

CLASS "C"

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WATER and/or WASTEWATER UTILITIES

(Gross Revenue of Less Than \$200,000 Each)

ANNUAL REPORT

WS850-06-AR

River Ranch Water Management, LLC

EXACT LEGAL NAME OF RESPONDENT

603-W / 519-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



07 APR 26 AM 10:23
Economic Regulation
Public Service

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2006

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

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March 26, 2007

To the Member
River Ranch Water Management, LLC

We have compiled the balance sheets of River Ranch Water Management, LLC as of December 31, 2006 and 2005, and the statement of income and retained earnings for the year ended December 31, 2006, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of River Ranch Water Management, LLC. We have not audited or reviewed the accompanying financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any form of assurance on them.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

We are not independent with respect to River Ranch Water Management, LLC.


CRONIN, JACKSON, NIXON & WILSON

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FINANCIAL SECTION

REPORT OF

River Ranch Water Management, LLC

(Exact name of utility)

5601 Windhover Dr

5601 Windhover Dr

Orlando, FL 32819

Orlando, FL 32819

Mailing Address

Street Address

Telephone Number (407) 351-3351 ext 101

Date Utility First Organized 1973

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

Individual

Sub Chapter S Corporation

1120 Corporation

Partnership

Location where books and records are located:

5601 Windhover Dr
Orlando, FL 32819

Names of subdivisions where service is provided:

River Ranch Shores; River Ranch Condo Assoc;
River Ranch Condo Assoc; Phase 1 Long Hammock Owners Assoc.

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Tammy Hayes	Controller	5601 Windhover Dr Orlando, FL 32819	
Person who prepared this report: Cronin, Jackson, Nixon & Wilson	CPA's	2560 Gulf-to-Bay Blvd. Clearwater, FL	
Officers and Managers: David A Siegal	President/CEO of CFI (Single Member Manager)	5601 Windhover Dr Orlando, FL 32819	None

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
Central Florida Investments, Inc (CFI)	100%	5601 Windhover Dr Orlando, FL 32819	None

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 8,780	\$ 9,373		\$ 18,153
Commercial _____		13,654	14,080		27,734
Industrial _____					-
Multiple Family _____		99,422	132,617		232,039
Guarenteed Revenues _____					-
Other (Specify) _____		7,331			7,331
Total Gross Revenue _____		129,187	156,070	N/A	285,257
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	92,791	197,944		290,735
Depreciation Expense _____	F-5	25,664	60,353		86,017
CIAC Amortization Expense _____	F-8	(11,229)	(18,205)		(29,434)
Taxes Other Than Income _____	F-7	7,757	8,967	-	16,724
Income Taxes _____	F-7	-	-		-
Total Operating Expenses _____		114,983	249,059		364,042
Net Operating Income (Loss)		14,204	(92,989)	-	(78,785)
Other Income:					
Nonutility Income _____					-
Interest Income _____		-	-		-
_____					-
Other Deductions:					
Miscellaneous Nonutilty Expenses _____					-
Interest Expense _____		-			-
Extraord. Loss _____		-	-		-
_____					-
_____					-
Net Income (Loss)		\$ 14,204	\$ (92,989)	N/A	\$ (78,785)

COMPARATIVE BALANCE SHEET

Account Name	Reference Page	Current Year	Previous Year
ASSETS:			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 2,528,185	\$ 1,963,619
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(916,067)	(830,050)
Net Utility Plant _____		1,612,118	1,133,569
Cash _____			
Customer Accounts Receivable (141) _____		772	14,094
Other Assets (Specify):			
Misc. Deferred Debits		5,040	
Total Assets _____		\$ 1,617,930	\$ 1,147,663
LIABILITIES AND CAPITAL:			
Common Stock Issued (201) _____	F-6		
Preferred Stock Issued (204) _____	F-6	-	-
Other Paid In Capital (211) _____		869,894	869,894
Retained Earnings (215) _____	F-6	-	
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6	166,870	245,655
Total Capital _____		1,036,764	1,115,549
Long Term Debt (224) _____	F-6	244,724	244,724
Accounts Payable (231) _____			11,506
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____		13,048	12,932
Other Liabilities (Specify):			
Accounts Payable - Assoc Co		(138,639)	(719,302)
Accrued Interest			
Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8	462,033	482,254
Total Liabilities and Capital _____		\$ 1,617,930	\$ 1,147,663

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 788,285	\$ 1,693,225	N/A	\$ 2,481,510
Construction Work In Progress (105) _____				-
Other (Specify) _____ Plant held for future use	-	46,675		46,675
				-
Total Utility Plant _____	\$ 788,285	\$ 1,739,900	N/A	\$ 2,528,185

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 417,266	\$ 412,784	N/A	\$ 830,050
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	25,664	60,353		86,017
Salvage _____				-
Other credits (specify) _____				-
				-
Total credits _____	25,664	60,353		86,017
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	-	-		-
Cost of removal _____				-
Other debits (specify) _____				-
				-
Total debits _____	-	-		-
Balance End of Year _____	\$ 442,930	\$ 473,137	N/A	\$ 916,067

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	N/A	N/A
Shares authorized _____		
Shares issued and outstanding _____		
Total par value of stock issued _____		
Dividends declared per share for year _____		

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	N/A	\$ -
Charges during the year (specify):		
_____	-	-

Balance end of year _____	\$ -	\$ -

PROPRIETARY CAPITAL (218)

	Proprietor or Partner	Partner
Balance first of year _____	\$ 245,655	N/A
Charges during the year (specify):		
Current year loss _____	(78,785)	-

Balance end of year _____	\$ 166,870	

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity)	Interest		Principal Per Balance Sheet Date
	Rate	# of Payments	
Advances from Assoc Co-CFI: Issued 1/02, Matures 1/12	10	None	\$ 244,724
_____	%		-
_____	%		-
_____	%		
Total _____			\$ 244,724

UTILITY NAME: River Ranch Water Management, LLC

Tax Expense (408)

(a)	WATER (b)	SEWER (c)	OTHER (d)	TOTAL (e)
Income Taxes:				
Federal income tax _____	\$ -	\$ -	N/A	\$ -
State income tax _____	-	-		
Taxes Other Than Income:				
State ad valorem tax _____	-	-		
Local property tax _____	56	56		112
Regulatory assessment fee _____	5,813	7,023		12,836
Other (Specify):				
Payroll Taxes	1,888	1,888		3,776
	-	-		
Total taxes accrued _____	\$ 7,757	\$ 8,967		\$ 16,724

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning rate, management, construction, advertising, labor relations, public relations, or other similar 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
Harrison Wastewater	\$ -	\$ 69,849	Chemicals
Harrison Wastewater	13,315	286,926	Construction and Operations
Tri-Florida Water	2,512		Testing
Cronin, Jackson, Nixon, & Wilson	3,358	3,358	Accounting services
A & D Water Systems	19,324	8,751	Chemicals
Severn Trent Avatar	2,787	2,787	Billing
A-1 Service		4,350	Sludge removal
Applied Aquatic Services		825	Maintenance
Central Electric Motor Service	527	12,027	Construction and Maintenance
The Bamboo Forge		4,462	Construction

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	\$ 516,082	\$ 649,830	\$ 1,165,912
2. Add credits during year:			
	3,321	5,892	9,213
3. Total _____	519,403	655,722	1,175,125
4. Deduct charges during year _____			-
5. Balance end of year _____	519,403	655,722	1,175,125
6. Less Accumulated Amortization _____	(351,205)	(361,887)	(713,092)
7. Net CIAC _____	\$ 168,198	\$ 293,835	\$ 462,033

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 _____		NONE	NONE
Report below all capacity charges, main extension charges and customer connections charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
Meter Fee	3	250	750
Main Extension	3	522	1,566
Capacity Fee	3	335	1,005
Main Extension	3	891	2,673
Capacity Fee	3	1,073	3,219
Total Credits During Year (Must agree with line # 2 above) _____			\$ 5,892
		\$ 3,321	\$ 5,892

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	\$ 339,976	\$ 343,682	\$ 683,658
Add Debits During Year: _____	11,229	18,205	29,434
	-	-	
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ 351,205	\$ 361,887	\$ 713,092

YEAR OF REPORT December 31, 2006
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UTILITY NAME: River Ranch Water Management, LLC

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

CLASS OF CAPITAL (a)	Dollar Amount (1) (b)	Percentage of Capital 0	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	_____	_____ %	- %	_____ %
Preferred Stock	_____	_____ %	- %	_____ %
Long Term Debt	_____	_____ %	- %	_____ %
Customer Deposits	_____	_____ %	- %	_____ %
Tax Credits - Zero Cost	_____	_____ %	- %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	- %	_____ %
Deferred Income Taxes	_____	_____ %	- %	_____ %
Other (Explain)	_____	_____ %	- %	_____ %
Total	\$ -	<u>100.00</u> %		- %

- (1) Should equal amounts on schedule B, Column (f), Page F-10.
- (2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	_____ None _____ %
Commission order approving AFUDC rate:	_____

UTILITY NAME: River Ranch Water Management, LLC

YEAR OF REPORT
December 31, 2006

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	0 ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity				-	-
Preferred Stock					-
Long Term Debt					-
Customer Deposits					-
Tax Credits - Zero Cost					-
Tax Credits - Weighted Cost					-
Deferred Income Taxes					-
Other (Explain)					-
Total	-	-	-	-	-

(1) Explain below all adjustments made in Column (e):

Adjustment to remove negative equity

**WATER
OPERATION
SECTION**

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 1,145	\$ -	\$ -	\$ 1,145
302	Franchises	-	-	-	-
303	Land and Land Rights	160	-	-	160
304	Structure and Improvements	54,630	-	-	54,630
305	Collecting and Impounding Reservoirs	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-
307	Wells and Springs	22,004	-	-	22,004
308	Infiltration Galleries and Tunnels	-	-	-	-
309	Supply Mains	29,429	-	-	29,429
310	Power Generation Equipment	14,621	-	-	14,621
311	Pumping Equipment	30,193	-	-	30,193
320	Water Treatment Equipment	23,252	-	-	23,252
330	Distribution Reservoirs and Standpipes	113,777	-	-	113,777
331	Transmission and Distribution Mains	331,657	-	-	331,657
333	Services	76,818	-	-	76,818
334	Meters and Meter Installations	53,820	-	-	53,820
335	Hydrants	36,779	-	-	36,779
339	Other Plant and Miscellaneous Equipment	-	-	-	-
340	Office Furniture and Equipment	-	-	-	-
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	\$ 788,285	\$ -	\$ -	\$ 788,285

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

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

ACCT. NO. (a)	ACCOUNT NAME (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)
301	Organization	40	-	2.50	\$ 1,145	\$ -	\$ -	\$ 1,145
302	Franchises	-	-	-	-	-	-	-
304	Structure and Improvements	28	-	3.57	6,494	-	1,950	8,444
305	Collecting and Impounding Reservoirs	-	-	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-	-	-
307	Wells and Springs	27	-	3.70	12,835	-	814	13,649
308	Infiltration Galleries and Tunnels	-	-	-	-	-	-	-
309	Supply Mains	32	-	3.13	4,126	-	921	5,047
310	Power Generation Equipment	17	-	5.88	3,010	-	860	3,870
311	Pumping Equipment	17	-	5.88	18,841	-	1,775	20,616
320	Water Treatment Equipment	17	-	5.88	11,054	-	1,367	12,421
330	Distribution Reservoirs and Standpipes	33	-	3.03	102,146	-	3,447	105,593
331	Transmission and Distribution Mains	38	-	2.63	188,689	-	8,723	197,412
333	Services	35	-	2.86	46,930	-	2,197	49,127
334	Meters and Meter Installations	20	-	5.00	6,010	-	2,691	8,701
335	Hydrants	40	-	2.50	15,986	-	919	16,905
339	Other Plant and Miscellaneous Equipment	-	-	-	-	-	-	-
340	Office Furniture and Equipment	-	-	-	-	-	-	-
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				\$ 417,266	\$ -	\$ 25,664	\$ 442,930

* This amount should tie to Sheet F-5

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 24,174
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	6,115
610	Purchased Water _____	
615	Purchased Power _____	10,500
616	Fuel for Power Production _____	
618	Chemicals _____	19,324
620	Materials and Supplies _____	803
630	Contractual Services:	
	Billing _____	2,787
	Operator and Management _____	18,679
	Testing _____	2,137
	Other _____	3,358
640	Rents _____	
650	Transportation Expense _____	3,873
655	Insurance Expense _____	319
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	722
	Total Water Operation and Maintenance Expense _____	\$ 92,791 *

* 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)	
Residential Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
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			
Unmetered Customers		1.0	728	729	729
Other (Specify):Irrigation		1.0	486	486	486
** D = Displacement C = Compound T = Turbine			Total	1,214	1,215
				1,215	1,215

UTILITY NAME: River Ranch Water Management, LLC
 SYSTEM NAME: River Ranch

YEAR OF REPORT
 December 31, 2006

PUMPING AND PURCHASED WATER STATISTICS

MONTH (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	-	-	-	-	-
February	-	-	-	-	-
March	-	-	-	-	-
April	-	-	-	-	-
May	-	-	-	-	-
June	-	-	-	-	-
July	-	-	-	-	-
August	-	-	-	-	-
September	-	-	-	-	-
October	-	-	-	-	-
November	-	-	-	-	-
December	-	-	-	-	-
Total for year	N/A	N/A		N/A	N/A

If water is purchased for resale, indicate the following:

Vendor N/A
 Point of Delivery N/A

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

Note: Customers are flat rate and this information is not applicable.

MAINS (Feet)

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	5"	33,330		-	33,330
PVC	4"	400		-	400
PVC	3"	5,090		-	5,090
PVC	2"	16,317		-	16,317

WELLS AND WELL PUMPS
 (If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1967	1967		
Types of Well Construction and Casing _____	Steel Cased	Steel Cased		
Depth of Wells _____	830	850		
Diameters of Wells _____	6"	12"		
Pump - GPM _____	150	350		
Motor - HP _____	5	10		
Motor Type * _____	Vertical Turbine	Vertical Turbine		
Yeilds of Wells in GPD _____	108,000	252,000		
Auxillary Power _____	Generator	Generator		
* Submersable, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Steel	Steel	Elevated	
Capacity of Tank _____	50,000	50,000	100,000	
Ground of Elevated _____	Ground	Ground	Ground	

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>MOTORS</u>				
Manufacturer _____	Unknown	Unknown	Unknown	
Type _____	Electrice	Electrice	Electrice	
Rated Horsepower _____	15	20	25	
<u>PUMPS</u>				
Manufacturer _____	Goulds	Worthington	Worthington	
Type _____	Electric	Electric	Electric	
Capacity in GPM _____	259	581	727	
Average Number of Hours Operated Per Day _____				
Auxiliary Power _____				

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water, etc):

Gallons per day of source_____	168,281		
Type of source_____	Ground		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

Type_____	Aeration/Chlorination		
Make_____	Unknown		
Permitted Capacity (GPD)	298,000		
High service pumping Gallons per minute_____ See Page W-5 _____	1,567		
Reverse Osmosis_____	N/A		
Lime treatment Unit Rating_____	N/A		
Filtration Pressure Sq. Ft._____	N/A		
Gravity GPD/Sq. Ft._____	N/A		
Disinfection Chlorinator_____	X		
Ozone_____			
Other_____			
Auxiliary Power_____	Generator		

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

1.	Present ERC's * the system can efficiently serve	<u>729</u>
2.	Maximum number of ERC's * which can be served	<u>729</u>
3.	Present system connection capacity (in ERC's *) using existing lines	<u>729</u>
4.	Future connection capacity (in ERC's *) upon service area buildout	<u>942</u>
5.	Estimated annual increase in ERC's*	<u>Approximately 3</u>
6.	Is the utility required to have fire flow capacity? If so, how much capacity is required?	<u>Yes</u> <u>500 gpm for 4 hours</u>
7.	Attach a description of the fire fighting facilities	<u>Hydrants</u>
8.	Describe any plans and estimated completion dates for any enlargements or improvements of this system. <u>The Company is continuing to upgrade and perform long neglected maintenance of the system by the previous owners</u>	
9.	When did the company last file a capacity analysis report with the DEP?	<u>None</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 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 #	<u>3531517</u>
12.	Water Management District Consumptive Use Permit #	<u>53-00026-W</u>
	a. Is the system in compliance with the requirements of the CUP?	<u>Yes</u>
	b. If not, what are the utility's plans to gain compliance?	<u>N/A</u>

* 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 and divide the result by 365 days.

(b) If no historical flow data available are available for use:

ERC = (Total SFR gallons sold (omit 000))/365 days/350 gallons per day).

**WASTEWATER
OPERATION
SECTION**

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 1,145	\$ -	\$ -	\$ 1,145
352	Franchises	-	-	-	-
353	Land and Land Rights	500	-	-	500
354	Structure and Improvements	245,981	39,400	-	285,381
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	70,286	-	-	70,286
361	Collection Sewers - Gravity	503,608	-	-	503,608
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	4,471	-	-	4,471
364	Flow Measuring Devices	3,104	-	-	3,104
365	Flow Measuring Installations	-	-	-	-
370	Receiving Wells	109,073	-	-	109,073
371	Pumping Equipment	9,513	8,717	-	18,230
380	Treatment and Disposal Equipment	180,978	228,090	-	409,068
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-
389	Other Plant and Miscellaneous Equipment	-	288,359	-	288,359
390	Office Furniture and Equipment	-	-	-	-
391	Transportation Equipment	-	-	-	-
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-
394	Laboratory Equipment	-	-	-	-
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	-	-	-	-
	Total Sewer Plant	\$ 1,128,659	\$ 564,566	\$ -	\$ 1,693,225

* This amount should tie to Sheet F-5

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account Name (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)
351	Organization	40	%	2.50	1,145	-	-	1,145
352	Franchises	-	%		-	-	-	-
354	Structure and Improvements	27	%	3.70	16,502	-	9,830	26,332
355	Power Generation Equipment	-	%		-	-	-	-
360	Collection Sewers - Force	27	%	3.70	61,604	-	2,601	64,205
361	Collection Sewers - Gravity	40	%	2.50	235,120	-	12,590	247,710
362	Special Collecting Structures (Lift Stations)	-	%		-	-	-	-
363	Services to Customers	35	%	2.90	2,328	-	128	2,456
364	Flow Measuring Devices	5	%	20.00	2,173	-	621	2,794
365	Flow Measuring Installations	-	%		-	-	-	-
370	Receiving Wells (Lift Stations)	25	%	4.00	45,319	-	4,363	49,682
371	Pumping Equipment	-	%		317	-	925	1,242
380	Treatment and Disposal Equipment	15	%	6.70	48,276	-	19,678	67,954
381	Plant Sewers	-	%		-	-	-	-
382	Outfall Sewer Lines	-	%		-	-	-	-
389	Other Plant and Miscellaneous Equipment	15	%	6.70	-	-	9,617	9,617
390	Office Furniture and Equipment	-	%		-	-	-	-
391	Transportation Equipment	-	%		-	-	-	-
392	Stores Equipment	-	%		-	-	-	-
393	Tools, Shop and Garage Equipment	-	%		-	-	-	-
394	Laboratory Equipment	-	%		-	-	-	-
395	Power Operated Equipment	-	%		-	-	-	-
396	Communication Equipment	-	%		-	-	-	-
397	Miscellaneous Equipment	-	%		-	-	-	-
398	Other Tangible Plant	-	%		-	-	-	-
	Totals				412,784		60,353	473,137

* This amount should tie to Sheet F-5

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ 25,227
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
704	Employee Pensions and Benefits _____	5,063
710	Purchased Wastewater Treatment _____	
711	Sludge Removal Expense _____	4,709
715	Purchased Power _____	17,190
716	Fule for Power Production _____	
718	Chemicals _____	79,203
720	Materials and Supplies _____	934
730	Contractual Services:	
	Operator and Management _____	27,999
	Testing _____	1,875
	Other _____	23,811
740	Rents _____	5,052
750	Transportation Expense _____	3,873
755	Insurance Expense _____	328
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
770	Bad Debt Expense _____	2,140
775	Miscellaneous Expenses _____	540
	Total Wastewater Operation and Maintenance Expense _____	\$ 197,944 *

* This amount should tie to Sheet F-3.

WASTEWATER 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)	
Residential Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
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			
Unmetered Customers		1.0	728	729	729
Other (Specify):					
** D = Displacement C = Compound T = Turbine			Total	728	729

PUMPING EQUIPMENT

Lift station number _____	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	_____
Make or type and nameplate data of pump _____	<u>Goulds</u>	<u>Goulds</u>	<u>Goulds</u>	<u>Goulds</u>	<u>Goulds</u>	<u>Goulds</u>	_____
Year installed _____	<u>1970</u>	<u>1970</u>	<u>1970</u>	<u>1970</u>	<u>1991</u>	<u>1992</u>	_____
Rated capacity (GPM) _____	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	_____
Size (HP) _____	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	_____
Power:							
Electric _____	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	_____
Mechanical _____	_____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	<u>6"</u>	<u>8"</u>	_____	_____	_____	_____	_____
Type (PVC, VCP, etc) _____	<u>PVC/VCP</u>	<u>PVC</u>	_____	_____	_____	_____	_____
Average length _____	<u>100</u>	<u>100</u>	_____	_____	_____	_____	_____
Number of active service connections _____	<u>8</u>	<u>744</u>	_____	_____	_____	_____	_____
Beginning of year _____	<u>8</u>	<u>743</u>	_____	_____	_____	_____	_____
Added during year _____	_____	<u>1</u>	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	<u>8</u>	<u>744</u>	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS AND MANHOLES

	Collecting Mains				Force Mains			
Size (inches) _____	<u>8</u>	<u>8</u>	<u>6</u>	<u>4</u>	<u>10</u>	<u>8</u>	<u>3</u>	_____
Type of main _____	<u>PVC</u>	<u>CLAY</u>	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>	_____
Length of main (nearest foot):								
Beginning of year _____	<u>13,982</u>	<u>80</u>	<u>4,510</u>	<u>4,330</u>	<u>256</u>	<u>17,370</u>	<u>1,860</u>	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	<u>13,982</u>	<u>80</u>	<u>4,510</u>	<u>4,330</u>	<u>256</u>	<u>17,370</u>	<u>1,860</u>	_____

MANHOLES:

Size _____	<u>4'</u>	_____	_____	_____
Type _____	<u>CONC</u>	_____	_____	_____
Number:				
Beginning of year _____	<u>43</u>	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of year _____	<u>43</u>	_____	_____	_____

TREATMENT PLANT

Manufacturer_____	Davco	_____	_____
Type_____	Active Sludge	_____	_____
"Steel" or "Concrete"_____	Steel	_____	_____
Total Capacity_____	95,000 GPD	_____	_____
Average Daily Flow_____	54,811	_____	_____
Effluent Disposal_____	Pond	_____	_____
Total Gallons of Wastewater Treated_____	20,006,000	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer_____	N/A	_____	_____	_____	_____	_____
Capacity_____ (PM)	_____	_____	_____	_____	_____	_____
Motor:						
Manufacturer_____	_____	_____	_____	_____	_____	_____
Horsepower_____	_____	_____	_____	_____	_____	_____
Power (Electric or Mechanical)_____	_____	_____	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	1,756,000	None	1,756,000
February_____	2,406,000	_____	2,406,000
March_____	1,445,000	_____	1,445,000
April_____	1,370,000	_____	1,370,000
May_____	1,238,000	_____	1,238,000
June_____	1,629,000	_____	1,629,000
July_____	1,457,000	_____	1,457,000
August_____	2,611,000	_____	2,611,000
September_____	1,375,000	_____	1,375,000
October_____	1,421,000	_____	1,421,000
November_____	1,738,000	_____	1,738,000
December_____	1,560,000	_____	1,560,000
Total for year_____	20,006,000	_____	20,006,000

If Wastewater Treatment is purchased, indicate the vendor:

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present ERC's * that system can efficiently serve. 729

2. Maximum number of ERC's * which can be served. 849

3. Present system connection capacity (in ERC's *) using existing lines. 849

4. Future system connection capacity (in ERC's *) upon service area buildout. 849

5. Estimated annual increase in ERC's * . Approximately 3

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____
 The Company is continuing work on relining the collection system to reduce infiltration

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? No
N/A

9. Has the utility been required by the DEP or water management district to implement reuse? N/A
 If so, what are the utility's plans to comply with the DEP? N/A

10. When did the company last file a capacity analysis report with the DEP? N/A

11. If the present system does not meet the requirements of DEP rules:
 a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 b. Have these plans been approved by DEP? N/A
 c. When will cor N/A
 d. Attach plans for funding the required upgrading. N/A
 e. Is this system under any Consent Order of the DEP? N/A

11. Department of Environmental Protection ID # FLA011032

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:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$

CERTIFICATION OF ANNUAL REPORT

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

- | | | |
|--------------|-----------|--|
| YES
(X) | NO
() | 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
(X) | NO
() | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
(X) | NO
() | 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
(X) | NO
() | 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.	2.	3.	4.
()	()	()	()

 (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.

Note: The Company has engaged Cronin, Jackson, Nixon & Wilson, CPA's to conform the books and records to NARUC Accounts. This work is expected to be completed in 2005.

*Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class C*

Company: River Ranch Water Management, LLC

For the Year Ended December 31, 2006

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 8,780	8,780	\$ -
Commercial	13,654	13,654	-
Industrial	-	-	-
Multiple Family	99,422	99,422	-
Guaranteed Revenues	-	-	-
Other (Irrigation)	7,331	7,331	-
<i>Total Water Operating Revenue</i>	\$ 129,187	\$ 129,187	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
<i>Net Water Operating Revenues</i>	\$ 129,187	\$ 129,187	\$ -

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations
Class C**

Company: River Ranch Water Management, LLC

For the Year Ended December 31, 2006

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	9,373	\$ 9,373	\$ -
Commercial	14,080	14,080	-
Industrial	-	-	-
Multiple Family	132,617	132,617	-
Guaranteed Revenues	-	-	-
Other	-	-	-
Total Wastewater Operating Revenue	\$ 156,070	\$ 156,070	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 156,070	\$ 156,070	\$ -

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).