

CLASS "A" OR "B"

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

ANNUAL REPORT

OFFICIAL COPY
Public Service Commission
Do Not Remove from This Office

WS236-20-AR

WATER MANAGEMENT SERVICES, INC

Exact Legal Name of Respondent

302W

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2020

2021 MAY -3 AM 5:19
OFFICE OF THE
CLERK OF THE
PUBLIC SERVICE COMMISSION

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 Economic Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT
December 31, 2020

CERTIFICATION OF ANNUAL REPORT

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

| | |
|-----|----|
| YES | NO |
| X | |

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

| | |
|-----|----|
| YES | NO |
| X | |

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

| | |
|-----|----|
| YES | NO |
| X | |

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

| | |
|-----|----|
| YES | NO |
| X | |

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 |


 (Signature of Chief Executive Officer of the utility) *

| | | | |
|----|----|----|----|
| 1. | 2. | 3. | 4. |
| X | X | X | X |


 (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.

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 name on the certificate was changed to Water Management Services, Inc. in 1997. The Company has 4 wells on the mainland, and water is piped to the island through a 12" supply main attached to the bridge to the island. The Company has a treatment system, a ground storage tank and an elevated storage tank on the island. The Company provides limited fire protection through 157 hydrants on the island.

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 utility has sufficient capacity to meet all current demands. Construction of the system commenced in 1974, and improvement have been made over the years. On April 1, 2016, the Company completed construction of substantial improvements to the plant to prevent a deterioration of the system's reliability. Those improvements included a new 600,000 gallon ground storage tank, new pumping and control facilities, new electrical facilities, new chlorination facilities, a new facilities building, additional distribution lines, a partial new supply main, and a SCADA system to facilitate all operations. In 2016 the utility installed new "smart meters" for all its customers. These improvements were made so that the utility can meet its primary goal, which is to provide safe and reliable water service to its customers on St. George Island.

The utility operates an administration and accounting office in Tallahassee, Florida, and an operations office on St. George Island. The Tallahassee office handles administrative, legal and accounting matters, primarily through a contract with Brown Management Group, Inc., which owns the Tallahassee office building. The St. George Island office has two certified operators two technicians, and an office manager who handle the day-to-day operations of the utility, including the billing of customers.

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/20

Complete below an organizational chart that shows 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
Legal Counsel and President of both Water Management Services, Inc and Brown Management Group, Inc., a wholly owned subsidiary which operates under the contract described on page E-7.

Brown Management Group, Inc.
Subsidiary

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

| |
|--------------------------------------------|
| YEAR OF REPORT December 31, 2020 |
|--------------------------------------------|

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 | 75% | \$ 0 |
| | | (25% as President of Brown Management Group, Inc.) | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

COMPENSATION OF DIRECTORS

| For each director, list the number of directors' 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 |
| | | | |
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UTILITY NAME: WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT
December 31, 2020

**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 | \$ 13,003,751 | 13,038,010 |
| 108-110 | Less: Accumulated Depreciation and Amortization | F-8 | 5,362,425 | 5,740,462 |
| Net Plant | | | \$ 7,641,326 | 7,297,548 |
| 114-115 | Utility Plant Acquisition adjustment (Net) | F-7 | | |
| 116 * | Other Utility Plant Adjustments | | | |
| Total Net Utility Plant | | | \$ 7,641,326 | 7,297,548 |
| OTHER PROPERTY AND INVESTMENTS | | | | |
| 121 | Nonutility Property | F-9 | \$ 1,432,995 | 1,131,399 |
| 122 | Less: Accumulated Depreciation and Amortization | | 382,871 | 145,625 |
| Net Nonutility Property | | | \$ 1,050,124 | 985,774 |
| 123 | Investment in Associated Companies | F-10 | 1,215,075 | 1,215,075 |
| 124 | Utility Investments | F-10 | | |
| 125 | Other Investments | F-10 | | |
| 126-127 | Special Funds | F-10 | | |
| Total Other Property & Investments | | | \$ 2,265,199 | 2,200,849 |
| CURRENT AND ACCRUED ASSETS | | | | |
| 131 | Cash | | \$ 90,145 | (11,701) |
| 132 | Special Deposits | F-9 | 28,924 | 340,598 |
| 133 | Other Special Deposits | F-9 | | |
| 134 | Working Funds | | | |
| 135 | Temporary Cash Investments | | | |
| 141-144 | Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts | F-11 | 118,626 | 180,164 |
| 145 | Accounts Receivable from Associated Companies | F-12 | | |
| 146 | Notes Receivable from Associated Companies | F-12 | | |
| 151-153 | Material and Supplies | | | |
| 161 | Stores Expense | | | |
| 162 | Prepayments | | 33,369 | 34,171 |
| 171 | Accrued Interest and Dividends Receivable | | | |
| 172 * | Rents Receivable | | | |
| 173 * | Accrued Utility Revenues | | | |
| 174 | Miscellaneous Current and Accrued Assets | F-12 | | |
| Total Current and Accrued Assets | | | \$ 271,064 | 543,232 |

* Not Applicable for Class B Utilities

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

| |
|--------------------------------------------|
| YEAR OF REPORT December 31, 2020 |
|--------------------------------------------|

**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 | \$ 235,730 | 216,127 |
| 182 | Extraordinary Property Losses | F-13 | | |
| 183 | Preliminary Survey & Investigation Charges | | 7,200 | 3,600 |
| 184 | Clearing Accounts | | | |
| 185 * | Temporary Facilities | | | |
| 186 | Miscellaneous Deferred Debits | F-14 | | |
| 187 * | Research & Development Expenditures | | | |
| 190 | Accumulated Deferred Income Taxes | | | |
| Total Deferred Debits | | | \$ 242,930 | 219,727 |
| TOTAL ASSETS AND OTHER DEBITS | | | \$ 10,420,518 | 10,261,356 |

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT
December 31, 2020

**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 | (2,656,486) | (2,660,007) |
| 216 | Reacquired Capital Stock | | | |
| 218 | Proprietary Capital (Proprietorship and Partnership Only) | | | |
| Total Equity Capital | | | \$ (3,135,034) | (3,138,555) |
| LONG TERM DEBT | | | | |
| 221 | Bonds | F-15 | | |
| 222 * | Reacquired Bonds | | | |
| 223 | Advances from Associated Companies | F-17 | | |
| 224 | Other Long Term Debt | F-17 | 9,588,262 | 9,362,142 |
| Total Long Term Debt | | | \$ 9,588,262 | 9,362,142 |
| CURRENT AND ACCRUED LIABILITIES | | | | |
| 231 | Accounts Payable | | 325,835 | 355,475 |
| 232 | Notes Payable | F-18 | 487,308 | 513,732 |
| 233 | Accounts Payable to Associated Companies | F-18 | 545,561 | 466,300 |
| 234 | Notes Payable to Associated Companies | F-18 | | |
| 235 | Customer Deposits | | 201,159 | 210,650 |
| 236 | Accrued Taxes | W/S-3 | 77,827 | 81,332 |
| 237 | Accrued Interest | F-19 | 41,998 | 50,005 |
| 238 | Accrued Dividends | | | |
| 239 | Matured Long Term Debt | | | |
| 240 | Matured Interest | | | |
| 241 | Miscellaneous Current & Accrued Liabilities | F-20 | 10,535 | 402 |
| Total Current & Accrued Liabilities | | | \$ 1,690,224 | 1,677,896 |

* Not Applicable for Class B Utilities

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT
December 31, 2020

**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 | F-13 | \$ _____ | \$ _____ |
| 252 | Advances For Construction | F-20 | 2,180 | 2,180 |
| 253 | Other Deferred Credits | F-21 | 0 | 0 |
| 255 | Accumulated Deferred Investment Tax Credits | | | |
| Total Deferred Credits | | | \$ <u>2,180</u> | <u>2,180</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 | \$ 4,745,855 | 4,968,728 |
| 272 | Accumulated Amortization of Contributions in Aid of Construction | F-22 | (2,470,968) | (2,611,035) |
| Total Net CIAC | | | \$ <u>2,274,887</u> | <u>2,357,693</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>10,420,518</u> | <u>10,261,356</u> |

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT
December 31, 2020

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) | \$ 2,112,592 | 2,197,968 |
| 469, 530 | Less: Guaranteed Revenue and AFPI | F-3(b) | 368 | 1,473 |
| Net Operating Revenues | | | \$ 2,112,224 | 2,196,495 |
| 401 | Operating Expenses | F-3(b) | \$ 1,460,870 | 1,557,955 |
| 403 | Depreciation Expense: | F-3(b) | \$ 379,079 | 379,024 |
| | Less: Amortization of CIAC | F-22 | 132,433 | 140,067 |
| Net Depreciation Expense | | | \$ 246,646 | 238,957 |
| 406 | Amortization of Utility Plant Acquisition Adjustment | F-3(b) | | |
| 407 | Amortization Expense (Other than CIAC) | F-3(b) | 3,600 | 3,600 |
| 408 | Taxes Other Than Income | W/S-3 | 146,736 | 158,603 |
| 409 | Current Income Taxes | W/S-3 | | |
| 410.1 | Deferred Federal Income Taxes | W/S-3 | | |
| 410.11 | Deferred State Income Taxes | W/S-3 | | |
| 411.1 | Provision for Deferred Income Taxes - Credit | W/S-3 | | |
| 412.1 | 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 | | | \$ 1,857,852 | 1,959,115 |
| Net Utility Operating Income | | | \$ 254,372 | 237,380 |
| 469, 530 | Add Back: Guaranteed Revenue and AFPI | F-3(b) | 368 | 1,473 |
| 413 | Income From Utility Plant Leased to Others | | | |
| 414 | Gains (losses) From Disposition of Utility Property | | | (1,860) |
| 420 | Allowance for Funds Used During Construction | | | |
| Total Utility Operating Income [Enter here and on Page F-3(c)] | | | \$ 254,740 | 236,993 |

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

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

| |
|--------------------------------------------|
| YEAR OF REPORT December 31, 2018 |
|--------------------------------------------|

COMPARATIVE OPERATING STATEMENT (Cont'd)

| WATER SCHEDULE W-3 * (f) | WASTEWATER SCHEDULE S-3 * (g) | OTHER THAN REPORTING SYSTEMS (h) |
|--------------------------------|-------------------------------------|-------------------------------------------|
| \$ <u>2,197,968</u> 1,473 | _____ | _____ |
| \$ <u>2,196,495</u> | _____ | _____ |
| \$ 1,557,955 | _____ | _____ |
| _____ | _____ | _____ |
| 379,024 | _____ | _____ |
| <u>140,067</u> | _____ | _____ |
| \$ <u>238,957</u> | _____ | _____ |
| _____ | _____ | _____ |
| 3,600 | _____ | _____ |
| <u>158,603</u> | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| \$ <u>1,959,115</u> | _____ | _____ |
| \$ <u>237,380</u> | _____ | _____ |
| _____ | _____ | _____ |
| 1,473 | _____ | _____ |
| <u>(1,860)</u> | _____ | _____ |
| \$ <u><u>236,993</u></u> | ===== | ===== |

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

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

| |
|--------------------------------------------|
| YEAR OF REPORT December 31, 2020 |
|--------------------------------------------|

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)] | | | \$ <u>254,740</u> | <u>236,993</u> |
| OTHER INCOME AND DEDUCTIONS | | | | |
| 415 | Revenues-Merchandising, Jobbing, and Contract Deductions | | \$ _____ | _____ |
| 416 | Costs & Expenses of Merchandising Jobbing, and Contract Work | | _____ | _____ |
| 419 | Interest and Dividend Income | | <u>546</u> | _____ |
| 421 | Nonutility Income | | <u>34,196</u> | <u>346,871</u> |
| 426 | Miscellaneous Nonutility Expenses | | <u>(25,029)</u> | <u>(66,849)</u> |
| Total Other Income and Deductions | | | \$ <u>9,713</u> | <u>280,022</u> |
| TAXES APPLICABLE TO OTHER INCOME | | | | |
| 408.2 | Taxes Other Than Income | | \$ _____ | _____ |
| 409.2 | Income Taxes | | _____ | _____ |
| 410.2 | Provision for Deferred Income Taxes | | _____ | _____ |
| 411.2 | Provision for Deferred Income Taxes - Credit | | _____ | _____ |
| 412.2 | Investment Tax Credits - Net | | _____ | _____ |
| 412.3 | Investment Tax Credits Restored to Operating Income | | _____ | _____ |
| Total Taxes Applicable To Other Income | | | \$ _____ | _____ |
| INTEREST EXPENSE | | | | |
| 427 | Interest Expense | F-19 | \$ <u>532,639</u> | <u>500,933</u> |
| 428 | Amortization of Debt Discount & Expense | F-13 | <u>20,570</u> | <u>19,603</u> |
| 429 | Amortization of Premium on Debt | F-13 | _____ | _____ |
| Total Interest Expense | | | \$ <u>553,209</u> | <u>520,536</u> |
| EXTRAORDINARY ITEMS | | | | |
| 433 | Extraordinary Income | | \$ _____ | _____ |
| 434 | Extraordinary Deductions | | _____ | _____ |
| 409.3 | Income Taxes, Extraordinary Items | | _____ | _____ |
| Total Extraordinary Items | | | \$ _____ | _____ |
| NET INCOME | | | \$ <u><u>(288,754)</u></u> | <u><u>(3,520)</u></u> |

Explain Extraordinary Income:

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT
December 31, 2020

SCHEDULE OF YEAR END RATE BASE

| ACCT. NO. (a) | ACCOUNT NAME (b) | REF. PAGE (c) | WATER UTILITY (d) | WASTEWATER UTILITY (e) |
|--------------------------------------------------------|-----------------------------------------------------------------------------|---------------|-------------------|------------------------|
| 101 | Utility Plant In Service | F-7 | \$ 13,038,010 | |
| | Less: | | | |
| | Nonused and Useful Plant (1) | | 0 | |
| 108 | Accumulated Depreciation | F-8 | 5,740,462 | |
| 110 | Accumulated Amortization | F-8 | | |
| 271 | Contributions in Aid of Construction | F-22 | 4,968,728 | |
| 252 | Advances for Construction | F-20 | 2,180 | |
| Subtotal | | | \$ 2,326,640 | |
| 272 | Add: Accumulated Amortization of Contributions in Aid of Construction | F-22 | 2,611,035 | |
| Subtotal | | | \$ 4,937,675 | |
| 114 | Plus or Minus: Acquisition Adjustments (2) | F-7 | | |
| 115 | Accumulated Amortization of Acquisition Adjustments (2) | F-7 | | |
| | Working Capital Allowance (3) | | | |
| | Other (Specify): Negative WCAP set to 0 | | | |
| RATE BASE | | | \$ 4,937,675 | |
| Net Utility Operating Income | | | \$ 237,380 | |
| ACHIEVED RATE OF RETURN (Operating Income / Rate Base) | | | 4.81% | |

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.

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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 | \$ (3,117,859) | | | 3,117,859 | | \$ 0 |
| Preferred Stock | | | | | | 0 |
| Long Term Debt | 9,980,367 | | | | 5,246,573 | 4,733,794 |
| Customer Deposits | 203,881 | | | | | 203,881 |
| Tax Credits - Zero Cost | | | | | | 0 |
| Tax Credits - Weighted Cost | | | | | | 0 |
| Deferred Inc. Taxes | | | | | | 0 |
| Other (Explain) | | | | | | 0 |
| Total | \$ 7,066,389 | \$ 0 | \$ 0 | \$ 3,117,859 | \$ 5,246,573 | \$ 4,937,675 |

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

Column (b) - 13 month average balances of debt and customer deposits
 Column (c) - Equity is negative, set to zero
 Column (f) - Hold customer deposits and reconcile to rate base shown on Schedule F-4

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

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**UTILITY PLANT
ACCOUNTS 101 - 106**

| ACCT. NO. (a) | DESCRIPTION (b) | WATER (c) | WASTEWATER (d) | OTHER THAN REPORTING SYSTEMS (e) | TOTAL (f) |
|---------------|---------------------------------------------|----------------------|----------------|----------------------------------|----------------------|
| 101 | Plant Accounts: Utility Plant In Service | \$ 13,038,010 | | | 13,038,010 |
| 102 | Utility Plant Leased to Other | | | | |
| 103 | Property Held for Future Use | | | | |
| 104 | Utility Plant Purchased or Sold | | | | |
| 105 | Construction Work in Progress | | | | |
| 106 | Completed Construction Not Classified | | | | 0 |
| | Total Utility Plant | \$ 13,038,010 | \$ 0 | \$ 0 | \$ 13,038,010 |

**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. NO. (a) | DESCRIPTION (b) | WATER (c) | WASTEWATER (d) | OTHER THAN REPORTING SYSTEMS (e) | TOTAL (f) |
|---------------|--------------------------------------------|-------------|----------------|----------------------------------|-------------|
| 114 | Acquisition Adjustment | \$ | \$ | \$ | \$ 0 |
| | N/A | | | | 0 |
| | | | | | 0 |
| | | | | | 0 |
| | Total Plant Acquisition Adjustments | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 115 | Accumulated Amortization | \$ | \$ | \$ | \$ 0 |
| | N/A | | | | 0 |
| | | | | | 0 |
| | | | | | 0 |
| | Total Accumulated Amortization | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| | Net Acquisition Adjustments | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

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 | \$ 5,362,425 | | | 5,362,425 |
| Credit during year: | | | | |
| Accruals charged to: | | | | |
| Account 108.XX | \$ 379,024 | | | 379,024 |
| | | | | |
| | | | | |
| | | | | |
| Salvage | | | | |
| Other Credits (Specify): | | | | |
| | | | | |
| Total Credits | \$ 379,024 | | | 379,024 |
| Debits during year: | | | | |
| Book cost of plant retired | 987 | | | 987 |
| Cost of Removal | | | | |
| Other Debits (specify): | | | | |
| Reclass to Non-Utility | | | | |
| | | | | |
| Total Debits | \$ 987 | | | 987 |
| Balance end of year | \$ 5,740,462 | | | 5,740,462 |
| ACCUMULATED AMORTIZATION | | | | |
| Account 110 | | | | |
| Balance first of year | \$ 28,800 | | | 28,800 |
| Credit during year: | | | | |
| Accruals charged to: | | | | |
| Account 110 | \$ 3,600 | | | 3,600 |
| Account 110.6 | | | | |
| Other Accounts (specify): | | | | |
| | | | | |
| Total credits | \$ 3,600 | | | 3,600 |
| Debits during year: | | | | |
| Acct 110.6 | | | | |
| | | | | |
| Total Debits | \$ | | | |
| Balance end of year | \$ 32,400 | | | 32,400 |

- (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) |
| _____ | \$ _____ 0 | _____ | _____ 0 |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| Total | \$ _____ 0 | | \$ _____ 0 |

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 | \$ 815,366 | _____ | _____ | 815,366 |
| Non-Utility Land | 22,173 | _____ | _____ | 22,173 |
| Old Building - Office | 162,032 | _____ | 5,386 | 156,646 |
| Old Plant | 281,304 | _____ | 255,228 | 26,076 |
| Old Building - Plant | 152,120 | _____ | 40,982 | 111,138 |
| Total Nonutility Property | \$ 1,432,995 | \$ _____ 0 | \$ 301,596 | \$ 1,131,399 |

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): | |
| Ameris Bank - Escrow Account 1 | \$ 29,585 |
| Ameris Bank - Escrow Account 2 | 311,013 |
| _____ | _____ |
| Total Special Deposits | \$ 340,598 |
| OTHER SPECIAL DEPOSITS (Account 133): | |
| N/A | \$ _____ |
| _____ | _____ |
| _____ | _____ |
| Total Other Special Deposits | \$ 340,598 |

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): Brown Management Group, Inc <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> | \$ _____ _____ _____ _____ _____ _____ | \$ <u>1,215,075</u> _____ _____ _____ _____ _____ |
| Total Investment in Associated Companies | | \$ <u>1,215,075</u> |
| UTILITY INVESTMENTS (Account 124): N/A <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> | \$ _____ _____ _____ _____ _____ _____ | \$ _____ _____ _____ _____ _____ _____ |
| Total Utility Investment | | \$ <u>0</u> |
| OTHER INVESTMENTS (Account 125): N/A <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> | \$ _____ _____ _____ _____ _____ _____ | \$ _____ _____ _____ _____ _____ _____ |
| Total Other Investment | | \$ <u>0</u> |
| SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): N/A <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> | | \$ _____ _____ _____ _____ _____ _____ |
| Total Special Funds | | \$ <u>0</u> |

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): | | |
| <u>Water</u> | \$ 212,964 | |
| _____ | _____ | |
| _____ | _____ | |
| | | 212,964 |
| Total Customer Accounts Receivable | | |
| OTHER ACCOUNTS RECEIVABLE (Account 142): | | |
| _____ | \$ _____ | |
| _____ | _____ | |
| _____ | _____ | |
| Total Other Accounts Receivable | | |
| NOTES RECEIVABLE (Account 144): | | |
| _____ | \$ _____ | |
| _____ | _____ | |
| _____ | _____ | |
| Total Notes Receivable | | |
| Total Accounts and Notes Receivable | | <u>212,964</u> |
| ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143) | | |
| Balance first of year | \$ 32,500 | |
| Add: Provision for uncollectibles for current year | \$ 300 | |
| Collection of accounts previously written off | _____ | |
| Utility Accounts | _____ | |
| Others | _____ | |
| _____ | _____ | |
| Total Additions | \$ 300 | |
| Deduct accounts written off during year: | | |
| Utility Accounts | _____ | |
| Others | _____ | |
| _____ | _____ | |
| Total accounts written off | \$ 0 | |
| Balance end of year | | <u>32,800</u> |
| TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET | | <u><u>180,164</u></u> |

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**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 Loan | \$ 7,347 | 10,926 |
| Ameris Bank Loan | 10,568 | 203,367 |
| CoBank | 296 | 1,677 |
| Regions | 62 | 144 |
| Prospect | 159 | 13 |
| The First | 1,171 | 0 |
| Total Unamortized Debt Discount and Expense | \$ <u>19,603</u> | <u>216,127</u> |
| UNAMORTIZED PREMIUM ON DEBT (Account 251): | | |
| N/A | \$ _____ | \$ _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| Total Unamortized Premium on Debt | \$ <u>0</u> | \$ <u>0</u> |

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

| DESCRIPTION (a) | TOTAL (b) |
|-------------------------------------|--------------|
| N/A | \$ _____ |
| _____ | _____ |
| _____ | _____ |
| Total Extraordinary Property Losses | \$ <u>0</u> |

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) | | |
| N/A | \$ <u>0</u> | <u>0</u> |
| | | |
| | | |
| | | |
| Total Deferred Rate Case Expense | \$ <u>0</u> | <u>0</u> |
| OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): | | |
| | \$ _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| Total Other Deferred Debits | \$ <u>0</u> | <u>0</u> |
| REGULATORY ASSETS (Class A Utilities: Account. 186.3): | | |
| N/A | \$ _____ | \$ _____ |
| | _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| | _____ | _____ |
| Total Regulatory Assets | \$ <u>0</u> | \$ <u>0</u> |
| TOTAL MISCELLANEOUS DEFERRED DEBITS | \$ <u>0</u> | \$ <u>0</u> |

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

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

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

| DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a) | INTEREST | | PRINCIPAL AMOUNT PER BALANCE SHEET (d) |
|------------------------------------------------------------------------------------|-----------------------|-------------------------------|-------------------------------------------------|
| | ANNUAL RATE (b) | FIXED OR VARIABLE * (c) | |
| N/A | _____ % | _____ | \$ _____ |
| _____ | _____ % | _____ | _____ |
| _____ | _____ % | _____ | _____ |
| _____ | _____ % | _____ | _____ |
| _____ | _____ % | _____ | _____ |
| _____ | _____ % | _____ | _____ |
| _____ | _____ % | _____ | _____ |
| _____ | _____ % | _____ | _____ |
| _____ | _____ % | _____ | _____ |
| Total | | | \$ <u>0</u> |

* 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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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 | \$ (2,656,486) |
| 439 | Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____ _____ _____ | \$ _____ _____ _____ |
| | Total Credits: | \$ 0 |
| | Debits: _____ _____ _____ | \$ _____ _____ _____ |
| | Total Debits: | \$ 0 |
| 435 | Balance Transferred from Income | \$ (3,520) |
| 436 | Appropriations of Retained Earnings: _____ _____ | _____ _____ |
| | Total Appropriations of Retained Earnings | \$ 0 |
| | Dividends Declared: | |
| 437 | Preferred Stock Dividends Declared _____ | _____ |
| 438 | Common Stock Dividends Declared _____ | _____ |
| | Total Dividends Declared | \$ 0 |
| 215 | Year end Balance | \$ (2,660,007) |
| 214 | Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ | _____ _____ |
| 214 | Total Appropriated Retained Earnings | \$ _____ |
| | Total Retained Earnings | \$ (2,660,007) |
| 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 | \$ _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| Total | \$ <u>0</u> |

**OTHER LONG-TERM DEBT
ACCOUNT 224**

| DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a) | INTEREST | | PRINCIPAL AMOUNT PER BALANCE SHEET (d) |
|------------------------------------------------------------------------------------|-----------------------|-------------------------------|-------------------------------------------------|
| | ANNUAL RATE (b) | FIXED OR VARIABLE * (c) | |
| D.E.P. - SRF Loan 5/15/03 - 05/15/33 | 2.99 | Fixed | 3,553,545 |
| Ameris Bank Loan 3/29/15 - 3/29/41 | 5.50 | Variable (Prime + 2.25) | 5,436,908 |
| CoBank 8/5/16 - 7/1/26 | 4.60 % | Fixed | 347,957 |
| Regions Bank 4/30/18 - 5/5/23 | 8.74 % | Fixed | 14,916 |
| Prospect Bank 1/16/18 - 2/2/21 | 7.49 % | Fixed | 0 |
| Barclay Bank 1/12/18 - 1/25/23 | 7.99 % | Fixed | 8,816 |
| The First 5/15/19 - 11/15/20 | 5.75 % | Variable (Prime + 1.0) | 0 |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| _____ | % | _____ | _____ |
| Total | | | \$ <u>9,362,142</u> |

* 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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**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) | |
| D.E.P. - SRF Loan 5/15/03 - 05/15/33 | 2.99 % | Fixed | 180,883 |
| Ameris Bank Loan 3/29/15 - 3/29/41 | 5.50 % | Variable-(Prime + 2.25%) | 231,348 |
| Cobank Loan 8/05/16 - 07/01/26 | 4.60 % | Fixed | 61,042 |
| Barclay Bank 1/12/18 - 1/25/23 | 7.99 % | Fixed | 7,510 |
| Prospect Bank 1/16/18 - 2/2/21 | 7.49 % | Fixed | 980 |
| Regions Bank 4/30/18 - 5/5/23 | 8.74 % | Fixed | 9,478 |
| The First 5/15/19 - 11/15/20 | 5.75 % | Variable-(Prime + 1.00%) | 22,491 |
| | % | | |
| Total Account 232 | | | \$ <u>513,732</u> |
| NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): | | | \$ <u>0</u> |
| N/A | % | | |
| | % | | |
| | % | | |
| | % | | |
| | % | | |
| | % | | |
| | % | | |
| | % | | |
| | % | | |
| Total Account 234 | | | \$ <u>0</u> |

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

| DESCRIPTION (a) | TOTAL (b) |
|------------------------|-------------------|
| Brown Management Group | 459,500 |
| Gene D. Brown | 6,800 |
| | |
| | |
| | |
| | |
| | |
| | |
| Total | \$ <u>466,300</u> |

ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427

| DESCRIPTION OF DEBIT (a) | BALANCE BEGINNING OF YEAR (b) | INTEREST ACCRUED DURING YEAR | | INTEREST PAID DURING YEAR (e) | BALANCE END OF YEAR (f) |
|-----------------------------------------------------------|----------------------------------------|---------------------------------|---------------|----------------------------------------|-------------------------------|
| | | ACCT. DEBIT (c) | AMOUNT (d) | | |
| ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt | | | | | |
| Amertis Bank | \$ 26,014 | 427.30 | 354,655 | 356,470 | 24,199 |
| DEP - SRF Loan | 14,148 | 427.31 | 113,185 | 113,185 | 14,148 |
| CoBank | 1,736 | 427.32 | 19,709 | 9,895 | 11,550 |
| The First | 100 | 427.20 | 2,225 | 2,117 | 108 |
| Regions Bank | 0 | 427.20 | 2,552 | 2,552 | 0 |
| Barclay Bank | 0 | 427.20 | 1,613 | 1,613 | 0 |
| Prospect Bank | 0 | 427.20 | 298 | 298 | 0 |
| Total Account 237.1 | \$ 41,998 | | 494,237 | 486,130 | 50,005 |
| ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities | | | | | |
| Customer Deposits | \$ 0 | 427.40 | 5,198 | 5,198 | 0 |
| Vendors | 0 | 427.50 | 1,498 | 1,498 | 0 |
| Total Account 237.2 | \$ 0 | | 6,096 | 6,696 | 0 |
| Total Account 237 (1) | \$ 41,998 | | 500,933 | 492,926 | 50,005 |
| INTEREST EXPENSED: | | | | | |
| Total accrual Account 237 | | | | | \$ |
| Less Capitalized Interest Portion of AFUDC: | | | | | |
| | | | | | |
| Net Interest Expensed to Account No. 427 (2) | | | \$ 500,933 | | |

(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

**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 | \$ _____ | 0 |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| Total Regulatory Liabilities | \$ _____ | 0 |
| OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2): | | |
| N/A | \$ _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| Total Other Deferred Liabilities | \$ _____ | 0 |
| TOTAL OTHER DEFERRED CREDITS | \$ _____ | 0 |

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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 | \$ <u>4,745,855</u> | \$ <u>0</u> | \$ _____ | \$ <u>4,745,855</u> |
| Add credits during year: | \$ <u>222,873</u> | \$ <u>0</u> | \$ _____ | \$ <u>222,873</u> |
| Less debit charged during the year | \$ _____ | \$ <u>0</u> | \$ _____ | \$ <u>0</u> |
| Total Contribution In Aid of Construction | \$ <u>4,968,728</u> | \$ <u>0</u> | \$ <u>0</u> | \$ <u>4,968,728</u> |

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

| DESCRIPTION (a) | WATER (W-8(a)) (b) | WASTEWATER (S-8(a)) (c) | W & WW OTHER THAN SYSTEM REPORTING (d) | TOTAL (e) |
|------------------------------------------------------------------------|-----------------------------------|----------------------------------------|---------------------------------------------------------------|----------------------|
| Balance first of year | \$ <u>2,470,968</u> | _____ | \$ _____ | \$ <u>2,470,968</u> |
| Debits during the year: | \$ <u>140,067</u> | _____ | \$ _____ | \$ <u>140,067</u> |
| Credits during the year | \$ _____ | _____ | \$ _____ | \$ <u>0</u> |
| Total Accumulated Amortization of Contributions In Aid of Construction | \$ <u>2,611,035</u> | _____ | \$ <u>0</u> | \$ <u>2,611,035</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)

- 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.
- 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) | \$ (3,520) |
| Reconciling items for the year: | | |
| Taxable income not reported on books: | | |
| Net Additions to CIAC | F-22 | 82,806 |
| _____ | | _____ |
| _____ | | _____ |
| _____ | | _____ |
| Deductions recorded on books not deducted for return: | | |
| Life Insurance, Key Man | W-10 | 39,258 |
| _____ | | _____ |
| _____ | | _____ |
| _____ | | _____ |
| Income recorded on books not included in return: | | |
| _____ | | _____ |
| _____ | | _____ |
| _____ | | _____ |
| _____ | | _____ |
| Deduction on return not charged against book income: | | |
| _____ | | _____ |
| _____ | | _____ |
| _____ | | _____ |
| _____ | | _____ |
| Federal tax net income | | \$ <u>118,544</u> |

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, 2020

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 | W-4(b) | \$ 13,038,010 |
| | Less: | | |
| | Nonused and Useful Plant (1) | | 0 |
| 108 | Accumulated Depreciation | W-6(b) | 5,740,462 |
| 110 | Accumulated Amortization | F-8 | |
| 271 | Contributions in Aid of Construction | W-7 | 4,968,728 |
| 252 | Advances for Construction | F-20 | 2,180 |
| Subtotal | | | \$ 2,326,640 |
| 272 | Add: Accumulated Amortization of Contributions in Aid of Construction | W-8(a) | \$ 2,611,035 |
| Subtotal | | | \$ 4,937,675 |
| 114 | Plus or Minus: Acquisition Adjustments (2) | F-7 | |
| 115 | Accumulated Amortization of Acquisition Adjustments (2) | F-7 | |
| | Working Capital Allowance (3) | | |
| | Other (Specify): Negative WCAP set to 0 | | |
| WATER RATE BASE | | | \$ 4,937,675 |
| WATER OPERATING INCOME | | W-3 | \$ 237,380 |
| ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base) | | | <u>4.81%</u> |

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

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

(3) Calculation consistent with last rate proceeding.

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

UTILITY NAME: 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 | \$ 2,197,968 |
| 469 | Less: Guaranteed Revenue and AFPI | W-9 | 1,473 |
| | Net Operating Revenues | | \$ 2,196,495 |
| 401 | Operating Expenses | W-10(a) | \$ 1,557,955 |
| 403 | Depreciation Expense | W-6(a) | 379,024 |
| | Less: Amortization of CIAC | W-8(a) | 140,067 |
| | Net Depreciation Expense | | \$ 238,957 |
| 406 | Amortization of Utility Plant Acquisition Adjustment | F-7 | |
| 407 | Amortization Expense (Other than CIAC) | F-8 | 3,600 |
| 408.10 | Taxes Other Than Income Utility Regulatory Assessment Fee | | 98,909 |
| 408.11 | Property Taxes | | 26,526 |
| 408.12 | Payroll Taxes | | 30,568 |
| 408.13 | Other Taxes and Licenses | | 2,603 |
| 408 | Total Taxes Other Than Income | | \$ 158,603 |
| 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 | | \$ 1,959,115 |
| | Utility Operating Income | | \$ 237,380 |
| 469 | Add Back: Guaranteed Revenue (and AFPI) | W-9 | \$ 1,473 |
| 413 | Income From Utility Plant Leased to Others | | |
| 414 | Gains (losses) From Disposition of Utility Property | | (1,860) |
| 420 | Allowance for Funds Used During Construction | | |
| | Total Utility Operating Income | | \$ 236,993 |

YEAR OF REPORT
December 31, 2020

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY : Franklin

WATER UTILITY PLANT ACCOUNTS

| ACCT. NO. (a) | ACCOUNT NAME (b) | PREVIOUS YEAR (c) | ADDITIONS (d) | RETIREMENTS (e) | CURRENT YEAR (f) |
|-------------------|----------------------------------------|-------------------|---------------|-----------------|------------------|
| 301 | Organization | \$ | | | |
| 302 | Franchises | | | | |
| 303 | Land and Land Rights | 255,421 | | | 255,421 |
| 304 | Structures and Improvements | 459,351 | 1,715 | 696 | 460,370 |
| 305 | Collecting and Impounding Reservoirs | | | | |
| 306 | Lake, River and Other Intakes | | | | |
| 307 | Wells and Springs | 405,941 | | | 405,941 |
| 308 | Infiltration Galleries and Tunnels | | | | |
| 309 | Supply Mains | 4,314,587 | | | 4,314,587 |
| 310 | Power Generation Equipment | 243,581 | | | 243,581 |
| 311 | Pumping Equipment | 848,125 | 10,641 | | 858,766 |
| 320 | Water Treatment Equipment | 60,482 | | | 60,482 |
| 330 | Distribution Reservoirs and Standpipes | 1,122,431 | | | 1,122,431 |
| 331 | Transmission and Distribution Mains | 3,600,446 | | | 3,600,446 |
| 333 | Services | 300,183 | 8,092 | | 308,275 |
| 334 | Meters and Meter Installations | 934,039 | 9,873 | | 943,912 |
| 335 | Hydrants | 225,913 | | | 225,913 |
| 336 | Backflow Prevention Devices | | | | |
| 339 | Other Plant Miscellaneous Equipment | | | | |
| 340.5 | Office Furniture and Equipment | 50,918 | 1,600 | 2,150 | 50,368 |
| 340.55 | Data Processing Equipment | 61,793 | 3,856 | | 65,649 |
| 341 | Transportation Equipment | | | | |
| 342 | Stores Equipment | | | | |
| 343 | Tools, Shop and Garage Equipment | 21,628 | 1,329 | | 22,957 |
| 344 | Laboratory Equipment | | | | |
| 345 | Power Operated Equipment | 13,044 | | | 13,044 |
| 346 | Communication Equipment | 85,868 | | | 85,868 |
| 347 | Miscellaneous Equipment | | | | |
| 348 | Other Tangible Plant | | | | |
| TOTAL WATER PLANT | | \$ 13,003,751 | 37,106 | | 13,038,011 |

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

W-4(a)
GROUP _____

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY : Franklin

YEAR OF REPORT
December 31, 2020

WATER UTILITY PLANT MATRIX

| ACCT. NO. (a) | 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) |
|-------------------|----------------------------------------|------------------|-------------------------|-------------------------------------------|------------------------------|--------------------------------------------|----------------------|
| 301 | Organization | \$ | \$ | \$ | \$ | \$ | \$ |
| 302 | Franchises | | | | | | |
| 303 | Land and Land Rights | 255,421 | | 40,271 | 25,000 | 20,150 | 170,000 |
| 304 | Structures and Improvements | 460,370 | | 39,034 | 165,480 | | 255,856 |
| 305 | Collecting and Impounding Reservoirs | | | | | | |
| 306 | Lake, River and Other Intakes | | | | | | |
| 307 | Wells and Springs | 405,941 | | 405,941 | | | |
| 308 | Infiltration Galleries and Tunnels | | | | | | |
| 309 | Supply Mains | 4,314,587 | | 4,314,587 | | | |
| 310 | Power Generation Equipment | 243,581 | | 243,581 | | | |
| 311 | Pumping Equipment | 858,766 | | 858,766 | | | |
| 320 | Water Treatment Equipment | 60,482 | | | 60,482 | | |
| 330 | Distribution Reservoirs and Standpipes | 1,122,431 | | | | 1,122,431 | |
| 331 | Transmission and Distribution Mains | 3,600,445 | | | | 3,600,445 | |
| 333 | Services | 308,274 | | | | 308,274 | |
| 334 | Meters and Meter Installations | 943,912 | | | | 943,912 | |
| 335 | Hydrants | 225,913 | | | | 225,913 | |
| 336 | Backflow Prevention Devices | | | | | | |
| 339 | Other Plant Miscellaneous Equipment | | | | | | |
| 340.5 | Office Furniture and Equipment | 50,368 | | | | | 50,368 |
| 340.55 | Data Processing Equipment | 65,650 | | | | | 65,650 |
| 341 | Transportation Equipment | | | | | | |
| 342 | Stores Equipment | | | | | | |
| 343 | Tools, Shop and Garage Equipment | 22,957 | | | | | 22,957 |
| 344 | Laboratory Equipment | | | | | | |
| 345 | Power Operated Equipment | 13,044 | | | | | 13,044 |
| 346 | Communication Equipment | 85,868 | | | | | 85,868 |
| 347 | Miscellaneous Equipment | | | | | | |
| 348 | Other Tangible Plant | | | | | | |
| TOTAL WATER PLANT | | \$ 13,038,010 | \$ 0 | \$ 5,902,180 | \$ 250,962 | \$ 6,221,125 | \$ 663,743 |

W-4(b)
GROUP _____

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT

December 31, 2020

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 | | | |
| 340 | Office Furniture and Equipment | 15 | | 6.67% |
| 340.5 | Data Processing Equipment | 6 | | 16.67% |
| 341 | Transportation Equipment | | | |
| 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 | 10 | | 10.00% |
| 347 | Miscellaneous Equipment | | | |
| 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.

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY: Franklin

YEAR OF REPORT
December 31, 2020

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 | \$ 69,950 | 13,449 | | 13,449 |
| 305 | Collecting and Impounding Reservoirs | 0 | 0 | | |
| 306 | Lake, River and Other Intakes | 0 | 0 | | |
| 307 | Wells and Springs | 304,566 | 8,638 | | 8,638 |
| 308 | Infiltration Galleries and Tunnels | 0 | 0 | | |
| 309 | Supply Mains | 2,186,517 | 137,551 | | 137,551 |
| 310 | Power Generation Equipment | 103,660 | 8,672 | | 8,672 |
| 311 | Pumping Equipment | 148,363 | 43,897 | | 43,897 |
| 320 | Water Treatment Equipment | 10,644 | 2,749 | | 2,749 |
| 330 | Distribution Reservoirs and Standpipes | 262,462 | 30,783 | | 30,783 |
| 331 | Transmission and Distribution Mains | 1,641,864 | 61,912 | | 61,912 |
| 333 | Services | 202,136 | 4,003 | | 4,003 |
| 334 | Meters and Meter Installations | 187,140 | 46,819 | | 46,819 |
| 335 | Hydrants | 107,669 | 3,473 | | 3,473 |
| 336 | Backflow Prevention Devices | 0 | 0 | | 0 |
| 339 | Other Plant Miscellaneous Equipment | 0 | 0 | | 0 |
| 340.5 | Office Furniture and Equipment | 37,573 | 2,316 | | 2,316 |
| 340.55 | Data Processing Equipment | 47,488 | 5,297 | | 5,297 |
| 341 | Transportation Equipment | 0 | 0 | | 0 |
| 342 | Stores Equipment | 0 | 0 | | 0 |
| 343 | Tools, Shop and Garage Equipment | 10,410 | 1,380 | | 1,380 |
| 344 | Laboratory Equipment | 0 | 0 | | 0 |
| 345 | Power Operated Equipment | 13,044 | 0 | | 0 |
| 346 | Communication Equipment | 28,938 | 0 | | 0 |
| 347 | Miscellaneous Equipment | 0 | 8,085 | | 8,085 |
| 348 | Other Tangible Plant | 0 | | | |
| TOTAL WATER ACCUMULATED DEPRECIATION | | \$ 5,362,424 | 379,024 | 0 | 379,024 |

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

W-6(a)
GROUP _____

YEAR OF REPORT
December 31, 2020

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY : Franklin

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

| ACCT. NO. (a) | 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-j) (k) |
|--------------------------------------|----------------------------------------|-------------------|---------------------------|---------------------------------------|---------------------------|------------------------------------|
| 304 | Structures and Improvements | \$ 198 | | | 198 | \$ 83,200 |
| 305 | Collecting and Impounding Reservoirs | | | | | 0 |
| 306 | Lake, River and Other Intakes | | | | | 0 |
| 307 | Wells and Springs | | | | | 313,204 |
| 308 | Infiltration Galleries and Tunnels | | | | | 0 |
| 309 | Supply Mains | | | | | 2,324,068 |
| 310 | Power Generation Equipment | | | | | 112,332 |
| 311 | Pumping Equipment | | | | | 192,260 |
| 320 | Water Treatment Equipment | | | | | 13,393 |
| 330 | Distribution Reservoirs and Standpipes | | | | | 293,245 |
| 331 | Transmission and Distribution Mains | | | | | 1,703,776 |
| 333 | Services | | | | | 206,139 |
| 334 | Meters and Meter Installations | | | | | 233,959 |
| 335 | Hydrants | | | | | 111,142 |
| 336 | Backflow Prevention Devices | | | | | 0 |
| 339 | Other Plant Miscellaneous Equipment | | | | | 0 |
| 340.5 | Office Furniture and Equipment | 788 | | | 788 | 39,101 |
| 340.55 | Data Processing Equipment | | | | | 52,785 |
| 341 | Transportation Equipment | | | | | 0 |
| 342 | Stores Equipment | | | | | 0 |
| 343 | Tools, Shop and Garage Equipment | | | | | 11,790 |
| 344 | Laboratory Equipment | | | | | 0 |
| 345 | Power Operated Equipment | | | | | 13,044 |
| 346 | Communication Equipment | | | | | 28,938 |
| 347 | Miscellaneous Equipment | | | | | 8,085 |
| 348 | Other Tangible Plant | | | | | 0 |
| TOTAL WATER ACCUMULATED DEPRECIATION | | | | | | \$ 5,740,462 |

W-6(b)
GROUP

YEAR OF REPORT

December 31, 2020

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 | | \$ _____ 0 |

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT

December 31, 2020

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 | \$ |
| | Metered Water Revenue: | | | |
| 461.1 | Sales to Residential Customers | 1,867 | 1,894 | 1,879,669 |
| 461.2 | Sales to Commercial Customers | 85 | 84 | 188,440 |
| 461.3 | Sales to Industrial Customers | | | |
| 461.4 | Sales to Public Authorities | 3 | 3 | 45,540 |
| 461.5 | Sales Multiple Family Dwellings | 33 | 32 | 75,647 |
| Total Metered Sales | | 1,985 | 2,013 | 2,189,296 |
| | Fire Protection Revenue: | | | |
| 462.1 | 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 | | 1,985 | 2,013 | 2,189,296 |
| | Other Water Revenues: | | | |
| 469 | Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI) | | | 1,473 |
| 470 | Forfeited Discounts | | | |
| 471 | Miscellaneous Service Revenues | | | 7,199 |
| 472 | Rents From Water Property | | | |
| 473 | Interdepartmental Rents | | | |
| 474 | Other Water Revenues | | | |
| Total Other Water Revenues | | | | 8,672 |
| Total Water Operating Revenues | | | | 2,197,968 |

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

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT

December 31, 2020

SYSTEM NAME / COUNTY :

Franklin

WATER UTILITY EXPENSE ACCOUNT MATRIX

| 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 | \$ 394,518 | 33,442 | 33,442 |
| 603 | Salaries and Wages - Officers, Directors and Majority Stockholders | 0 | 0 | 0 |
| 604 | Employee Pensions and Benefits | 165,398 | 5,621 | 5,621 |
| 610 | Purchased Water | 0 | 0 | |
| 615 | Purchased Power | 65,275 | 31,958 | |
| 616 | Fuel for Power Production | 883 | 0 | |
| 618 | Chemicals | 13,556 | 0 | 0 |
| 620 | Materials and Supplies | 19,957 | 1,779 | 1,779 |
| 631 | Contractual Services-MGMT | 0 | 0 | 0 |
| 632 | Contractual Services - Accounting | 0 | 0 | 0 |
| 633 | Contractual Services - Legal | 0 | 0 | 0 |
| 635 | Contractual Services - Testing | 8,815 | 4,408 | 0 |
| 636 | Contractual Services - Other | 686,519 | 59,179 | 28,871 |
| 641 | Rental of Building/Real Property | 1,655 | 0 | 0 |
| 642 | Rental of Equipment | 9,680 | 0 | 0 |
| 650 | Transportation Expenses | 14,322 | 1,036 | 1,036 |
| 656 | Insurance - Vehicle | 0 | 0 | 0 |
| 657 | Insurance - General Liability | 26,128 | 3,733 | 3,733 |
| 658 | Insurance - Workman's Comp. | 5,113 | 660 | 660 |
| 659 | Insurance - Other | 51,259 | 6,148 | 0 |
| 660 | Advertising Expense | 241 | | |
| 666 | Regulatory Commission Expenses - Amortization of Rate Case Expense | 0 | | |
| 667 | Regulatory Commission Exp.-Other | 0 | 0 | 0 |
| 668 | Water Resource Conservation Exp. | 0 | 0 | |
| 670 | Bad Debt Expense | 300 | | |
| 675 | Miscellaneous Expenses | 94,338 | 12,205 | 4,197 |
| Total Water Utility Expenses | | \$ 1,557,955 | 160,167 | 79,338 |

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY :

Franklin

WATER UTILITY 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) |
|-------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|
| 33,442 | 33,442 | 33,442 | 33,442 | 81,000 | 112,867 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 5,621 | 5,621 | 5,621 | 5,621 | 6,429 | 125,245 |
| 19,175 | | 0 | | 12,783 | 1,360 |
| 883 | | 0 | | 0 | 0 |
| 13,556 | 0 | 0 | 0 | | |
| 1,779 | 1,779 | 1,779 | 1,779 | 6,113 | 3,170 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 4,408 | 0 | 0 | 0 | 0 | 0 |
| 59,179 | 31,727 | 59,179 | 16,704 | 100,235 | 331,445 |
| 0 | 0 | 0 | 0 | 0 | 1,655 |
| 0 | 0 | 0 | 0 | 9,265 | 414 |
| 1,036 | 1,036 | 1,036 | 1,036 | 6,000 | 2,103 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 3,733 | 3,733 | 3,733 | 3,733 | 3,733 | 0 |
| 660 | 660 | 660 | 660 | 660 | 496 |
| 3,863 | 0 | 0 | 0 | 1,990 | 39,258 |
| | | | | | 241 |
| | | | | | 0 |
| | | | | | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | 300 | |
| 2,199 | 7,545 | 12,777 | 38,332 | 4,729 | 12,354 |
| <u>149,532</u> | <u>85,542</u> | <u>118,226</u> | <u>101,306</u> | <u>233,237</u> | <u>\$ 630,608</u> |

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT
December 31, 2020

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 | | 12,863 | 2,141 | 10,722 | 11,820 |
| February | | 12,199 | 2,006 | 10,193 | 8,059 |
| March | | 16,120 | 3,179 | 12,941 | 10,187 |
| April | | 12,409 | 2,057 | 10,352 | 8,456 |
| May | | 18,448 | 3,421 | 15,027 | 13,206 |
| June | | 23,201 | 3,509 | 19,692 | 17,447 |
| July | | 25,048 | 3,677 | 21,371 | 23,974 |
| August | | 19,813 | 3,251 | 16,562 | 14,783 |
| September | | 18,232 | 3,329 | 14,903 | 11,852 |
| October | | 17,949 | 2,537 | 15,412 | 16,283 |
| November | | 15,964 | 2,210 | 13,754 | 7,867 |
| December | | 14,126 | 2,314 | 11,812 | 13,103 |
| Total for Year | 0 | 206,372 | 33,631 | 172,741 | 157,037 |

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

SOURCE OF SUPPLY

| List for each source of supply: | 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 | |

YEAR OF REPORT
December 31, 2020

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY : Franklin

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD): 1,240,000

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

Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc.): Aeration and Chlorination, Ground & Elevated Storage Tanks

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon): Not Applicable Manufacturer: Not Applicable

FILTRATION

Type and size of area:

Pressure (in square feet): Not Applicable Manufacturer: Not Applicable

Gravity (in GPM/square feet): Not Applicable Manufacturer: Not Applicable

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

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 | 1,894 | 1,894 |
| 5/8" | Displacement | 1.0 | 45 | 45 |
| 3/4" | Displacement | 1.5 | 28 | 42 |
| 1" | Displacement | 2.5 | 31 | 78 |
| 1 1/2" | Displacement or Turbine | 5.0 | 7 | 35 |
| 2" | Displacement, Compound or Turbine | 8.0 | 4 | 32 |
| 3" | Displacement | 15.0 | | |
| 3" | Compound | 16.0 | | |
| 3" | Turbine | 17.5 | 2 | 35 |
| 4" | Displacement or Compound | 25.0 | | |
| 4" | Turbine | 30.0 | 1 | 30 |
| 6" | Displacement or Compound | 50.0 | | |
| 6" | Turbine | 62.5 | 1 | 63 |
| 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 | | | | <u>2,254</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:

157,037,000 total gallons/365/350 gpd/ERC = 1229 ERCs

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY : Franklin

OTHER WATER SYSTEM INFORMATION

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

- 1. Present ERCs * the system can efficiently serve. 3389
- 2. Maximum number of ERCs * which can be served. 3389
- 3. Present system connection capacity (in ERCs *) using existing lines. 3389
- 4. Future connection capacity (in ERCs *) upon service area buildout. 3389
- 5. Estimated annual increase in ERCs *. 56
- 6. Is the utility required to have fire flow capacity?
If so, how much capacity is required? No
N/A
- 7. Attach a description of the fire fighting facilities.
- 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:
- 9. When did the company last file a capacity analysis report with the DEP? 24-Sep-99
- 10. If the present system **does not** meet the requirements of DEP rules: N/A
 - 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 # 2B-037-6318-3
 - 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.

Attachment To Page W-14, Line 8:

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:

A. On or before December 31, 2021, Water Management Services, Inc. plans to:

1. Install 5,500 linear feet of 8" distribution line on the West End of the island;
2. Complete the engineering, installation of new facilities and testing to increase water circulation and reduce potential TTHM problems in the system;
3. Replace approximately 85 pipe rollers on the St. George Island Bridge; and
4. Install approximately 400 valve markers on the island;

B. On or before March 1, 2022, Water Management Services, Inc. plans to complete the implementation of our new digital mapping program, which will identify the size and exact location of all wells, lines, meters, valves, hydrants and other utility equipment. To assure the success and continued maintenance of this paperless system, which will include a complete profile of every service location, WMSI has hired 2 new employees and has purchased a new ground penetrating radar (GPR) system and 2 new GPS devices.

WASTEWATER OPERATING SECTION

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

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

Company:
For the Year Ended December 31, 2020

| (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) | \$ _____ | \$ _____ | \$ _____ |
| Total Metered Sales (461.1 - 461.5) | 2,189,296 | 2,189,296 | 0 |
| 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) | 8,672 | 8,672 | 0 |
| Total Water Operating Revenue | \$ 2,197,968 | \$ 2,197,968 | \$ 0 |
| LESS: Expense for Purchased Water from WWA-Regulated Utility | _____ | _____ | _____ |
| Net Water Operating Revenues | \$ 2,197,968 | \$ 2,197,968 | \$ 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).