

CLASS "C"
WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of Less Than \$150,000 Each)

ANNUAL REPORT

OF

WS754-04-AR
Sunny Shores Water Co., Inc.
3827 116th Street, W.
Bradenton, FL 34210-1139

578-W

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2004

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
05 MAY -4 PM 1:02
DIVISION OF
ECONOMIC REGULATION

TABLE OF CONTENTS

| FINANCIAL SECTION | PAGE |
|--|------|
| Identification | F-2 |
| Income Statement | F-3 |
| Balance Sheet | F-4 |
| Net Utility Plant | F-5 |
| Accumulated Depreciation and Amortization of Utility Plant | F-5 |
| Capital Stock | F-6 |
| Retained Earnings | F-6 |
| Proprietary Capital | F-6 |
| Long Term Debt | F-6 |
| Taxes Accrued | F-7 |
| Payment for Services Rendered by Other Than Employees | F-7 |
| Contributions in Aid of Construction | F-8 |
| Cost of Capital Used for AFUDC Calculation | F-9 |
| AFUDC Capital Structure Adjustments | F-10 |
| WATER OPERATING SECTION | PAGE |
| Water Utility Plant Accounts | W-1 |
| Analysis of Accumulated Depreciation by Primary Account - Water | W-2 |
| Water Operation and Maintenance Expense | W-3 |
| Water Customers | W-3 |
| Pumping and Purchased Water Statistics and Mains | W-4 |
| Wells and Well Pumps, Reservoirs, and High Service Pumping | W-5 |
| Sources of Supply and Water Treatment Facilities | W-6 |
| General Water System Information | W-7 |
| WASTEWATER OPERATING SECTION | PAGE |
| Wastewater Utility Plant Accounts | S-1 |
| Analysis of Accumulated Depreciation by Primary Account - Wastewater | S-2 |
| Wastewater Operation and Maintenance Expense | S-3 |
| Wastewater Customers | S-3 |
| Pumping Equipment, Collecting and Force Mains and Manholes | S-4 |
| Treatment Plant, Pumps and Pumping Wastewater Statistics | S-5 |
| General Wastewater System Information | s-6 |
| VERIFICATION SECTION | PAGE |
| Verification | V-1 |

FINANCIAL SECTION

REPORT OF

SUNNY SHORES WATER CO., INC.
(EXACT NAME OF UTILITY)

| | | |
|---|---|---------|
| 3827 116TH STREET WEST BRADENTON, FL 34210 | 3827 116TH STREET WEST BRADENTON, FL 34210 | MANATEE |
| Mailing Address | Street Address | County |

Telephone Number (941) 752-0515 Date Utility First Organized 11/01/67

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

Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and phone where records are located: 3827 116TH STREET WEST
BRADENTON, FL 34210 (941) 794-2283

Name of subdivisions where services are provided: SAGAMORE ESTATES & SUNNY SHORES
MOBILE HOME PARK

CONTACTS:

| Name | Title | Principle Business Address | Salary Charged Utility |
|---|-----------------------|---|------------------------|
| Person to send correspondence: <u>JACK E. MASON</u> | <u>PRESIDENT</u> | <u>3827 116TH STREET WEST</u> <u>BRADENTON, FL 34210</u> | see below |
| Person who prepared this report: <u>R. C. UNGER ACCOUNTING</u> | <u>ACCOUNTANT</u> | <u>411 COMMERCIAL CT</u> <u>SUITE D</u> <u>VENICE, FL 34292</u> | NONE |
| Officers and Managers: <u>JACK E. MASON</u> | <u>PRESIDENT</u> | <u>SAME AS ABOVE</u> | \$ <u>7,815</u> |
| <u>BONNIE B. MASON</u> | <u>VICE PRESIDENT</u> | <u>SAME AS ABOVE</u> | \$ <u>7,815</u> |
| _____ | _____ | _____ | \$ _____ |
| _____ | _____ | _____ | \$ _____ |
| _____ | _____ | _____ | \$ _____ |

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

| Name | Percent Ownership in Utility | Principle Business Address | Salary Charged Utility |
|----------------------|------------------------------|----------------------------|-------------------------|
| <u>JACK E. MASON</u> | <u>100%</u> | <u>SAME AS ABOVE</u> | \$ <u>SAME AS ABOVE</u> |
| _____ | _____ | _____ | \$ _____ |
| _____ | _____ | _____ | \$ _____ |
| _____ | _____ | _____ | \$ _____ |
| _____ | _____ | _____ | \$ _____ |
| _____ | _____ | _____ | \$ _____ |

INCOME STATEMENT

| Account Name | Ref. Page | Water | Wastewater | Other | Total Company |
|---|------------|-----------|------------|------------|---------------|
| Gross Revenue: | | | | | |
| Residential _____ | | \$ 59,881 | \$ _____ | \$ _____ | \$ 59,881 |
| Commercial _____ | | _____ | _____ | _____ | _____ |
| Industrial _____ | | _____ | _____ | _____ | _____ |
| Multiple Family _____ | | 2,840 | _____ | _____ | 2,840 |
| Guaranteed Revenues _____ | | _____ | _____ | _____ | _____ |
| Misc Serv Revenue _____ | | 1,564 | _____ | _____ | - |
| | | _____ | _____ | _____ | _____ |
| Total Gross Revenue __ | | \$ 64,285 | \$ _____ | \$ - | \$ 64,285 |
| Operation Expense (Must tie to pages W-3 and S-3) | W-3 S-3 | \$ 54,815 | \$ _____ | \$ _____ | \$ 54,815 |
| Depreciation Expense _____ | F-5 | 1,347 | _____ | _____ | 1,347 |
| CIAC Amortization Expense _____ | F-8 | (40) | _____ | _____ | (40) |
| Taxes Other Than Income _____ | F-7 | 4,460 | _____ | _____ | 4,460 |
| Income Taxes _____ | F-7 | _____ | _____ | _____ | _____ |
| Total Operating Expense | | \$ 60,582 | \$ _____ | \$ _____ | \$ 60,582 |
| Net Operating Income (Loss) | | \$ 3,703 | \$ _____ | \$ - | \$ 3,703 |
| Other Income: | | | | | |
| Nonutility Income _____ | | \$ _____ | \$ _____ | \$ 76,096 | \$ 76,096 |
| _____ | | _____ | _____ | _____ | _____ |
| _____ | | _____ | _____ | _____ | _____ |
| Other Deductions: | | | | | |
| Miscellaneous Nonutility Expenses _____ | | \$ _____ | \$ _____ | \$ 80,222 | \$ 80,222 |
| Interest Expense _____ | | _____ | _____ | _____ | _____ |
| _____ | | _____ | _____ | _____ | _____ |
| _____ | | _____ | _____ | _____ | _____ |
| Net Income (Loss) | | \$ 3,703 | \$ _____ | \$ (4,126) | \$ (423) |

COMPARATIVE BALANCE SHEET

| ACCOUNT NAME | Reference Page | Current Year | Previous Year |
|--|----------------|-------------------------|-------------------------|
| Assets: | | | |
| Utility Plant in Service (101-1) _____ | F-5,W-1,S-1 | \$ <u>34,081</u> | \$ <u>30,880</u> |
| Accumulated Depreciation and Amortization (108) _____ | F-5,W-2,S-3 | <u>(22,818)</u> | <u>(21,999)</u> |
| Amortization of Organizational Costs _____ | | <u>(260)</u> | <u>(212)</u> |
| Net Utility Plant _____ | | \$ <u>11,003</u> | \$ <u>8,669</u> |
| Cash _____ | | <u>1,908</u> | <u>2,038</u> |
| Customer Accounts Receivable (141) _____ | | <u>35,827</u> | <u>37,104</u> |
| Other Assets (Specify): _____ | | | |
| Due to Shareholder _____ | | <u>5,298</u> | <u>5,298</u> |
| Total Assets _____ | | \$ <u>54,036</u> | \$ <u>53,109</u> |
| Liabilities and Capital: | | | |
| Common Stock Issued (201) _____ | F-6 | <u>500</u> | <u>500</u> |
| Preferred Stock Issued (204) _____ | F-6 | | |
| Other Paid in Capital (211) _____ | | <u>11,180</u> | <u>11,180</u> |
| Retained Earnings (215) _____ | F-6 | <u>24,455</u> | <u>23,680</u> |
| Proprietary Capital (Proprietary and partnership only) (218) _____ | F-6 | | |
| Total Capital _____ | | \$ <u>36,135</u> | \$ <u>35,360</u> |
| Long Term Debt (224) _____ | F-6 | \$ _____ | \$ _____ |
| Accounts Payable (231) _____ | | <u>12,886</u> | <u>13,036</u> |
| Notes Payable (232) _____ | | | |
| Customer Deposits (235) _____ | | | |
| Accrued Taxes (236) _____ | | <u>4,501</u> | <u>4,157</u> |
| Other Liabilities Accrued Expenses Due to Shareholder _____ | | | |
| Advances for Construction _____ | | | |
| Contributions in Aid of Construction - Net (271-272) _____ | F-8 | <u>515</u> | <u>555</u> |
| Total Liabilities and Capital _____ | | \$ <u>54,036</u> | \$ <u>53,109</u> |

UTILITY NAME Sunny Shores Water Co., Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2004 |
|-------------------------------------|

GROSS UTILITY PLANT

| Plant Accounts: (101 - 107) inclusive | Water | Wastewater | Plant other Than Reporting Systems | Total |
|---|------------------|---------------|---|------------------|
| Utility Plant in Service (101)_____ | \$ <u>22,626</u> | \$ _____ | \$ <u>11,455</u> | \$ <u>34,081</u> |
| Construction Work in Progress (105)_____ | _____ | _____ | _____ | _____ |
| Other (Specify) _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| Total Utility Plant_____ | \$ <u>22,626</u> | \$ <u>N/A</u> | \$ <u>11,455</u> | \$ <u>34,081</u> |

ACCUMULATED DEPRECIATION (A/D) AND CIAC AMORTIZATION OF UTILITY PLANT

| Account 108 | Water | Wastewater | Other Than Reporting Systems | Total |
|--|------------------|---------------|------------------------------------|------------------|
| Balance First of Year_____ | \$ <u>13,841</u> | \$ <u>N/A</u> | \$ <u>8,159</u> | \$ <u>22,000</u> |
| <u>Add Credits During Year:</u> | | | | |
| Accruals charged to depreciation account_____ | \$ <u>1,331</u> | \$ _____ | \$ <u>685</u> | \$ <u>2,016</u> |
| Salvage_____ | _____ | _____ | _____ | _____ |
| Prior period adjustment_____ | _____ | _____ | _____ | <u>0</u> |
| Total Credits_____ | \$ <u>1,331</u> | \$ _____ | \$ <u>685</u> | \$ <u>2,016</u> |
| <u>Deduct Debits During Year:</u> | | | | |
| Book cost of plant retired_____ | \$ _____ | \$ _____ | \$ _____ | \$ <u>0</u> |
| Cost of removal_____ | _____ | _____ | _____ | _____ |
| Prior period adjustment_____ | _____ | _____ | <u>1198</u> | _____ |
| Total Debits_____ | \$ <u>0</u> | \$ _____ | \$ <u>1198</u> | \$ <u>1,198</u> |
| Balance End of Year_____ | \$ <u>15,172</u> | \$ _____ | \$ <u>7,646</u> | \$ <u>22,818</u> |

CAPITAL STOCK (201 - 204)

| | Common Stock | Preferred Stock |
|---|-----------------|--------------------|
| Par or stated value per share _____ | 1 | _____ |
| Shares authorized _____ | 500 | _____ |
| Shares issued and outstanding _____ | 500 | _____ |
| Total par value of stock issued _____ | 500 | _____ |
| Dividends declared per share for year _____ | 0 | _____ |

RETAINED EARNINGS (215)

| | Appropriated | Un- Appropriated |
|--|--------------|---------------------|
| Balance first of year _____ | \$ _____ | \$ 23,680 |
| Changes during the year (Specify): TRANSFER NET INCOME (LOSS) _____ | _____ | (423) |
| _____ | _____ | _____ |
| Prior period adjust (non utility depreciation) _____ | _____ | 1,198 |
| Balance end of year _____ | \$ _____ | \$ 24,455 |

PROPRIETARY CAPITAL (218)

| | Proprietor Or Partner | Partner |
|---|--------------------------|-------------------------|
| Balance first of year _____ | \$ _____ | \$ _____ |
| Changes during the year (Specify): _____ _____ _____ | _____ _____ _____ | _____ _____ _____ |
| Balance end of year _____ | \$ N/A | \$ N/A |

LONG TERM DEBT (224)

| Description of Obligation (Including Nominal Date of Issue and Date of Maturity): | Interest | | Principal per Balance Sheet Date |
|--|----------|---------------|--|
| | Rate | # of Pymts | |
| _____ | _____ | _____ | \$ _____ |
| _____ | _____ | _____ | _____ |
| Total _____ | _____ | _____ | \$ _____ |

TAXES ACCRUED (236)

| (a) | Water (b) | Wastewater (c) | Other (d) | Total (e) |
|---------------------------------|-----------------|-------------------|-----------------|-----------------|
| Income Taxes: | | | | |
| Federal income tax _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| State Income tax _____ | _____ | _____ | _____ | _____ |
| Taxes other than income | _____ | _____ | _____ | _____ |
| State ad valorem tax _____ | _____ | _____ | _____ | _____ |
| Local property tax _____ | _____ | _____ | _____ | _____ |
| Regulatory assessment fee _____ | 2,893 | _____ | _____ | 2,893 |
| Payroll taxes | 1,568 | _____ | 1,568 | 3,136 |
| Total Taxes Accrued | \$ 4,460 | \$ _____ | \$ 1,568 | \$ 6,028 |

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

| Name of Recipient | Water Amount | Wastewater Amount | Description of Service |
|------------------------|--------------|-------------------|------------------------|
| R.C. Unger Accounting | \$ 1,525 | \$ _____ | Accounting services |
| Systems Hardware Group | \$ 742 | \$ _____ | Backflow testing |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |

UTILITY NAME: Sunny Shores Water Co., Inc.

| |
|---|
| YEAR OF REPORT DECEMBER 31, 2004 |
|---|

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

| (a) | Water (b) | Wastewater (c) | Total (d) |
|---|------------------|-------------------|------------------|
| 1) Balance first of year _____ | \$ <u>685</u> | \$ _____ | \$ <u>685</u> |
| 2) Add credits during year _____ | \$ _____ | \$ _____ | \$ _____ |
| 3) Total _____ | \$ <u>-</u> | \$ _____ | \$ <u>-</u> |
| 4) Deduct charges during the year _____ | _____ | _____ | _____ |
| 5) Balance end of year _____ | _____ <u>685</u> | _____ | _____ <u>685</u> |
| 6) Less Accumulated Amortization _____ | _____ <u>170</u> | _____ | _____ <u>170</u> |
| 7) Net CIAC _____ | \$ <u>515</u> | \$ <u>N/A</u> | \$ <u>515</u> |

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

| Report below all developers or contractors agreements from which cash or property was received during the year. | Indicate "Cash" or "Property" | Water | Wastewater |
|---|-------------------------------------|-----------------------|---------------------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| Sub-total _____ | | \$ <u>NONE</u> | \$ <u>N/A</u> |
| Report below all capacity charges, main extension charges and customer connection charges received during the year. | | | |
| Description of Charge | Number of Connections | Charge per Connection | |
| _____ | _____ | \$ _____ | \$ _____ |
| _____ | _____ | _____ | _____ |
| Total Credits During Year (Must agree with line # 2 above.) _____ | | | \$ <u>-</u> \$ <u>N/A</u> |

ACCUMULATED AMORTIZATION OF CIAC

| | <u>Water</u> | <u>Wastewater</u> | <u>Total</u> |
|--|-----------------|-------------------|-----------------|
| Balance First of Year _____ | \$ <u>130</u> | \$ _____ | \$ <u>90</u> |
| Add Credits During Year: _____ | _____ <u>40</u> | _____ | _____ <u>40</u> |
| Deduct Debits During Year: _____ | _____ | _____ | _____ |
| Balance End of Year (Must agree with line #6 above.) _____ | \$ <u>170</u> | \$ <u>N/A</u> | \$ <u>170</u> |

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME Sunny Shores Water Co., Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2004 |
|-------------------------------------|

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

| Class of Capital (a) | Dollar Amount (b) | Percentage of Capital (c) | Actual Cost Rates (d) | Weighted Cost [c x d] (e) |
|-----------------------------|---------------------------------|------------------------------------|--------------------------------|--------------------------------------|
| Common Equity | \$ _____ | _____ % | _____ % | _____ % |
| Preferred Stock | _____ | _____ % | _____ % | _____ % |
| Long Term Debt | _____ | _____ % | _____ % | _____ % |
| Customer Deposits | _____ | _____ % | _____ % | _____ % |
| Tax Credits - Zero Cost | _____ | _____ % | 0.00 % | _____ % |
| Tax Credits - Weighted Cost | _____ | _____ % | _____ % | _____ % |
| Deferred Income Taxes | _____ | _____ % | _____ % | _____ % |
| Other (Explain) | _____ | _____ % | _____ % | _____ % |
| Total | \$ <u>NOT APPLICABLE</u> | <u>100.00</u> % | | _____ % |

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

| | |
|---|---------|
| Current Commission approved AFUDC rate: | _____ % |
| Commission Order approving AFUDC rate: | _____ % |

**WATER
OPERATING
SECTION**

UTILITY NAME: Sunny Shores Water Co., Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2004 |
|-------------------------------------|

WATER UTILITY PLANT ACCOUNTS

| Acct. No. (a) | Account Name (b) | Previous Year (c) | Additions (d) | Retirements (e) | Current Year (f) |
|---------------------|--|-------------------------|------------------|--------------------|------------------------|
| 301 | Organization _____ | \$ 1,049 | \$ - | \$ + | \$ 1,049 |
| 302 | Franchises _____ | | | | |
| 303 | Land and Land Rights _____ | | | | |
| 304 | Structures and Improvements _____ | | | | |
| 305 | Collecting and Impounding Reservoirs _____ | | | | |
| 306 | Lake, River and Other Intakes _____ | | | | |
| 307 | Wells and Springs _____ | | | | |
| 308 | Infiltration Galleries and Tunnels _____ | | | | |
| 309 | Supply Mains _____ | | | | |
| 310 | Power Generation Equipment _____ | | 1,489 | | 1,489 |
| 311 | Pumping Equipment _____ | | | | |
| 320 | Water Treatment Equipment _____ | | | | |
| 330 | Distribution Reservoirs and Standpipes _____ | | | | |
| 331 | Transmission and Distribution Lines _____ | | | | |
| 333 | Services _____ | | | | |
| 334 | Meters and Meter Installations _____ | 10,721 | 223 | | 10,944 |
| 335 | Hydrants _____ | | | | |
| 339 | Other Plant and Miscellaneous Equipment _____ | | | | |
| 340 | Office Furniture and Equipment _____ | 9,144 | - | | 9,144 |
| 341 | Transportation Equipment _____ | | | | |
| 342 | Stores Equipment _____ | | | | |
| 343 | Tools, Shop and Garage Equipment _____ | | | | |
| 344 | Laboratory Equipment _____ | | | | |
| 345 | Power Operated Equipment _____ | | | | |
| 346 | Communication Equipment _____ | | | | |
| 347 | Miscellaneous Equipment _____ | | | | |
| 348 | Other Tangible Plant _____ | | | | |
| | Total Water Plant _____ | \$ 20,914 | \$ 1,712 | \$ - | \$ 22,626 |

UTILITY NAME: Sunny Shores Water Co., Inc.

YEAR OF REPORT
DECEMBER 31, 2004

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

| Acct. No. (a) | Account (b) | Average Service Life in Years (c) | Average Salvage in Percent (d) | Depr. Rate Applied (e) | Accumulated Depreciation Balance Previous Year (f) | Debits (g) | Credits (h) | Accum. Depr. Balance End of Year (f-g+h=i) (i) |
|---------------|---|-----------------------------------|--------------------------------|------------------------|--|------------|-------------|--|
| 304 | Structures and Improvements | | % | | \$ | | | |
| 305 | Collecting and Impounding Reservoirs | | % | | | | | |
| 306 | Lake, River and Other Intakes | | % | | | | | |
| 307 | Wells and Springs | | % | | | | | |
| 308 | Infiltration Galleries & Tunnels | | % | | | | | |
| 309 | Supply Mains | | % | | | | | |
| 310 | Power Generating Equipment | 17 | 0 | 6 | | | 45 | 45 |
| 311 | Pumping Equipment | | | | | | | |
| 320 | Water Treatment Equipment | | | | | | | |
| 330 | Distribution Reservoirs & Standpipes | | | | | | | |
| 331 | Trans. & Dist. Mains | | | | | | | |
| 333 | Services | | | | | | | |
| 334 | Meter & Meter Installations | 17 | 0 | 6 | 6,979 | | 650 | 7,629 |
| 335 | Hydrants | | | | | | | |
| 339 | Other Plant and Miscellaneous Equipment | | | | | | | |
| 340 | Office Furniture and Equipment | 15 | 0 | 7 | 6,860 | | 636 | 7,496 |
| 341 | Transportation Equipment | | | | | | | |
| 342 | Stores Equipment | | | | | | | |
| 343 | Tools, Shop and Garage Equipment | | | | | | | |
| 344 | Laboratory Equipment | | | | | | | |
| 345 | Power Operated Equipment | | | | | | | |
| 346 | Communication Equipment | | | | | | | |
| 347 | Miscellaneous Equipment | | | | | | | |
| 348 | Other Tangible Plant | | | | | | | |
| | Totals | | | | \$ 13,839 | \$ 0 | \$ 1,331 | \$ 15,170 * |

W-2

* This amount should tie to Sheet F-5.

UTILITY NAME:

Sunny Shores Water Co., Inc.

| |
|---|
| <p>YEAR OF REPORT DECEMBER 31, 2004</p> |
|---|

WATER OPERATION AND MAINTENANCE EXPENSE

| Acct. No. | Account Name | Amount |
|-----------|---|-------------------|
| 601 | Salaries and Wages - Employees | \$3,638 |
| 603 | Salaries and Wages - Officers, Directors, and Majority Stockholders | 15,629 |
| 604 | Employee Pensions and Benefits | - |
| 610 | Purchased Water | 20,284 |
| 615 | Purchased Power | |
| 616 | Fuel for Power Production | |
| 618 | Chemicals | |
| 620 | Materials and Supplies | 1,230 |
| 630 | Contractual Services: | |
| | Billing | |
| | Professional | 2,276 |
| | Testing | 153 |
| | Other | 786 |
| 640 | Rents | |
| 650 | Transportation Expense | 41 |
| 655 | Insurance Expense | 3,427 |
| 665 | Regulatory Commission Expenses (Amortized Rate Case Expense) | |
| 670 | Bad Debt Expense | |
| 675 | Miscellaneous Expenses | 7,351 |
| | Total Water Operation And Maintenance Expense | <u>\$54,815 *</u> |

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

| Description (a) | Type of Meter ** (b) | Equivalent Factor (c) | Number of Active Customers | | Total Number of Meter Equivalents (c x e) (f) |
|--|-------------------------|--------------------------|----------------------------|--------------------|---|
| | | | Start of Year (d) | End of Year (e) | |
| 5/8" | D | 1.0 | | | |
| 3/4" | D | 1.5 | | | |
| 1" | D | 2.5 | | | |
| 1 1/2" | D,T | 5.0 | | | |
| 2" | D,C,T | 8.0 | | | |
| 3" | D | 15.0 | | | |
| 3" | C | 16.0 | | | |
| 3" | T | 17.5 | | | |
| 4" | D,C | 25.0 | | | |
| 4" | T | 30.0 | | | |
| 6" | D,C | 50.0 | | | |
| 6" | T | 62.5 | | | |
| Other (Specify): 5/8 x 3/4 | | 1.0 | 265 | 265 | 265 |
| Unmetered Customers | | | | | |
| ** D = Displacement C = Compound T = Turbine | | | Total | 265 | 265 |

PUMPING AND PURCHASED WATER STATISTICS

| (a) | Water Purchased For Resale (Omit 000's) (b) | Finished Water From Wells (Omit 000's) (c) | Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d) | Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e) | Water Sold To Customers (Omit 000's) (f) |
|---------------------|---|--|---|---|--|
| January_____ | 1,031 | _____ | 1 | 1,030 | 1,030 |
| February_____ | 859 | _____ | 1 | 858 | 858 |
| March_____ | 1,424 | _____ | 1 | 1,423 | 1,423 |
| April_____ | 960 | _____ | 1 | 959 | 959 |
| May_____ | 770 | _____ | 1 | 769 | 769 |
| June_____ | 715 | _____ | 1 | 714 | 714 |
| July_____ | 795 | _____ | 1 | 794 | 794 |
| August_____ | 520 | _____ | 1 | 519 | 519 |
| September_____ | 856 | _____ | 1 | 855 | 855 |
| October_____ | 775 | _____ | 1 | 774 | 774 |
| November_____ | 744 | _____ | 1 | 743 | 743 |
| December_____ | 751 | _____ | 1 | 750 | 750 |
| Total for Year_____ | <u>10,200</u> | _____ | <u>12</u> | <u>10,188</u> | <u>10,188</u> |

If water is purchased for resale, indicate the following:

Vendor MANATEE PUBLIC WORKS DEPARTMENT

Point of delivery MASTER METER LOCATED AT 115TH ST. WEST & 40TH AVE. WEST

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

MAINS (FEET)

| Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.) | Diameter of Pipe | First of Year | Added | Removed or Abandoned | End of Year |
|---|------------------|---------------|-------|----------------------|-------------|
| SCH 40 PVC | 3" | 855 | 0 | 0 | 855 |
| SCH 40 PVC | 2" | 12,654 | 0 | 0 | 12,654 |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |

UTILITY NAME: Sunny Shores Water Co., Inc.

| |
|---|
| <p>YEAR OF REPORT DECEMBER 31, 2004</p> |
|---|

SYSTEM NAME: Sunny Shores Water Co., Inc.

**WELLS AND WELL PUMPS
(If Available)**

NOT APPLICABLE

| (a) | (b) | (c) | (d) | (e) |
|---|--|--|--|--|
| Year Constructed _____ Types of Well Construction and Casing _____ _____ _____ Depth of Wells _____ Diameters of Wells _____ Pump - GPM _____ Motor - HP _____ Motor Type * _____ Yields of Wells in GPD _____ Auxiliary Power _____ * Submersible, centrifugal, etc. | _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ | _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ | _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ | _____ _____ _____ _____ _____ _____ _____ _____ _____ _____ |

RESERVOIRS

NOT APPLICABLE

| (a) | (b) | (c) | (d) | (e) |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Description (steel, concrete) Capacity of Tank _____ Ground or Elevated _____ | _____ _____ _____ | _____ _____ _____ | _____ _____ _____ | _____ _____ _____ |

HIGH SERVICE PUMPING

NOT APPLICABLE

| (a) | (b) | (c) | (d) | (e) |
|---|---|---|---|---|
| <u>Motors</u> Manufacturer _____ Type _____ Rated Horsepower _____ | _____ _____ _____ | _____ _____ _____ | _____ _____ _____ | _____ _____ _____ |
| <u>Pumps</u> Manufacturer _____ Type _____ Capacity in GPM _____ Average Number of Hours Operated Per Day _____ Auxiliary Power _____ | _____ _____ _____ _____ _____ | _____ _____ _____ _____ _____ | _____ _____ _____ _____ _____ | _____ _____ _____ _____ _____ |

UTILITY NAME: Sunny Shores Water Co., Inc.

| |
|-------------------------------------|
| YEAR OF REPORT December 31, 2004 |
|-------------------------------------|

SOURCE OF SUPPLY

| | | | |
|--|-----------------|-------|-------|
| List for each source of supply (Ground, Surface, Purchased Water etc.) | | | |
| Gals. per day of source _____ | 25,000 AVERAGE | _____ | _____ |
| Type of Source _____ | PURCHASED WATER | _____ | _____ |

WATER TREATMENT FACILITIES

NOT APPLICABLE

| | | | |
|---|-------|-------|-------|
| List for each Water Treatment Facility: | | | |
| Type _____ | _____ | _____ | _____ |
| Make _____ | _____ | _____ | _____ |
| Gals. per day capacity _____ | _____ | _____ | _____ |
| High service pumping | _____ | _____ | _____ |
| Gallons per minute _____ | _____ | _____ | _____ |
| Reverse Osmosis _____ | _____ | _____ | _____ |
| Lime Treatment | _____ | _____ | _____ |
| Unit Rating _____ | _____ | _____ | _____ |
| Filtration | _____ | _____ | _____ |
| Pressure Sq. Ft. _____ | _____ | _____ | _____ |
| Gravity GPD/Sq.Ft. _____ | _____ | _____ | _____ |
| Disinfection | _____ | _____ | _____ |
| Chlorinator _____ | _____ | _____ | _____ |
| Ozone _____ | _____ | _____ | _____ |
| Other _____ | _____ | _____ | _____ |
| Auxiliary Power _____ | _____ | _____ | _____ |

GENERAL WATER SYSTEM INFORMATION

| | |
|---|--|
| Furnish information below for each system. A separate page should be supplied where necessary. | |
| 1. Present ERCs * now being served | <u>265</u> |
| 2. Maximum ERCs ** that system can efficiently serve | <u>Water is purchased bulk water from Manatee County</u> |
| 3. Present system connection capacity (in ERC's) using existing lines | <u>273</u> |
| 4. Future connection capacity (in ERC's) upon service area buildout | <u>None</u> |
| 5. Estimated annual increase in ERCs * | <u>1 or 2</u> |
| 6. Is the utility required to have fire flow capacity? If so how much capacity is required? | <u>No</u> |
| 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 <u>None</u> | |
| 9. When did the company last file a capacity analysis report with the <u>Not applicable, no treatment plant</u> | |
| 10. If the present system does not meet the requirements of DEP rules, submit the following: 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 the system under any Consent Order with DEP? | |
| 11. Department of Environmental Protection ID# | <u>6412418</u> |
| 12. Water Management District ID # <u>N/A</u> a. Is the system in compliance with the requirements of the CUP? b. If not, what are the utility's plans to gain compliance. | |
| * An ERC is determined based on 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 residents (SFR) gallons sold by the average number of single family residence customers for the same period divide the result by 365 days. (b) If no historical flow data are available use: ERC = (Total SFR gallons sold (omit 000/365 days/350 gallons per day). | |

WASTEWATER OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-6 have been omitted from this report.

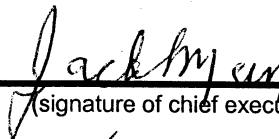
CERTIFICATION OF ANNUAL REPORT

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 in Rule 25-30.115 (1), Florida Administrative Code. |
| 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 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 report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified

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

 *

(signature of chief executive officer of the utility)

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

 *

(signature of chief financial officer of the utility)

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

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.