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CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS863-05-AR

Breeze Hill Utility
P.O. Box 1408
Lake Wales, FL 33859-1408

Exact Legal Name of Respondent

WS863-05-AR

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

2005

YEAR ENDED DECEMBER 31, _____

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FINANCIAL

SECTION

REPORT OF

Cal Clair, Inc. d/b/a Breeze hill Utility

(EXACT NAME OF UTILITY)

P.O. Box 1408 Lake Wales, Florida 33859-1408	3698 Breeze Way Lake Wales, Florida 33898	Polk
Mailing Address	Street Address	County

Telephone Number 863-696-1666 Date Utility First Organized 1976

Fax Number 863-696-2680 E-mail Address paulbieber@direcway.com

Sunshine State One-Call of Florida, Inc. Member No. _____

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: Paul Bieber, 3698 Breeze Way, Lake Wales, FI 33898
863-696-1666

Name of subdivisions where services are provided: N/A

CONTACTS

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>Paul Bieber</u>	<u>Manager</u>	<u>3698 Breeze Way Lake Wales, FI 33898</u>	
Person who prepared this report: <u>Thomas E. Kohl, CPAs'</u>	<u>Certified Public Accountant</u>	<u>29 State Road 60 West Lake Wales, FI 33853-4117</u>	<u>Contract services</u>
Officers and Managers: <u>Paul Bieber</u>	<u>Manager</u>	<u>3698 Breeze Way Lake Wales, FI 33898</u>	<u>Contract services</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	Principal Business Address	Salary Charged Utility
<u>Calvin C. Blake</u>	<u>100%</u>	<u>3698 Breeze Way Lake Wales, FI 33898</u>	<u>\$ \$0.00</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ 31,152	\$ 32,454	\$ _____	\$ 63,606
Commercial -----		449	454	_____	903
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues -----		_____	_____	_____	_____
Other (Specify) -----		_____	_____	_____	_____
Sale to Irrigation Customer		200	_____	_____	200
Installation Fee		790	600	_____	1,390
Reconnect Fee		210	_____	_____	210
Total Gross Revenue -----		\$ 32,801	\$ 33,508	\$ _____	\$ 66,309
Operation Expense (Must tie to pages W-3 and S-3)					
Depreciation Expense -----	W-3 S-3	\$ 27,224	\$ 41,811	\$ _____	\$ 69,035
CIAC Amortization Expense -----	F-5	3,419	3,914	_____	7,333
Taxes Other Than Income -----	F-8	-2,944	-5,393	_____	-8,337
Income Taxes -----	F-7	1,575	2,313	_____	3,888
Total Operating Expense -----	F-7	0	0	_____	0
Total Operating Expense -----		\$ 29,274	42,645	_____	\$ 71,919
Net Operating Income (Loss) -----		\$ 3,527	\$ -9,137	\$ _____	\$ -5,610
Other Income:					
Nonutility Income -----		\$ 287	\$ _____	\$ _____	\$ 287
-----		_____	_____	_____	_____
-----		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses -----		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense -----		6,417	6,416	_____	12,833
Disposition of Assets -----		2,915	966	_____	3,881
Other Amortization -----		1,909	1,909	_____	3,818
-----		_____	_____	_____	_____
Net Income (Loss) -----		\$ -7,427	\$ -18,428	\$ _____	\$ -25,855

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT	
DECEMBER 31,	2005

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ <u>392327</u>	\$ <u>401517</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>-294092</u>	<u>-294313</u>
Net Utility Plant _____		\$ <u>98235</u>	\$ <u>107204</u>
Cash _____		<u>1252</u>	<u>813</u>
Customer Accounts Receivable (141) _____		<u>3762</u>	<u>4397</u>
Other Assets (Specify): _____			
Utility Deposits _____		<u>400</u>	<u>400</u>
Utility Plant Acquisition Adjustment(net) _____		<u>82828</u>	<u>89547</u>
Loan Costs (net of amortization) _____		<u>0</u>	<u>282</u>
Total Assets _____		\$ <u>186477</u>	\$ <u>202643</u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	<u>67</u>	<u>67</u>
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____			
Retained Earnings (215) _____	F-6	<u>-32950</u>	<u>-7095</u>
Proprietary Capital (Proprietary and Partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>-32883</u>	\$ <u>-7028</u>
Long Term Debt (224) _____	F-6	\$ _____	\$ <u>118358</u>
Accounts Payable (231) _____		<u>349</u>	<u>7194</u>
Notes Payable (232) _____		<u>208472</u>	<u>75555</u>
Customer Deposits (235) _____			
Accrued Taxes (236) _____		<u>3418</u>	<u>227</u>
Other Liabilities (Specify) _____			
Deferred Hurricane Insurance Proceeds _____		<u>923</u>	
Accrued Interest _____		<u>6198</u>	
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8		<u>8337</u>
Total Liabilities and Capital _____		\$ <u>186477</u>	\$ <u>202643</u>

UTILITY NAME Breeze Hill Utility

YEAR OF REPORT	
DECEMBER 31,	2005

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other than Reporting Systems	Total
Utility Plant in Service (101)	\$ <u>122722</u>	\$ <u>269605</u>	\$ _____	\$ <u>392327</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>122722</u>	\$ <u>269605</u>	\$ _____	\$ <u>392327</u>

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

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year _____	\$ <u>70776</u>	\$ <u>223537</u>	\$ _____	\$ <u>294313</u>
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ <u>3419</u>	\$ <u>3914</u>	\$ _____	\$ <u>7333</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
correct prior year end balance	<u>330</u>	<u>333</u>	_____	<u>663</u>
Total Credits _____	\$ <u>3749</u>	\$ <u>4247</u>	\$ _____	\$ <u>7996</u>
Deduct Debits During Year:				
Book cost of plant retired _____	\$ <u>6256</u>	\$ <u>544</u>	\$ _____	\$ <u>6800</u>
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
correct prior year end balance	<u>980</u>	<u>437</u>	_____	<u>1417</u>
Total Debits _____	\$ <u>7236</u>	\$ <u>981</u>	\$ _____	\$ <u>8217</u>
Balance End of Year _____	\$ <u>67289</u>	\$ <u>226803</u>	\$ _____	\$ <u>294092</u>

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	N/A
Shares authorized _____	100	_____
Shares issued and outstanding _____	67	_____
Total par value of stock issued _____	67	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ N/A	\$ -7095
Changes during the year (Specify):		
Net Loss _____	_____	-25855
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ -32950

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify):		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

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

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

TAX EXPENSE

(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 _____	_____	106	_____	106
Regulatory assessment fee _____	1476	1508	_____	2984
Other (Specify) _____	_____	_____	_____	_____
Licenses _____	99	699	_____	798
Total Tax Expense _____	\$ _____ 1575	\$ _____ 2313	\$ _____	\$ _____ 3888

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside 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
Paul Bieber	\$ 2685	\$ 2685	Accounting/Billing
Cheryl M Martin CPA	\$ 4280	\$ 4280	Accounting/Billing
Kohl & Company CPAs	\$ 945	\$ 945	Accounting
Walter Messer	\$ 1003	\$ 1440	Testing
Walter Messer	3694	3254	Operations
David Dailey	\$ 864	\$ 864	Maintenance
Charles McKee	\$ 155	\$ 365	Maintenance
Barb McClain	\$ 368	\$ 508	Maintenance
Estes Electric	\$ 534	\$ 37	Maintenance
LaGro Systems, Inc.	\$ 845	\$ 640	Maintenance
A&D Water	\$ 86	\$ 553	Maintenance
B.R.I.A.N. Inc	\$ 0	\$ 3000	Maintenance
W.A. Read	\$ 0	\$ 2150	Engineering
Consta Flow, Inc.	\$ 0	\$ 1287	Maintenance

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 32023	\$ 118503	\$ 150526
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	32023	118503	150526
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	32023	118503	150526
6) Less Accumulated Amortization _____	-32023	-118503	-150526
7) Net CIAC _____	\$ 0	\$ 0	\$ 0

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 _____		\$ _____	\$ _____
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.) _____		\$ _____	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ -29432	\$ -112757	\$ -142189
Add Debits During Year: _____	-2944	-5393	-8337
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ -32376	\$ -118150	\$ -150526

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

UTILITY NAME Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

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	\$ <u>N/A</u>	<u>N/A</u> %	<u>N/A</u> %	<u>N/A</u> %
Preferred Stock	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Long Term Debt	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Customer Deposits	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Tax Credits - Zero Cost	<u> </u>	<u> </u> %	<u>0.00</u> %	<u> </u> %
Tax Credits - Weighted Cost	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Deferred Income Taxes	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Other (Explain)	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Total	\$ <u><u>N/A</u></u>	<u><u>N/A</u></u> %		<u><u>N/A</u></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:	<u> </u> <u>N/A</u> %
Commission Order Number approving AFUDC rate:	<u> </u> <u>N/A</u>

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

UTILITY NAME Breeze Hill Utility

YEAR OF REPORT
DECEMBER 31, 2005

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted	_____	_____	_____	_____	_____
Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>

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

N/A

**WATER
OPERATING
SECTION**

UTILITY NAME:

Breeze Hill Utility

YEAR OF REPORT	
DECEMBER 31,	2005

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises_____	_____	_____	_____	_____
303	Land and Land Rights_____	2997	_____	_____	2997
304	Structures and Improvements_____	5226	_____	_____	5226
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	2918	_____	_____	2918
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	891	_____	587	304
310	Power Generation Equipment_____	1805	_____	635	1170
311	Pumping Equipment_____	9735	_____	309	9426
320	Water Treatment Equipment_____	4594	_____	4374	220
330	Distribution Reservoirs and Standpipes_____	29159	_____	_____	29159
331	Transmission and Distribution Lines_____	31433	_____	_____	31433
333	Services_____	12579	_____	_____	12579
334	Meters and Meter Installations_____	21081	1077	_____	22158
335	Hydrants_____	4619	_____	_____	4619
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	2984	_____	2899	85
340	Office Furniture and Equipment_____	324	_____	212	112
341	Transportation Equipment_____	110	_____	_____	110
342	Stores Equipment_____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment_____	154	206	154	206
344	Laboratory Equipment_____	_____	_____	_____	_____
345	Power Operated Equipment_____	_____	_____	_____	_____
346	Communication Equipment_____	_____	_____	_____	_____
347	Miscellaneous Equipment_____	_____	_____	_____	_____
348	Other Tangible Plant_____	_____	_____	_____	_____
	Total Water Plant_____	\$ 130609	\$ 1283	\$ 9170	\$ 122722

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT	
DECEMBER 31,	2005

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	28	0 %	3.57 %	\$ 1541		\$ 64	\$ 1605
305	Collecting and Impounding Reservoirs		%	%				0
306	Lake, River and Other Intakes		%	%				0
307	Wells and Springs	27	0 %	3.7 %	2806		108	2914
308	Infiltration Galleries & Tunnels		%	%				0
309	Supply Mains	32	0 %	3.12 %	288	215	28	101
310	Power Generating Equipment	17	0 %	5.88 %	311	298	169	182
311	Pumping Equipment	15	0 %	6.67 %	10694	1268		9426
320	Water Treatment Equipment	17	0 %	5.88 %	4594	4374		220
330	Distribution Reservoirs & Standpipes	33	0 %	3.03 %	11512		333	11845
331	Trans. & Dist. Mains	38	0 %	2.63 %	21233		827	22060
333	Services	35	0 %	2.85 %	8944		359	9303
334	Meter & Meter Installations	17	0 %	5.88 %	5580		1268	6848
335	Hydrants	40	0 %	2.5 %	2496		90	2586
336	Backflow Prevention Devices		%	%				0
339	Other Plant and Miscellaneous Equipment	20	0 %	5 %	816	950	145	11
340	Office Furniture and Equipment	15	0 %	6.67 %	137	76	5	66
341	Transportation Equipment	6	0 %	16.67 %	-220		330	110
342	Stores Equipment		%	%				0
343	Tools, Shop and Garage Equipment	15	0 %	6.67 %	44	54	22	12
344	Laboratory Equipment		%	%				0
345	Power Operated Equipment		%	%				0
346	Communication Equipment		%	%				0
347	Miscellaneous Equipment		%	%				0
348	Other Tangible Plant		%	%				0
	Totals				\$ 70776	\$ 7235	\$ 3748	\$ 67289 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT
DECEMBER 31, 2005

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
604	Employee Pensions and Benefits	_____
610	Purchased Water	_____
615	Purchased Power	_____
616	Fuel for Power Production	2374
618	Chemicals	_____
620	Materials and Supplies	360
630	Contractual Services:	3066
	Billing	_____
	Professional	3461
	Testing	4407
	Other	1003
640	Rents	6930
650	Transportation Expense	1721
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	3311
670	Bad Debt Expense	_____
675	Miscellaneous Expenses	591
Total Water Operation And Maintenance Expense		\$ 27224 *

* 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	118	121	121
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	2.5
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	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
Total			119	122	123.5

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

SYSTEM NAME: _____

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_____	N/A	418,000	N/A	418,000	418,000
February_____	N/A	486,000	N/A	486,000	486,000
March_____	N/A	470,000	N/A	470,000	470,000
April_____	N/A	450,000	N/A	450,000	450,000
May_____	N/A	298,000	N/A	298,000	298,000
June_____	N/A	281,000	N/A	281,000	281,000
July_____	N/A	336,000	N/A	336,000	336,000
August_____	N/A	158,000	N/A	158,000	158,000
September_____	N/A	318,000	N/A	318,000	318,000
October_____	N/A	293,000	N/A	293,000	293,000
November_____	N/A	404,000	N/A	404,000	404,000
December_____	N/A	370,000	N/A	370,000	370,000
Total for Year_____	N/A	4,282,000	N/A	4,282,000	4,282,000

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:

N/A

MAINS (FEET)

Kind of Pipe <small>(PVC, Cast Iron, Coated Steel, etc.)</small>	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6"	5000 ft	0	0	5000 ft
PVC	4"	200 ft	0	0	200 ft
PVC	2"	200ft	0	0	200ft
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1976</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Types of Well Construction and Casing _____	<u>Black Iron</u>	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	<u>Unknown</u>	_____	_____	_____
Diameters of Wells _____	<u>6"</u>	_____	_____	_____
Pump - GPM _____	<u>150</u>	_____	_____	_____
Motor - HP _____	<u>10</u>	_____	_____	_____
Motor Type * _____	<u>US</u>	_____	_____	_____
Yields of Wells in GPD _____	<u>144</u>	_____	_____	_____
Auxiliary Power _____	<u>N/A</u>	_____	_____	_____

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Capacity of Tank _____	_____	_____	_____	_____
Ground or Elevated _____	_____	_____	_____	_____

HIGH SERVICE PUMPING

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

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day ___ Type of Source _____	<u>100,000</u> <u>Well</u>	<u>N/A</u> <u>_____</u>	<u>N/A</u> <u>_____</u>

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	_____	N/A	N/A
Make _____	_____	_____	_____
Permitted Capacity (GPD) ___	100,000	_____	_____
High service pumping	_____	_____	_____
Gallons per minute _____	150	_____	_____
Reverse Osmosis _____	N/A	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating _____	N/A	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft. _____	60 lb	_____	_____
Gravity GPD/Sq.Ft. _____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator _____	Chlorine	_____	_____
Ozone _____	_____	_____	_____
Other _____	_____	_____	_____
Auxiliary Power _____	N/A	_____	_____

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT
DECEMBER 31, 2005

SYSTEM NAME: _____

GENERAL WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve. 833
2. Maximum number of RECs * which can be served. 833
3. Present system connection capacity (in ERCs *) using existing lines. 124
4. Future connection capacity (in ERCs *) upon service area buildout. 712
5. Estimated annual increase in ERCs *. 3
6. Is the utility required to have fire flow capacity? No
If so, how much capacity is required? _____
7. Attach a description of the fire fighting facilities. N/A
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
N/A

9. When did the company last file a capacity analysis report with the DEP? N/A
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? N/A
 - c. When will construction begin? N/A
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? N/A
11. Department of Environmental Protection ID # FLA 011034-001-DW3P
12. Water Management District Consumptive Use Permit # 53-00172-W
 - a. Is the system in compliance with the requirements of the CUP? YES
 - b. If not, what are the utility's plans to gain compliance? _____

* 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 SFR customers for the same period and 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**

UTILITY NAME:

Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$	\$	\$	\$
352	Franchises				
353	Land and Land Rights	18519			18519
354	Structures and Improvements	1217			1217
355	Power Generation Equipment				0
360	Collection Sewers - Force	19843		595	19248
361	Collection Sewers - Gravity	98060			98060
362	Special Collecting Structures				0
363	Services to Customers	15170			15170
364	Flow Measuring Devices				0
365	Flow Measuring Installations	68			68
370	Receiving Wells	17577			17577
371	Pumping Equipment	1464		199	1265
380	Treatment and Disposal Equipment	96097			96097
381	Plant Sewers				0
382	Outfall Sewer Lines	336			336
389	Other Plant and Miscellaneous Equipment	548		98	450
390	Office Furniture and Equipment	325		213	112
391	Transportation Equipment	110			110
392	Stores Equipment				0
393	Tools, Shop and Garage Equipment	154	206	154	206
394	Laboratory Equipment				0
395	Power Operated Equipment	1420		250	1170
396	Communication Equipment				0
397	Miscellaneous Equipment				0
398	Other Tangible Plant				0
	Total Wastewater Plant	\$ 270908	\$ 206	\$ 1509	\$ 269605 *

* This amount should tie to sheet F-5.

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT
DECEMBER 31, 2005

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

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)
354	Structures and Improvements	27	0 %	3.7 %	\$ 338		\$ 45	\$ 383
355	Power Generation Equipment							0
360	Collection Sewers - Force	27	0 %	3.7 %	15616	143	667	16140
361	Collection Sewers - Gravity	40	0 %	2.5 %	81638		2452	84090
362	Special Collecting Structures							0
363	Services to Customers	35	0 %	2.9 %	10863		433	11296
364	Flow Measuring Devices							0
365	Flow Measuring Installations	35	0 %	2.8 %	9		2	11
370	Receiving Wells	25	0 %	4 %	17994	417		17577
371	Pumping Equipment	18	0 %	5.56 %	362	57	81	386
380	Treatment and Disposal Equipment	15	0 %	6.67 %	96097			96097
381	Plant Sewers							0
382	Outfall Sewer Lines	30	0 %	3.33 %	295		11	306
389	Other Plant and Miscellaneous Equipment	15	0 %	6.67 %	166	34	37	169
390	Office Furniture and Equipment	15	0 %	6.67 %	137	92	22	67
391	Transportation Equipment	6	0 %	16.67 %	-220		330	110
392	Stores Equipment							0
393	Tools, Shop and Garage Equipment	15	0 %	6.67 %	44	54	22	12
394	Laboratory Equipment							0
395	Power Operated Equipment	10	0 %	10 %	198	181	142	159
396	Communication Equipment							0
397	Miscellaneous Equipment							0
398	Other Tangible Plant							0
	Totals				\$ 223537	\$ 978	\$ 4244	\$ 226803 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
704	Employee Pensions and Benefits	_____
710	Purchased Wastewater Treatment	_____
711	Sludge Removal Expense	1260
715	Purchased Power	5679
716	Fuel for Power Production	_____
718	Chemicals	1606
720	Materials and Supplies	4919
730	Contractual Services:	
	Billing	3267
	Professional	6557
	Testing	1490
	Other	11458
740	Rents	1721
750	Transportation Expense	_____
755	Insurance Expense	3311
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	_____
775	Miscellaneous Expenses	543
	Total Wastewater Operation And Maintenance Expense	\$ <u>41811</u> *

* 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					
All meter sizes	D	1.0	118	121	121
General Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	1	1	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	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
Total			119	122	123.5

** D = Displacement
C = Compound
T = Turbine

revised as of 3-31-06

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT
DECEMBER 31, 2005

PUMPING EQUIPMENT

Lift Station Number _____	<u>2</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Make or Type and nameplate data on pump _____	<u>2</u>	_____	_____	_____	_____	_____
Year installed _____	<u>1999</u>	_____	_____	_____	_____	_____
Rated capacity _____	<u>80GPM</u>	_____	_____	_____	_____	_____
Size _____	<u>3"</u>	_____	_____	_____	_____	_____
Power:						
Electric _____	<u>230V</u>	_____	_____	_____	_____	_____
Mechanical _____	<u>546</u>	_____	_____	_____	_____	_____
Nameplate data of motor _____	<u>Teel</u>	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	<u>4"</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Type (PVC, VCP, etc.) _____	<u>PVC</u>	_____	_____	_____	_____	_____
Average length _____	<u>30ft</u>	_____	_____	_____	_____	_____
Number of active service connections _____	<u>121</u>	_____	_____	_____	_____	_____
Beginning of year _____	<u>121</u>	_____	_____	_____	_____	_____
Added during year _____	<u>3</u>	_____	_____	_____	_____	_____
Retired during year _____	<u>0</u>	_____	_____	_____	_____	_____
End of year _____	<u>124</u>	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	<u>N/A</u>	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches) _____	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Type of main _____	_____	_____	_____	_____	_____	_____	_____	_____
Length of main (nearest foot) _____	_____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	_____	_____	_____	_____

MANHOLES

Size (inches) _____	<u>48</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Type of Manhole _____	<u>concrete</u>	_____	_____	_____
Number of Manholes:				
Beginning of year _____	<u>20</u>	_____	_____	_____
Added during year _____	<u>0</u>	_____	_____	_____
Retired during year _____	<u>0</u>	_____	_____	_____
End of Year _____	<u>20</u>	_____	_____	_____

UTILITY NAME: Breeze Hill Utility

SYSTEM NAME: _____

YEAR OF REPORT DECEMBER 31, 2005

TREATMENT PLANT

Manufacturer _____	Unknown	N/A	N/A
Type _____	Ex Aeration	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Permitted Capacity _____	40,000	_____	_____
Average Daily Flow _____	14,000	_____	_____
Method of Effluent Disposal _____	Percolation Ponds	_____	_____
Permitted Capacity of Disposal _____	40,000 per day	_____	_____
Total Gallons of Wastewater treated _____	370,000	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	Teel	2	_____	_____	_____	_____
Capacity (GPM's) _____	80	2	_____	_____	_____	_____
Motor:						
Manufacturer _____	Teel	2	_____	_____	_____	_____
Horsepower _____	1 hp	2	_____	_____	_____	_____
Power (Electric or Mechanical) _____	230 v electric	2	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	20,000	N/A	20,000
February _____	24,000	N/A	24,000
March _____	29,000	N/A	29,000
April _____	14,000	N/A	14,000
May _____	19,000	N/A	19,000
June _____	45,000	N/A	45,000
July _____	45,000	N/A	45,000
August _____	61,000	N/A	61,000
September _____	34,000	N/A	34,000
October _____	31,000	N/A	31,000
November _____	27,000	N/A	27,000
December _____	21,000	N/A	21,000
Total for year _____	370,000	N/A	370,000

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT DECEMBER 31, 2005

SYSTEM NAME: _____

GENERAL WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs* now being served. 124
2. Maximum number of ERCs* which can be served. 325
3. Present system connection capacity (in ERCs*) using existing lines. 325
4. Future connection capacity (in ERCs*) upon service area buildout. 204
5. Estimated annual increase in ERCs*. 3

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
 N/A

7. If the utility uses reuse as a means of effluent disposal, provide 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

If so, when? _____

9. Has the utility been required by the DEP or water management district to implement reuse? No

If so, what are the utility's plans to comply with this requirement? N/A

10. When did the company last file a capacity analysis report with the DEP? October-01

11. 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? N/A
- c. When will construction begin? N/A
- d. Attach plans for funding the required upgrading.
- e. Is this system under any Consent Order with DEP? N/A

12. Department of Environmental Protection ID # FLA 0111034-001-DW3P

* 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 SFR customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available use:
ERC = (Total SFR gallons sold (omit 000)/365 days/280 gallons per day).

UTILITY NAME: Breeze Hill Utility

YEAR OF REPORT
DECEMBER 31, 2005

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.	2.	3.	4.	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u><i>Cal Blabe</i></u> *

(signature of Chief Executive Officer of the utility)

Date: 3-17-06

1.	2.	3.	4.	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u><i>James C. Armstrong CPA</i></u> *

(signature of Chief Financial Officer of the utility)

Date: 3-15-06

* 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.

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

Company: **BREEZE HILL UTILITY**
For the Year Ended December 31, 2005

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 31152	\$ 31152	\$ —
Commercial	449	449	—
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	1200	1200	—
Total Water Operating Revenue	\$ 32801	\$ 32801	\$ —
LESS: Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenues	\$ 32801	\$ 32801	\$ —

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: BREEZE HILL UTILITY
For the Year Ended December 31, 2005

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. F-3	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 32454	\$ 32454	\$ —
Commercial	454	454	—
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	600	600	—
Total Wastewater Operating Revenue	\$ 33508	\$ 33508	\$ —
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility			
Net Wastewater Operating Revenues	\$ 33508	\$ 33508	\$ —

Explanations:

Instructions:

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