

CLASS "C"

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

WS850-12-AR

RIVER RANCH WATER MANAGEMENT LLC

EXACT LEGAL NAME OF RESPONDENT

603-W / 519-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
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DIVISION OF
ACCOUNTING & FINANCE

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2012



James L. Carlstedt, CPA
Anthony Q. De Santis, CPA
Thomas K Ford, CPA
Katherine U. Jackson, CPA
Robert H. Jackson, CPA

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Jeanette Sung, CPA
James L. Wilson, CPA

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Officers and Directors
River Ranch Water Management LLC
Orlando, FL

We have compiled the balance sheet of River Ranch Water Management LLC, as of December 31, 2012 and 2011, and the related statements of income and retaining earnings for the year ended December 31, 2012 included in the accompanying prescribed form. We have not audited or reviewed the financial statements in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Florida Public Service Commission.

Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by the Florida Public Service Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

These financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the Florida Public Service Commission and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

The report is intended solely for information and use of the Florida Public Service Commission and is not intended to be and should not be used by anyone other than this specified party.

CJN&W CPAs

CJN&W CPAs
April 26, 2013

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA). Commission Rules and the definitions on next page.
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.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
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 in the report. Additional pages 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 statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.

Florida Public Service Commission
Division of Economic Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Economic Regulation, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION - this account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement or construction costs of the utilities property, facilities, or equipment used to provide services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water and wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss of service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER)- (Rule 25-30.515 (8), Florida Administrative Code)

- (a) 350 gallons per day
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to, the cost of operation, maintenance, depreciation and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL - (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

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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;
Phase 1 Long Hammock Owners Assoc; Westgate HOA

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: CJN&W CPAs | CPAs | 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 _____ | | \$ 9,304 | \$ 10,079 | | \$ 19,383 |
| Commercial _____ | | 14,170 | 14,830 | | 29,000 |
| Industrial _____ | | | | | - |
| Multiple Family _____ | | 103,175 | 139,684 | | 242,859 |
| Guarenteed Revenues _____ | | | | | - |
| Other (Specify) _____ | | 7,792 | | | 7,792 |
| Total Gross Revenue _____ | | 134,441 | 164,593 | N/A | 299,034 |
| Operation Expense (Must tie to Pages W-3 and S-3) | W-3 S-3 | 107,575 | 113,500 | | 221,075 |
| Depreciation Expense _____ | F-5 | 27,850 | 81,810 | | 109,660 |
| CIAC Amortization Expense _____ | F-8 | (11,473) | (14,336) | | (25,809) |
| Taxes Other Than Income _____ | F-7 | 8,235 | 9,499 | - | 17,734 |
| Income Taxes _____ | F-7 | - | - | | - |
| Total Operating Expenses _____ | | 132,187 | 190,473 | | 322,660 |
| Net Operating Income (Loss) | | 2,254 | (25,880) | - | (23,626) |
| Other Income: | | | | | |
| Nonutility Income _____ | | | | | - |
| Interest Income _____ | | - | - | | - |
| _____ | | | | | - |
| Other Deductions: | | | | | |
| Miscellaneous Nonutility Expenses _____ | | | | | - |
| Interest Expense _____ | | - | - | | - |
| Extraord. Loss _____ | | - | - | | - |
| _____ | | | | | - |
| _____ | | | | | - |
| Net Income (Loss) | | \$ 2,254 | \$ (25,880) | N/A | \$ (23,626) |

COMPARATIVE BALANCE SHEET

| Account Name | Reference Page | Current Year | Previous Year |
|--|----------------|--------------|---------------|
| ASSETS: | | | |
| Utility Plant In Service (101 - 105) _____ | F-5, W-1, S-1 | \$ 2,672,269 | \$ 2,668,216 |
| Accumulated Depreciation and Amortization (108) _____ | F-5, W-2, S-2 | (1,545,575) | (1,435,915) |
| Net Utility Plant _____ | | 1,126,694 | 1,232,301 |
| Cash _____ | | | |
| Customer Accounts Receivable (141) _____ | | 11,589 | 11,319 |
| Other Assets (Specify): | | | |
| Misc. Deferred Debits _____ | | 4,422 | 4,095 |
| Accts. Receivable - Associated Company _____ | | 123,530 | 54,192 |
| Accts. Receivable - Insurance _____ | | - | 9,780 |
| Rounding _____ | | - | |
| Total Assets _____ | | \$ 1,266,235 | \$ 1,311,687 |
| 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 | (177,024) | (153,398) |
| Total Capital _____ | | 692,870 | 716,496 |
| Long Term Debt (224) _____ | F-6 | 244,724 | 244,724 |
| Accounts Payable (231) _____ | | 5,360 | 3,868 |
| Notes Payable (232) _____ | | | |
| Customer Deposits (235) _____ | | | |
| Accrued Taxes (236) _____ | | 13,433 | 14,013 |
| Other Liabilities (Specify): | | | |
| Miscellaneous Current and Accrued Liabilities _____ | | - | - |
| _____ | | | |
| _____ | | | |
| _____ | | | |
| Advances For Construction (252) _____ | | | |
| Contributions In Aid Of Construction - Net (271 - 272) _____ | F-8 | 309,848 | 332,586 |
| Total Liabilities and Capital _____ | | \$ 1,266,235 | \$ 1,311,687 |

GROSS UTILITY PLANT

| Plant Accounts: (101 - 107) Inclusive | Water | Sewer | Plant Other Than Reporting Systems | Total |
|--|------------|--------------|---|--------------|
| Utility Plant In Service (101) _____ | \$ 846,683 | \$ 1,778,911 | N/A | \$ 2,625,594 |
| Construction Work In Progress (105) _____ | | | | - |
| Other (Specify) Plant held for future use _____ | - | 46,675 | | 46,675 |
| | | | | - |
| Total Utility Plant _____ | \$ 846,683 | \$ 1,825,586 | N/A | \$ 2,672,269 |

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

| Account 108 | Water | Wastewater | Other Than Reporting Systems | Total |
|---|------------|------------|------------------------------------|--------------|
| Balance First Of Year _____ | \$ 571,291 | \$ 864,624 | N/A | \$ 1,435,915 |
| Add Credits During Year: | | | | |
| Accruals charged to depreciation account _____ | 27,850 | 81,810 | | 109,660 |
| Salvage _____ | | | | - |
| Other credits (specify) _____ | | | | - |
| | | | | - |
| Total credits _____ | 27,850 | 81,810 | | 109,660 |
| Deduct Debits During Year: | | | | |
| Book cost of plant retired _____ | - | - | | - |
| Cost of removal _____ | | | | - |
| Other debits (specify) _____ | | | | - |
| | | | | - |
| Total debits _____ | - | - | | - |
| Balance End of Year _____ | \$ 599,141 | \$ 946,434 | N/A | \$ 1,545,575 |

UTILITY NAME: RIVER RANCH WATER MANAGEMENT LLC

YEAR OF REPORT
December 31, 2012

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 _____ | \$ (153,398) | N/A |
| Charges during the year (specify): Current year loss _____ | (23,626) | - |
| Rounding _____ | - | |
| _____ | | |
| Balance end of year _____ | \$ (177,024) | |

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 | % | None | \$ 244,724 |
| _____ | % | | - |
| _____ | % | | - |
| _____ | % | | |
| Total _____ | | | \$ 244,724 |

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 | 221 | 129 | | 350 |
| Regulatory assessment fee | 6,038 | 7,394 | | 13,432 |
| Other (Specify): | | | | |
| Payroll Taxes | 1,976 | 1,976 | | 3,952 |
| | - | - | | |
| | | | | |
| | | | | |
| Total taxes accrued | \$ 8,235 | \$ 9,499 | | \$ 17,734 |

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 |
|-----------------------------------|--------------|-------------------|---------------------------------------|
| Applied Aquatic Management | \$ - | \$ 1,920 | Maintenance |
| CJNW | 6,171 | 6,171 | Accounting services |
| A&D Bleach | 16,440 | 7,093 | Chemicals |
| Tri-Florida | 3,686 | 50 | Testing |
| A-1 Quality | - | 3,180 | Sludge Removal |
| Harrison Waste Water Oper. | 33,360 | 41,734 | Chemicals, Sludge Removal, Operations |
| Severn Trent Avatar Utility Serv. | 852 | 852 | Billing |
| Ferguson Enterprises Inc | 2,884 | 2,884 | Construction and Maintenance |
| Universal Controls | 412 | 700 | Construction and Maintenance |
| Rose Sundstrom | 425 | 425 | Legal Services |
| C&W Equipment | 850 | 2,792 | Construction and Maintenance |
| | | | |
| | | | |
| | | | |

UTILITY NAME: RIVER RANCH WATER MANAGEMENT LLC

YEAR OF REPORT
December 31, 2012

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

| (a) | Water (b) | Wastewater (c) | TOTAL (d) |
|--|--------------|-------------------|--------------|
| 1. Balance first of year _____ | \$ 522,724 | \$ 661,614 | \$ 1,184,338 |
| 2. Add credits during year: | | | |
| | 1,107 | 1,964 | 3,071 |
| 3. Total _____ | 523,831 | 663,578 | 1,187,409 |
| 4. Deduct charges during year _____ | | | - |
| 5. Balance end of year _____ | 523,831 | 663,578 | 1,187,409 |
| 6. Less Accumulated Amortization _____ | (419,699) | (457,862) | (877,561) |
| 7. Net CIAC _____ | \$ 104,132 | \$ 205,716 | \$ 309,848 |

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 | | | |
| Water Connections | 1 | 1107 | | 1,107 | |
| Sewer Connections | 1 | 1964 | | | 1,964 |
| _____ | | | | | |
| _____ | | | | | |
| Total Credits During Year (Must agree with line # 2 above) _____ | | | | \$ 1,107 | \$ 1,964 |

ACCUMULATED AMORTIZATION OF CIAC

| | Water | Wastewater | Total |
|---|------------|------------|------------|
| Balance First of Year _____ | \$ 408,226 | \$ 443,526 | \$ 851,752 |
| Add Debits During Year: _____ | 11,473 | 14,336 | 25,809 |
| _____ | - | - | |
| Deduct Credits During Year: _____ | - | - | |
| Balance End of Year (Must agree with line #6 above) _____ | \$ 419,699 | \$ 457,862 | \$ 877,561 |

**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 | 55,531 | - | - | 55,531 |
| 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 | 35,134 | - | - | 35,134 |
| 320 | Water Treatment Equipment | 26,363 | - | - | 26,363 |
| 330 | Distribution Reservoirs and Standpipes | 125,148 | - | - | 125,148 |
| 331 | Transmission and Distribution Mains | 355,602 | - | - | 355,602 |
| 333 | Services | 76,818 | - | - | 76,818 |
| 334 | Meters and Meter Installations | 67,949 | - | - | 67,949 |
| 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 | \$ 846,683 | \$ - | \$ - | \$ 846,683 |

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 % | 18,242 | - | 1,982 | 20,224 |
| 305 | Collecting and Impounding Reservoirs | - | - % | - % | - | - | - | - |
| 306 | Lake, River and Other Intakes | - | - % | - % | - | - | - | - |
| 307 | Wells and Springs | 27 | - % | 3.70 % | 17,719 | - | 814 | 18,533 |
| 308 | Infiltration Galleries and Tunnels | - | - % | - % | - | - | - | - |
| 309 | Supply Mains | 32 | - % | 3.13 % | 9,652 | - | 921 | 10,573 |
| 310 | Power Generation Equipment | 17 | - % | 5.88 % | 8,170 | - | 860 | 9,030 |
| 311 | Pumping Equipment | 17 | - % | 5.88 % | 30,338 | - | 2,066 | 32,404 |
| 320 | Water Treatment Equipment | 17 | - % | 5.88 % | 19,896 | - | 1,550 | 21,446 |
| 330 | Distribution Reservoirs and Standpipes | 33 | - % | 3.03 % | 118,480 | - | 3,792 | 122,272 |
| 331 | Transmission and Distribution Mains | 38 | - % | 2.63 % | 243,007 | - | 9,352 | 252,359 |
| 333 | Services | 35 | - % | 2.86 % | 60,112 | - | 2,197 | 62,309 |
| 334 | Meters and Meter Installations | 20 | - % | 5.00 % | 23,030 | - | 3,397 | 26,427 |
| 335 | Hydrants | 40 | - % | 2.50 % | 21,500 | - | 919 | 22,419 |
| 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 | | | | \$ 571,291 | | \$ 27,850 | \$ 599,141 |

* This amount should tie to Sheet F-5

WATER OPERATION AND MAINTENANCE EXPENSE

| Acct. No. | Account Name | Amount |
|-----------|---|--------------|
| 601 | Salaries and Wages - Employees | \$ 20,742 |
| 603 | Salaries and Wages - Officers, Directors, and Majority Stockholders | |
| 604 | Employee Pensions and Benefits | 1,148 |
| 610 | Purchased Water | |
| 615 | Purchased Power | 10,068 |
| 616 | Fuel for Power Production | |
| 618 | Chemicals | 16,241 |
| 620 | Materials and Supplies | |
| 630 | Contractual Services: | |
| | Billing | 852 |
| | Operator and Management | 21,904 |
| | Testing | 3,636 |
| | Other | 6,596 |
| 640 | Rents | 533 |
| 650 | Transportation Expense | 4,058 |
| 655 | Insurance Expense | 1,274 |
| 665 | Regulatory Commission Expenses (Amortized Rate Case Expense) | |
| 670 | Bad Debt Expense | (25) |
| 675 | Miscellaneous Expenses | 20,548 |
| | Total Water Operation and Maintenance Expense | \$ 107,575 * |

* 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 | | 52 | 52 |
| 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 | | 3 | 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 | 727 | 727 | 727 |
| Other (Specify):Irrigation | | 1.0 | 486 | 486 | 486 |
| ** D = Displacement C = Compound T = Turbine | | | Total | 1,268 | 1,270 |

UTILITY NAME: RIVER RANCH WATER MANAGEMENT LLC
 SYSTEM NAME: River Ranch

YEAR OF REPORT
 December 31, 2012

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)(1) |
|----------------|--|---|--|--|--|
| January | - | 6,432 | - | 6,432 | - |
| February | - | 5,656 | - | 5,656 | - |
| March | - | 6,082 | - | 6,082 | - |
| April | - | 5,833 | - | 5,833 | - |
| May | - | 6,632 | - | 6,632 | - |
| June | - | 4,500 | - | 4,500 | - |
| July | - | 4,598 | - | 4,598 | - |
| August | - | 4,785 | - | 4,785 | - |
| September | - | 3,780 | - | 3,780 | - |
| October | - | 4,362 | - | 4,362 | - |
| November | - | 5,871 | - | 5,871 | - |
| December | - | 5,245 | - | 5,245 | - |
| Total for year | N/A | 63,777 | | 63,777 | 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: (1) 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 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

UTILITY NAME: RIVER RANCH WATER MANAGEMENT LLC
 SYSTEM NAME: River Ranch

YEAR OF REPORT
 December 31, 2012

**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) |
|--|----------|-------------|-------------|-----|
| MOTORS | | | | |
| Manufacturer _____ | Unknown | Unknown | Unknown | |
| Type _____ | Electric | Electric | Electric | |
| Rated Horsepower _____ | 15 | 20 | 25 | |
| PUMPS | | | | |
| Manufacturer _____ | Goulds | Worthington | Worthington | |
| Type _____ | Electric | Electric | Electric | |
| Capacity in GPM _____ | 259 | 581 | 727 | |
| Average Number of Hours Operated Per Day _____ | | | | |
| Auxiliary Power _____ | | | | |

UTILITY NAME: RIVER RANCH WATER MANAGEMENT LLC

| |
|--|
| YEAR OF REPORT December 31, 2012 |
|--|

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 | _____ | _____ |

**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 | 287,095 | - | - | 287,095 |
| 355 | Power Generation Equipment | - | - | - | - |
| 360 | Collection Sewers - Force | 82,701 | - | - | 82,701 |
| 361 | Collection Sewers - Gravity | 503,608 | - | - | 503,608 |
| 362 | Special Collecting Structures | - | - | - | - |
| 363 | Services to Customers | 4,471 | - | - | 4,471 |
| 364 | Flow Measuring Devices | 3,729 | - | - | 3,729 |
| 365 | Flow Measuring Installations | - | - | - | - |
| 370 | Receiving Wells | 157,196 | - | - | 157,196 |
| 371 | Pumping Equipment | 33,022 | - | - | 33,022 |
| 380 | Treatment and Disposal Equipment | 410,987 | 4,053 | - | 415,040 |
| 381 | Plant Sewers | - | - | - | - |
| 382 | Outfall Sewer Lines | - | - | - | - |
| 389 | Other Plant and Miscellaneous Equipment | 290,404 | - | - | 290,404 |
| 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 | \$ 1,774,858 | \$ 4,053 | \$ - | \$ 1,778,911 |

* 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 % | 79,223 | - | 10,623 | 89,846 |
| 355 | Power Generation Equipment | - | - % | % | - | - | - | - |
| 360 | Collection Sewers - Force | 27 | - % | 3.70 % | 70,516 | - | 3,060 | 73,576 |
| 361 | Collection Sewers - Gravity | 40 | - % | 2.50 % | 310,660 | - | 12,590 | 323,250 |
| 362 | Special Collecting | | | | | | | |
| | Structures (Lift Stations) | - | - % | % | - | - | - | - |
| 363 | Services to Customers | 35 | - % | 2.90 % | 3,096 | - | 128 | 3,224 |
| 364 | Flow Measuring Devices | 5 | - % | 20.00 % | 3,729 | - | - | 3,729 |
| 365 | Flow Measuring Installations | - | - % | % | - | - | - | - |
| 370 | Receiving Wells (Lift Stations) | 25 | - % | 4.00 % | 74,384 | - | 6,288 | 80,672 |
| 371 | Pumping Equipment | - | - % | % | 11,181 | - | 2,203 | 13,384 |
| 380 | Treatment and Disposal Equipment | 15 | - % | 6.70 % | 204,699 | - | 27,548 | 232,247 |
| 381 | Plant Sewers | - | - % | % | - | - | - | - |
| 382 | Outfall Sewer Lines | - | - % | % | - | - | - | - |
| 389 | Other Plant and Miscellaneous Equipment | 15 | - % | 6.70 % | 105,991 | - | 19,370 | 125,361 |
| 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 | | | | 864,624 | | 81,810 | 946,434 |

* This amount should tie to Sheet F-5

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

| Acct. No. | Account Name | Amount |
|-----------|---|--------------|
| 701 | Salaries and Wages - Employees _____ | \$ 20,742 |
| 703 | Salaries and Wages - Officers, Directors, and Majority Stockholders _____ | |
| 704 | Employee Pensions and Benefits _____ | 1,148 |
| 710 | Purchased Wastewater Treatment _____ | |
| 711 | Sludge Removal Expense _____ | 3,180 |
| 715 | Purchased Power _____ | 20,062 |
| 716 | Fule for Power Production _____ | |
| 718 | Chemicals _____ | 7,058 |
| 720 | Materials and Supplies _____ | 17,790 |
| 730 | Contractual Services: | |
| | Operator and Management _____ | 31,186 |
| | Testing _____ | |
| | Other _____ | 7,448 |
| 740 | Rents _____ | 587 |
| 750 | Transportation Expense _____ | 2,697 |
| 755 | Insurance Expense _____ | 1,274 |
| 765 | Regulatory Commission Expenses (Amortized Rate Case Expense) _____ | |
| 770 | Bad Debt Expense _____ | (25) |
| 775 | Miscellaneous Expenses _____ | 353 |
| | Total Wastewater Operation and Maintenance Expense _____ | \$ 113,500 * |

* 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 | | 52 | 78 |
| 1" | D | 2.5 | | | |
| 1 1/2" | D,T | 5.0 | | | |
| General Service | | | | | |
| 5/8" | D | 1.0 | | | |
| 3/4" | D | 1.5 | | 3 | 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 | 727 | 727 | 727 |
| Other (Specify): | | | | | |
| ** D = Displacement C = Compound T = Turbine | | | Total | 727 | 782 |
| | | | | | 810 |

PUMPING EQUIPMENT

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

SERVICE CONNECTIONS

| | | | | | | | |
|---|---------|-------|-------|-------|-------|-------|-------|
| Size (inches) _____ | 6" | 8" | _____ | _____ | _____ | _____ | _____ |
| Type (PVC, VCP, etc) _____ | PVC/VCP | PVC | _____ | _____ | _____ | _____ | _____ |
| Average length _____ | 100 | 100 | _____ | _____ | _____ | _____ | _____ |
| Number of active service connections _____ | 8 | 744 | _____ | _____ | _____ | _____ | _____ |
| Beginning of year _____ | 8 | 744 | _____ | _____ | _____ | _____ | _____ |
| Added during year _____ | | 0 | _____ | _____ | _____ | _____ | _____ |
| Retired during year _____ | | | _____ | _____ | _____ | _____ | _____ |
| End of year _____ | 8 | 744 | _____ | _____ | _____ | _____ | _____ |
| Give full particulars concerning inactive connections _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |

COLLECTING AND FORCE MAINS AND MANHOLES

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

MANHOLES:

| | | | | |
|---------------------------|------|-------|-------|-------|
| Size _____ | 4' | _____ | _____ | _____ |
| Type _____ | CONC | _____ | _____ | _____ |
| Number: | | | | |
| Beginning of year _____ | 43 | _____ | _____ | _____ |
| Added during year _____ | | _____ | _____ | _____ |
| Retired during year _____ | | _____ | _____ | _____ |
| End of year _____ | 43 | _____ | _____ | _____ |

TREATMENT PLANT

| | | | |
|--|---------------|-------|-------|
| Manufacturer_____ | Davco | _____ | _____ |
| Type_____ | Active Sludge | _____ | _____ |
| "Steel" or "Concrete"_____ | Steel | _____ | _____ |
| Total Capacity_____ | 95,000 GPD | _____ | _____ |
| Average Daily Flow_____ | 60,775 | _____ | _____ |
| Effluent Disposal_____ | Pond | _____ | _____ |
| Total Gallons of Wastewater Treated_____ | 22,183,000 | _____ | _____ |

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_____ | 1,903,000 | None | 1,903,000 |
| February_____ | 1,673,000 | _____ | 1,673,000 |
| March_____ | 2,296,000 | _____ | 2,296,000 |
| April_____ | 1,208,000 | _____ | 1,208,000 |
| May_____ | 1,208,000 | _____ | 1,208,000 |
| June_____ | 2,009,000 | _____ | 2,009,000 |
| July_____ | 1,343,000 | _____ | 1,343,000 |
| August_____ | 2,349,000 | _____ | 2,349,000 |
| September_____ | 2,657,000 | _____ | 2,657,000 |
| October_____ | 1,904,000 | _____ | 1,904,000 |
| November_____ | 1,749,000 | _____ | 1,749,000 |
| December_____ | 1,884,000 | _____ | 1,884,000 |
| Total for year_____ | 22,183,000 | _____ | 22,183,000 |

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. | <u>809.5</u> |
| 2. Maximum number of ERC's * which can be served. | <u>849</u> |
| 3. Present system connection capacity (in ERC's *) using existing lines. | <u>849</u> |
| 4. Future system connection capacity (in ERC's *) upon service area buildout. | <u>849</u> |
| 5. Estimated annual increase in ERC's * . | <u>Approximately 3</u> |
| 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. None | <u></u> |
| 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? | <u>No</u> |
| <u>N/A</u> | |
| 9. Has the utility been required by the DEP or water management district to implement reuse? | <u>N/A</u> |
| If so, what are the utility's plans to comply with the DEP? | <u>N/A</u> |
| 10. When did the company last file a capacity analysis report with the DEP? | <u>N/A</u> |
| 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? | <u>N/A</u> |
| c. When will con | <u>N/A</u> |
| d. Attach plans for funding the required upgrading. | <u>N/A</u> |
| e. Is this system under any Consent Order of the DEP? | <u>N/A</u> |
| 11. Department of Environmental Protection ID # | <u>FLA011032</u> |

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. (X) | 2. (X) | 3. (X) | 4. (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 Carlstedt, Jackson, Nixon & Wilson, CPA's to conform the books and records to NARUC Accounts. This work is expected to be completed in 2008.

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

Company: RIVER RANCH WATER MANAGEMENT LLC

For the Year Ended December 31, 2012

| (a) | (b) | (c) | (d) |
|--|-----------------------------------|-------------------------------------|----------------------|
| Accounts | Gross Water Revenues per Sch. F-3 | Gross Water Revenues per RAF Return | Difference (b) - (c) |
| Gross Revenue: | | | |
| Residential | \$ 9,304 | 9,050 | \$ 254 |
| Commercial | 14,170 | 14,170 | - |
| Industrial | - | - | - |
| Multiple Family | 103,175 | 103,175 | - |
| Guaranteed Revenues | - | - | - |
| Other (Irrigation) | 7,792 | 7,792 | - |
| Total Water Operating Revenue | \$ 134,441 | \$ 134,187 | \$ 254 |
| LESS: Expense for Purchased Water from FPSC-Regulated Utility | - | - | - |
| Net Water Operating Revenues | \$ 134,441 | \$ 134,187 | \$ 254 |

Explanations:

Amended RAF Return to be filed.

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, 2012

| (a) | (b) | (c) | (d) |
|---|--|--|-------------------------|
| Accounts | Gross Wastewater Revenues per Sch. F-3 | Gross Wastewater Revenues per RAF Return | Difference (b) - (c) |
| Gross Revenue: | | | |
| Residential | 10,079 | \$ 9,804 | \$ 275 |
| Commercial | 14,830 | 14,830 | 0 |
| Industrial | - | - | - |
| Multiple Family | 139,684 | 139,684 | 0 |
| Guaranteed Revenues | - | - | - |
| Other | - | - | - |
| Total Wastewater Operating Revenue | \$ 164,593 | \$ 164,318 | \$ 275 |
| LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility | - | - | - |
| Net Wastewater Operating Revenues | \$ 164,593 | \$ 164,318 | \$ 275 |

Explanations:

Amended RAF return to be filed.

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).