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CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS891-05-AR

MSM Utilities, LLC
9696 Bonita Beach Road
Suite 210
Bonita Springs, FL 34135

611-W, 527-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

received
Division of
Economic Regulation
MAR 22 2006

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

TABLE OF CONTENTS

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

FINANCIAL SECTION

REPORT OF

MSM UTILITIES, LLC

(EXACT NAME OF UTILITY)

9696 Bonita Beach Road, Suite 210 Bonita Springs, FL 34135	9696 Bonita Beach Road, Suite 210 Bonita Springs, FL 34135	Charlotte
Mailing Address	Street Address	County

Telephone Number (239) 444-1444 Date Utility First Organized 1982

Fax Number (239) 444-1445 E-mail Address ben@maltesedev.com

Sunshine State One-Call of Florida, Inc. Member No. N/A

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

- Individual
 Sub Chapter S Corporation
 1120 Corporation
 Partnership (LLC)

Name, Address and Phone where records are located: As above

Name of subdivisions where services are provided: The Oaks at Rivers Edge

CONTACTS

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>Ben J. Maltese</u>	<u>Manager</u>	<u>9696 Bonita Bch Rd, #210 Bonita Springs, FL 34135</u>	
Person who prepared this report: <u>F. Seidman, M&R Consultants, Inc.</u>	<u>Consultant</u>	<u>P.O. Box 13427 Tallahassee, FL 32317</u>	-0-
Officers and Managers: <u>Ben J. Maltese</u>	<u>Managing Member</u>	<u>9696 Bonita Bch Rd, #210 Bonita Springs, FL 34135</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>Ben J. Maltese</u>	<u>30%</u>	<u>As above</u>	\$ _____
<u>Gerald G. Mansour</u>	<u>15%</u>	<u>Same</u>	\$ -0-
<u>Gerald J. Mansour</u>	<u>15%</u>	<u>Same</u>	\$ -0-
<u>Ghassan M. Saab</u>	<u>15%</u>	<u>Same</u>	\$ -0-
<u>Khalil Saab</u>	<u>25%</u>	<u>Same</u>	\$ -0-

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 12,478	\$ 6,341	\$ _____	\$ 18,820
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ 12,478	\$ 6,341	\$ -	\$ 18,820
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 65,397	\$ 44,080	\$ _____	\$ 109,476
Depreciation Expense _____	F-5	13,227	3,668	_____	16,896
CIAC Amortization Expense _____	F-8	(3,702)	(2,668)	_____	(6,370)
Taxes Other Than Income _____	F-7	725	6,766	_____	7,491
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense _____		\$ 75,647	51,846	-	\$ 127,493
Net Operating Income (Loss)		\$ (63,169)	\$ (45,505)	\$ -	\$ (108,673)
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ 193	\$ 193	\$ _____	\$ 387
Interest Expense _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (63,362)	\$ (45,698)	\$ -	\$ (109,060)

UTILITY NAME: MSM UTILITIES, LLC

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>876,410</u>	\$ <u>572,075</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>(396,629)</u>	<u>(379,733) *</u>
Net Utility Plant _____		\$ <u>479,782</u>	\$ <u>192,342</u>
Cash _____		<u>25,914</u>	<u>100,000</u>
Customer Accounts Receivable (141) _____			
Other Assets (Specify): _____		<u>2,685</u>	<u>-</u>
Acct 114 - Plant Acquisition Adj. _____		<u>138,766</u>	<u>126,068</u>
Acct 174 - Misc. Current & Accr'd Assets _____		<u>1,495</u>	<u>-</u>
Acct 186 - Deferred Charges _____		<u>16,695</u>	<u>-</u>
Total Assets _____		\$ <u><u>665,337</u></u>	\$ <u><u>418,410</u></u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6		
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____			
Retained Earnings (215) _____	F-6		
Proprietary Capital (Proprietary and Partnership only) (218) _____	F-6	<u>500,940</u>	<u>229,000</u>
Total Capital _____		\$ <u>500,940</u>	\$ <u>229,000</u>
Long Term Debt (224) _____	F-6	\$ _____	\$ _____
Accounts Payable (231) _____		<u>17,590</u>	<u>-</u>
Payable to Affiliated Cos. (233) _____		<u>12,198</u>	<u>-</u>
Customer Deposits (235) _____			
Accrued Taxes (236) _____			
Other Liabilities (Specify) _____			
Acct 241 - Misc. Current & Accr'd Liabilities _____		<u>51,569</u>	<u>100,000</u>
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>83,040</u>	<u>89,410</u>
Total Liabilities and Capital _____		\$ <u><u>665,337</u></u>	\$ <u><u>418,410</u></u>

* Adjusted by \$(3,808) to reflect understatement of 2004 ending balance corrected in 2005. See W-2..

UTILITY NAME MSM UTILITIES, LLC

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>377,987</u>	\$ <u>188,366</u>	\$ _____	\$ <u>566,353</u>
Construction Work in Progress (105) _____	_____ -	_____ -	_____	_____ -
Other (Specify) _____ Acct 103 - Future Use	_____	<u>310,058</u>	_____	<u>310,058</u>
Total Utility Plant _____	\$ <u>377,987</u>	\$ <u>498,424</u>	\$ _____ -	\$ <u>876,410</u>

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

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year _____	\$ <u>247,695</u>	\$ <u>128,230</u>	\$ _____	\$ <u>375,925</u>
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ <u>13,227</u>	\$ <u>3,668</u>	\$ _____	\$ <u>16,896</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____ Adjustments (see W-2)	<u>3,808</u>	_____	_____	<u>3,808</u>
Total Credits _____	\$ <u>17,035</u>	\$ <u>3,668</u>	\$ _____ -	\$ <u>20,704</u>
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ <u>264,730</u>	\$ <u>131,898</u>	\$ _____ -	\$ <u>396,629</u>

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

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	\$ N/A
Changes during the year (Specify): _____ _____ _____	_____ _____ _____	_____ _____ _____
Balance end of year _____	\$ _____	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	LLC Partners
Balance first of year _____	\$ _____	\$ 229,000
Changes during the year (Specify): Additions to capital for system _____	_____	381,000
Earnings for year (loss) _____	_____	(109,060)
_____	_____	_____
Balance end of year _____	\$ _____	\$ 500,940

LONG TERM DEBT (224)

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

UTILITY NAME: MSM UTILITIES, LLC

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_____	725	6,766		7,491
Regulatory assessment fee_____	_____	_____	_____	_____
Other (Specify)_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Tax Expense_____	\$ 725	\$ 6,766	\$ -	\$ 7,491

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.			
Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Rowe Property	\$ 761	\$ 761	Legal
Gerald Buhr	\$ 703	\$ -	Legal
M&R Consultants, Inc.	\$ 500	\$ -	Regulatory Consulting
AM Engineering	\$ 577	\$ 1,338	Engineering
MSM Land Investments	\$ 29,294	\$ 5,394	Management & Admin
Water Technologies	\$ 5,699	\$ -	Lab work, testing
Hydropro, Inc.	\$ 1,575	\$ -	WTP Maint.
Thompson-Moss	\$ 7,309	\$ -	Sampling/Testing
Sanders Lab	\$ 528	\$ -	Lab work, testing
Key Wastewater	\$ 2,576	\$ -	Testing
_____	\$ _____	\$ _____	_____

UTILITY NAME MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 89,840	\$ 96,166	\$ 186,006
2) Add credits during year _____			
3) Total _____	89,840	96,166	186,006
4) Deduct charges during the year _____			
5) Balance end of year _____	89,840	96,166	186,006
6) Less Accumulated Amortization _____	(40,268)	(62,698)	(102,966)
7) Net CIAC _____	\$ 49,572	\$ 33,468	\$ 83,040

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 _____	\$ 36,566	\$ 60,030	\$ 96,596
Deduct Debits During Year: _____			
Add Credits During Year: _____	3,702	2,668	6,370
Balance End of Year (Must agree with line #6 above.) _____	\$ 40,268	\$ 62,698	\$ 102,966

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

UTILITY NAME MSM UTILITIES, LLC

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	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ <u>_____</u>	<u>100.00</u> %		<u>_____</u> %

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

NOT APPLICABLE

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	_____ %
Commission Order Number approving AFUDC rate:	_____

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

UTILITY NAME MSM UTILITIES, LLC

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted	_____	_____	_____	_____	_____
Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

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

NOT APPLICABLE

**WATER
OPERATING
SECTION**

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Adjust. & Retirements (e) ***	Current Year (f)
301	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises_____	_____	_____	_____	_____
303	Land and Land Rights_____	12,698	_____	(12,698)	-
304	Structures and Improvements_____	131,720	3,800	_____	135,520
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	13,070	-	_____	13,070
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	10,025	-	_____	10,025
310	Power Generation Equipment_____	_____	_____	_____	_____
311	Pumping Equipment_____	4,000	-	_____	4,000
320	Water Treatment Equipment_____	132,201	2,140	_____	134,341
330	Distribution Reservoirs and Standpipes_____	23,500	-	_____	23,500
331	Transmission and Distribution Lines_____	35,107	-	_____	35,107
333	Services_____	11,425	-	_____	11,425
334	Meters and Meter Installations_____	6,163	748	_____	6,911
335	Hydrants_____	2,800	-	_____	2,800
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	1,000	20	_____	1,020
340	Office Furniture and Equipment_____	_____	_____	_____	_____
341	Transportation Equipment_____	_____	_____	_____	_____
342	Stores Equipment_____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment_____	-	268	_____	268
344	Laboratory Equipment_____	_____	_____	_____	_____
345	Power Operated Equipment_____	_____	_____	_____	_____
346	Communication Equipment_____	_____	_____	_____	_____
347	Miscellaneous Equipment_____	_____	_____	_____	_____
348	Other Tangible Plant_____	_____	_____	_____	_____
	Total Water Plant_____	\$ 383,709	\$ 6,976	\$ (12,698)	\$ 377,987 *

* This amount should tie to sheet F-5.
 ** Assets purchased @ 12/31/04. These are the beginning balances
 PSC Staff Audit in Docket No. 050587-WS.
 *** PSC adjustment per referenced audit.

UTILITY NAME: MSM UTILITIES, LLC

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)	Adjustments** (g)	Credits (h)	Accum. Depr. Balance End of Year (f+g+h=i) (i)
304	Structures and Improvements	27	%	3.70 %	\$ 109,756	\$ -	\$ 4,944	\$ 114,700
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	3.70 %	10,890	-	484	11,374
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains	32	%	3.13 %	8,593	(1,550)	314	7,357
310	Power Generating Equipment		%					
311	Pumping Equipment	17	%	5.88 %	192	3,808	-	4,000
320	Water Treatment Equipment	17	%	5.88 %	69,198	-	5,101	74,299
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains	33	%	3.03 %	16,020	-	712	16,732
333	Services	38	%	2.63 %	20,790	-	923	21,713
334	Meter & Meter Installations	35	%	2.86 %	7,335	-	327	7,662
335	Hydrants	17	%	5.88 %	2,609	1,550	293	4,452
336	Backflow Prevention Devices	40	%	2.50 %	1,575	-	70	1,645
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment	20	%	5.00 %	737	-	51	788
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment	15	%	6.67 %	-	-	9	9
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 247,695	\$ 3,808	\$ 13,227	\$ 264,730 *

* This amount should tie to Sheet F-5.

** Adjustments resulting from reclassifications and recalculation of depreciation expense in PSC Staff Audit, Docket No. 050587-W5.

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ 480
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	-
604	Employee Pensions and Benefits_____	-
610	Purchased Water_____	-
615	Purchased Power_____	2,505
616	Fuel for Power Production_____	-
618	Chemicals_____	620
620	Materials and Supplies_____	2,123
630	Contractual Services:	
	Management & Operator_____	35,078
	Professional_____	2,740
	Testing_____	618
	Other_____	13,981
640	Rents_____	1,700
650	Transportation Expense_____	1,500
655	Insurance Expense_____	2,372
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	325
670	Bad Debt Expense_____	-
675	Miscellaneous Expenses_____	1,356
	Total Water Operation And Maintenance Expense_____	\$ 65,397 *

* 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	54	54
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0	2	2	2
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					
Other (Specify)					
** D = Displacement C = Compound T = Turbine			Total		
			54	56	56

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

SYSTEM NAME: MSM UTILITIES, LLC

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (gallons)_ (b)	Finished Water From Wells (gallons)_ (c)	Recorded Accounted For Loss Through Line Flushing Etc. (gallons)_ (d)	Total Water Pumped And Purchased (gallons)_ [(b)+(c)-(d)] (e)	Water Sold To Customers (gallons)_ (f)
January_-----	_____	160,500	-	160,500	160,500
February_-----	_____	222,200	_____	222,200	169,510
March_-----	_____	173,200	6,000	167,200	150,680
April_-----	_____	160,300	_____	160,300	141,660
May_-----	_____	186,500	_____	186,500	121,460
June_-----	_____	138,900	6,000	132,900	119,910
July_-----	_____	96,600	_____	96,600	90,570
August_-----	_____	104,842	_____	104,842	99,700
September_-----	_____	94,380	6,000	88,380	77,530
October_-----	_____	131,000	_____	131,000	85,630
November_-----	_____	158,700	_____	158,700	124,420
December_-----	_____	145,800	6,000	139,800	136,541
Total for Year_-----	-	1,772,922	24,000	1,748,922	1,478,111

If water is purchased for resale, indicate the following:

Vendor _____
 Point of delivery _____

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

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6"	4,770	_____	_____	4,770
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: MSM UTILITIES, LLC

<p>YEAR OF REPORT December 31, 2005</p>

SYSTEM NAME: MSM UTILITIES, LLC

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	<u>1980</u>	<u>1980</u>	_____	_____
Types of Well Construction and Casing_____	<u>Rotary</u> <u>PVC</u>	<u>Rotary</u> <u>PVC</u>	_____	_____
Depth of Wells_____	<u>225'</u>	<u>225'</u>	_____	_____
Diameters of Wells_____	<u>4"</u>	<u>4"</u>	_____	_____
Pump - GPM_____	<u>50</u>	<u>50</u>	_____	_____
Motor - HP_____	<u>3</u>	<u>3</u>	_____	_____
Motor Type *_____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Yields of Wells in GPD_____	<u>72000</u>	<u>72000</u>	_____	_____
Auxiliary Power_____	<u>None</u>	<u>None</u>	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>Six</u> <u>Concrete</u>	_____	_____	_____
Capacity of Tank_____	<u>5,000 gal ea.</u>	_____	_____	_____
Ground or Elevated_____	<u>Ground</u>	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer_____	<u>Century</u>	<u>Century</u>	_____	_____
Type_____	<u>Single phase</u>	<u>Single phase</u>	_____	_____
Rated Horsepower_____	<u>15</u>	<u>15</u>	_____	_____
<u>Pumps</u>				
Manufacturer_____	<u>Goulds</u>	<u>Goulds</u>	_____	_____
Type_____	<u>Centrifugal</u>	<u>Centrifugal</u>	_____	_____
Capacity in GPM_____	<u>275</u>	<u>275</u>	_____	_____
Average Number of Hours Operated Per Day_____	<u>1</u>	<u>1</u>	_____	_____
Auxiliary Power_____	<u>None</u>	<u>None</u>	_____	_____

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_ _ _	<u>72,000</u>	<u>72,000</u>	<u> </u>
Type of Source_ _ _ _ _	<u>Well</u>	<u>Well</u>	<u> </u>

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_ _ _ _ _	<u>Reverse Osmosis</u>	<u> </u>	<u> </u>
Make_ _ _ _ _	<u>Hydropro</u>	<u> </u>	<u> </u>
Permitted Capacity (GPD)_ _	<u>60,000</u>	<u> </u>	<u> </u>
High service pumping			
Gallons per minute_ _ _ _	<u>275</u>	<u> </u>	<u> </u>
Reverse Osmosis_ _ _ _ _	<u>40,000</u>	<u> </u>	<u> </u>
Lime Treatment			
Unit Rating_ _ _ _ _	<u> </u>	<u> </u>	<u> </u>
Filtration			
Pressure Sq. Ft._ _ _ _ _	<u>200</u>	<u> </u>	<u> </u>
Gravity GPD/Sq.Ft._ _ _ _	<u> </u>	<u> </u>	<u> </u>
Disinfection			
Chlorinator_ _ _ _ _	<u>Stenner 45M</u>	<u> </u>	<u> </u>
Ozone_ _ _ _ _	<u> </u>	<u> </u>	<u> </u>
Other_ _ _ _ _	<u> </u>	<u> </u>	<u> </u>
Auxiliary Power_ _ _ _ _	<u>None</u>	<u> </u>	<u> </u>

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME: MSM UTILITIES, LLC

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. _____ 240
2. Maximum number of ERCs * which can be served. 240 with existing plant
3. Present system connection capacity (in ERCs *) using existing lines. _____ 284
4. Future connection capacity (in ERCs *) upon service area buildout. _____ unknown
5. Estimated annual increase in ERCs *. 0 for next 2 years
6. Is the utility required to have fire flow capacity? _____ Yes. It has three hydrants.
If so, how much capacity is required? Min. 500 gpm for 2 hours.
7. Attach a description of the fire fighting facilities. 2 - 275 gpm high service pumps and storage in R/O and concr. tanks.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
Service area extension granted in Docket No. 050820-WS. MSM plans to enlarge its water and wastewater capacity as required to meet the growth in the existing and extended areas.

9. When did the company last file a capacity analysis report with the DEP? Not required.
10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # _____ 608-4704
12. Water Management District Consumptive Use Permit # _____ N/A
 - a. Is the system in compliance with the requirements of the CUP? _____
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on one of the following methods:
(a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of 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: MSM UTILITIES, LLC

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_____	_____	_____	_____	_____
354	Structures and Improvements_____	_____	_____	_____	_____
355	Power Generation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	_____	_____	_____	_____
361	Collection Sewers - Gravity_____	62,241	_____	_____	62,241
362	Special Collecting Structures_____	16,915	_____	_____	16,915
363	Services to Customers_____	17,010	_____	_____	17,010
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	25,000	_____	_____	25,000
371	Pumping Equipment_____	_____	_____	_____	_____
380	Treatment and Disposal Equipment_____	67,200	_____	_____	67,200
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
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 Wastewater Plant_____	\$ <u>188,366</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>188,366</u> *

* This amount should tie to sheet F-5.

** Assets purchased @ 12/31/04. These are the beginning balances
PSC Staff Audit in Docket No. 050587-WS.

UTILITY NAME: MSM UTILITIES, LLC

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		%	%	\$	\$		\$
355	Power Generation Equipment		%	%				
360	Collection Sewers - Force		%	%				
361	Collection Sewers - Gravity	40	%	2.50	35,010	-	1,556	36,566
362	Special Collecting Structures	27	%	3.70	14,085	-	626	14,711
363	Services to Customers	35	%	2.86	10,935	-	486	11,421
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells	25	%	4.00	1,000	-	1,000	2,000
371	Pumping Equipment		%	%				
380	Treatment and Disposal Equipment	15	%	6.67	67,200	-	-	67,200
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%				
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				\$ 128,230	\$ -	\$ 3,668	\$ 131,898 *

* This amount should tie to Sheet F-5.

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees_____	\$ 480
703	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	
704	Employee Pensions and Benefits_____	
710	Purchased Wastewater Treatment_____	
711	Sludge Removal Expense_____	1,024
715	Purchased Power_____	1,823
716	Fuel for Power Production_____	
718	Chemicals_____	624
720	Materials and Supplies_____	1,251
730	Contractual Services:	
	Management & Operator_____	21,484
	Professional_____	2,415
	Testing_____	2,763
	Other_____	2,316
740	Rents_____	1,800
750	Transportation Expense_____	564
755	Insurance Expense_____	6,600
765	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	325
770	Bad Debt Expense_____	
775	Miscellaneous Expenses_____	612
	Total Wastewater Operation And Maintenance Expense_____	\$ 44,080 *

* 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	52	54	54
General Service					
5/8"	D	1.0	2	2	2
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					
Other (Specify)					
** D = Displacement C = Compound T = Turbine			Total		
			54	56	56

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

PUMPING EQUIPMENT

Lift Station Number_____	_____	_____	_____	_____	_____	_____
Make or Type and nameplate data on pump_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
Year installed_____	_____	_____	_____	_____	_____	_____
Rated capacity_____	_____	_____	_____	_____	_____	_____
Size_____	_____	_____	_____	_____	_____	_____
Power:						
Electric_____	_____	_____	_____	_____	_____	_____
Mechanical_____	_____	_____	_____	_____	_____	_____
Nameplate data of motor_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches)_____	4"	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.)_____	PVC	_____	_____	_____	_____	_____
Average length_____	50	_____	_____	_____	_____	_____
Number of active service connections_____	45	_____	_____	_____	_____	_____
Beginning of year_____	45	_____	_____	_____	_____	_____
Added during year_____	_____	_____	_____	_____	_____	_____
Retired during year_____	_____	_____	_____	_____	_____	_____
End of year_____	45	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains			
Size (inches)_____	8"	_____	_____	_____	_____	_____	_____
Type of main_____	PVC	_____	_____	_____	_____	_____	_____
Length of main (nearest foot)_____	_____	_____	_____	_____	_____	_____	_____
Beginning of year_____	4,750	_____	_____	_____	_____	_____	_____
Added during year_____	_____	_____	_____	_____	_____	_____	_____
Retired during year_____	_____	_____	_____	_____	_____	_____	_____
End of year_____	4,750	_____	_____	_____	_____	_____	_____

MANHOLES

Size (inches)_____	48"	_____	_____	_____
Type of Manhole_____	Concr.	_____	_____	_____
Number of Manholes:				
Beginning of year_____	18	_____	_____	_____
Added during year_____	_____	_____	_____	_____
Retired during year_____	_____	_____	_____	_____
End of Year_____	18	_____	_____	_____

UTILITY NAME: MSM UTILITIES, LLC

SYSTEM NAME: MSM UTILITIES, LLC

YEAR OF REPORT December 31, 2005

TREATMENT PLANT

Manufacturer_____	<u>Unknown</u>	_____	_____
Type_____	<u>Unknown</u>	_____	_____
"Steel" or "Concrete"_____	<u>Concrete</u>	_____	_____
Total Permitted Capacity_____	<u>15,000 gpd</u>	_____	_____
Average Daily Flow_____	_____	_____	_____
Method of Effluent Disposal_____	<u>Evaporation Pond</u>	_____	_____
Permitted Capacity of Disposal_____	_____	_____	_____
Total Gallons of Wastewater treated_____	_____	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer_____	<u>Unkown</u>	<u>Unkown</u>	_____	_____	_____	_____
Capacity (GPM's)_____	<u>50</u>	<u>50</u>	_____	_____	_____	_____
Motor:						
Manufacturer_____	<u>Unknown</u>	<u>Unknown</u>	_____	_____	_____	_____
Horsepower_____	<u>3</u>	<u>3</u>	_____	_____	_____	_____
Power (Electric or Mechanical)_____	<u>230 v</u>	<u>230 v</u>	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	<u>146,000</u>	_____	<u>146,000</u>
February_____	<u>148,000</u> E	_____	<u>148,000</u>
March_____	<u>150,000</u>	_____	<u>150,000</u>
April_____	<u>133,000</u>	_____	<u>133,000</u>
May_____	<u>112,000</u>	_____	<u>112,000</u>
June_____	<u>210,000</u> E	_____	<u>210,000</u>
July_____	<u>591,000</u>	_____	<u>591,000</u>
August_____	<u>119,000</u>	_____	<u>119,000</u>
September_____	<u>185,000</u>	_____	<u>185,000</u>
October_____	<u>183,000</u>	_____	<u>183,000</u>
November_____	<u>225,000</u>	_____	<u>225,000</u>
December_____	<u>258,000</u>	_____	<u>258,000</u>
Total for year_____	<u>2,460,000</u>	_____	<u>2,460,000</u>

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: MSM UTILITIES, LLC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME: MSM UTILITIES, LLC

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. _____ 75
2. Maximum number of ERCs* which can be served. _____ 75 with existing plant
3. Present system connection capacity (in ERCs*) using existing lines. _____ 284
4. Future connection capacity (in ERCs*) upon service area buildout. _____ unknown
5. Estimated annual increase in ERCs*. _____ 0 for next 2 years

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
Service area extension granted in Docket No. 050820-WS. MSM plans to enlarge its water and wastewater capacity as required to meet the growth in the existing and extended areas.

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? _____

If so, when? _____ 1990, according to prior owner.

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 this requirement? _____

10. When did the company last file a capacity analysis report with the DEP? _____ 2/6/2004

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? _____

c. When will construction begin? _____

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? _____

12. Department of Environmental Protection ID # FLA014062

* 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).

CERTIFICATION OF ANNUAL REPORT

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

YES 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 NO

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

YES 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 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.

B. J. Mattice *
(signature of Chief Executive Officer of the utility)

Date: 3/20/06

1. 2. 3. 4.

_____*
(signature of Chief Financial Officer of the utility)

Date: _____

* 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.

Noticetion 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.