121	752	1,628	3,415
					14,278
					90
					24,184
				4,800	
1,228	7,390	4,186	52,091	12,049	27,912
\$ 36,295	\$ 17,737	\$ 103,669	\$ 120,448	\$ 98,754	\$ 491,350

UTILITY NAME:

Water Management Services, Inc.

YEAR OF REPORT December 31, 2008
--

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	12,277	441	11,836	10,742
February	0	11,296	208	11,088	10,060
March	0	13,988	3,556	10,432	9,482
April	0	15,230	1,360	13,870	12,520
May	0	19,283	178	19,105	18,125
June	0	25,588	3,892	21,696	19,616
July	0	26,643	3,654	22,989	20,780
August	0	19,490	165	19,325	19,205
September	0	17,140	3,990	13,150	11,953
October	0	16,601	415	16,186	14,684
November	0	14,071	3,587	10,484	9,525
December	0	11,892	2,251	9,641	8,687
Total for Year	0	203,499	23,697	179,802	165,379

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	

W-11

GROUP _____

SYSTEM _____

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT
December 31, 2008

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: _____

UTILITY NAME: Water Management Services, Inc.

YEAR OF REPORT
December 31, 2008

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	1,697	1,697
5/8"	Displacement	1.0	76	76
3/4"	Displacement	1.5		
1"	Displacement	2.5	26	65
1 1/2"	Displacement or Turbine	5.0	9	45
2"	Displacement, Compound or Turbine	8.0	6	48
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			1,818	<u>2,038</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:

163,379,000 total gallons / 365/350 GPD/ERC = 1,295 ERCs

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. _____
The utility plans to provide central wastewater service to the middle part of the island as soon as possible, with an estimated in service date of January 1, 2010.
- 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 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, 2008**

(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)	\$ - 0 -	\$ - 0 -	\$ - 0 -
Total Metered Sales (461.1 - 461.5)	<u>1,372,565</u>	<u>1,372,565</u>	<u>- 0 -</u>
Total Fire Protection Revenue (462.1 - 462.2)	_____	_____	_____
Other Sales to Public Authorities (464)	_____	_____	_____
Sales to Irrigation Customers (465)	_____	_____	_____
Sales for Resale (466)	_____	_____	_____
Interdepartmental Sales (467)	_____	_____	_____
Total Other Water Revenues (469 - 474)	<u>2,234</u>	<u>2,234</u>	<u>- 0 -</u>
Total Water Operating Revenue	\$ _____	\$ _____	\$ _____
LESS: Expense for Purchased Water from FPSC-Regulated Utility	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
Net Water Operating Revenues	\$ 1,374,799	\$ 1,374,799	\$ - 0 -

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).