

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU020-05-AR
Brendenwood Water System, Inc.
3153 Penwa Court
Longwood, FL 32779-3109

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

FINANCIAL SECTION

REPORT OF

BRENDENWOOD WATER SYSTEM, INC.
(EXACT NAME OF UTILITY)

3153 PENWA CT., LONGWOOD, FL 32779 13711 DEVENSHIRE CT., GRAND ISLAND, FL 32735
Mailing Address Street Address County
 LAKE COUNTY

Telephone Number 407-333-0182 Date Utility First Organized 08/17/81

Fax Number N/A E-mail Address nmollerup@msn.com

Sunshine State One-Call of Florida, Inc. Member No. BW 1386

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: BRENDENWOOD WATER SYSTEM, INC.
3153 PENWA CT., LONGWOOD, FL 32779 407-333-0182

Name of subdivisions where services are provided: BRENDENWOOD, JEREMYS, POST OFFICE

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: KRISTEE MOLLERUP	BOOKKEEPER	3153 PENWA CT. LONGWOOD, FL 32779	
Person who prepared this report: KRISTEE MOLLERUP	BOOKKEEPER	3153 PENWA CT. LONGWOOD, FL 32779	
Officers and Managers: DEBORAH J. MILLER	PRESIDENT EIN# 11-3652137 S-CORPORATION	22631 ROCKLAND AVE SORRENTO, FL 32776	\$ \$ \$ See Below \$ \$

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
DEBORAH J. MILLER Paid \$4900, Accrued \$3500	100%	22631 ROCKLAND AVE SORRENTO, FL 32776	\$ 8400 \$ \$ \$ \$ \$ \$

REVISED 3/22/05

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 20,939	\$ _____	\$ _____	\$ 20,939
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____		192	_____	_____	192
LATE FEES		_____	_____	_____	_____
Total Gross Revenue_____		\$ 21,131	\$ _____	\$ _____	\$ 21,131
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 20,766	\$ _____	\$ _____	\$ 20,766
Depreciation Expense_____	F-5	562	_____	_____	562
CIAC Amortization Expense_____	F-8	(95)	_____	_____	(95)
Taxes Other Than Income_____	F-7	1,385	_____	_____	1,385
Income Taxes_____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 22,618	\$ _____	\$ _____	\$ 22,618
Net Operating Income (Loss)		\$ (1,487)	\$ _____	\$ _____	\$ (1,487)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (1,487)	\$ _____	\$ _____	\$ (1,487)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 9,575	\$ 8,444
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>(126)</u>	<u>436</u>
Net Utility Plant -----		\$ 9,449	\$ 8,880
Cash -----		797	283
Customer Accounts Receivable (141) -----			
Other Assets (Specify): -----			
PERMIT - DEFERRED DEBIT		60	80
ELECTRIC DEPOSIT		255	

Total Assets -----		\$ <u>10,561</u>	\$ <u>9,243</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6		
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----		13,552	13,552
Retained Earnings (215) -----	F-6	(7,069)	(-4982)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ <u>6483</u>	\$ <u>8570</u>
Long Term Debt (224) -----	F-6		
Accounts Payable (231) -----			
Notes Payable (232) ----- D.MILLER - MGMT FEE		3500	
Customer Deposits (235) -----			
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			

Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>578</u>	<u>673</u>
Total Liabilities and Capital -----		\$ <u>10,561</u>	\$ <u>9,243</u>

UTILITY NAME: BRENDENWOOD WATER SYSTEM, INC.

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)	\$ 9575	\$ _____	\$ _____	\$ 9575
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____ _____	_____	_____	_____	_____
Total Utility Plant _____	\$ 9575	\$ _____	\$ _____	\$ 9575

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ -436	\$ _____	\$ _____	\$ -436
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ 562	\$ _____	\$ _____	\$ 562
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ 126	\$ _____	\$ _____	\$ 126
Deduct Debits During Year:				
Book cost of plant retired _____ Retirements	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 126	\$ _____	\$ _____	\$ 126

UTILITY NAME: BRENDENWOOD WATER SYSTEM, INC.

YEAR OF REPORT DECEMBER 31, 2005

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	_____	_____
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 _____	\$ -4982	\$ _____
Changes during the year (Specify):		
NET INCOME / LOSS (-)	-1487	
DISTRIBUTION	-600	
_____	_____	_____
Balance end of year _____	\$ -7069	\$ _____

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 _____			\$ _____

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 1577	\$ _____	\$ 1577
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	1577	_____	1577
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	1577	_____	1577
6) Less Accumulated Amortization _____	-999	_____	-999
7) Net CIAC _____	\$ 578	\$ _____	\$ 578

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 _____	\$ 904	\$ _____	\$ 904
Add Debits During Year: _____	_____	_____	_____
CURRENT YEAR AMORTIZATION _____	95	_____	95
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ 999	\$ _____	\$ 999

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

UTILITY NAME: BRENDENWOOD WATER SYSTEM, INC.

YEAR OF REPORT DECEMBER 31, 2005

NOT APPLICABLE

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	\$ _____	100.00 %		_____ %

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

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: _____ % Commission Order Number approving AFUDC rate: _____
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**WATER
OPERATING
SECTION**

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_____	1100			1100
304	Structures and Improvements_____	1431	921		2352
305	Collecting and Impounding Reservoirs_____				
306	Lake, River and Other Intakes_____				
307	Wells and Springs_____				
308	Infiltration Galleries and Tunnels_____				
309	Supply Mains_____				
310	Power Generation Equipment_____				
311	Pumping Equipment_____	2499			2499
320	Water Treatment Equipment_____	2139	210		2349
330	Distribution Reservoirs and Standpipes_____				
331	Transmission and Distribution Lines_____				
333	Services_____				
334	Meters and Meter Installations_____	120			120
335	Hydrants_____				
336	Backflow Prevention Devices_____				
339	Other Plant and Miscellaneous Equipment_____				
340	Office Furniture and Equipment_____	1155			1155
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_____	\$ 8444	\$ 1131	\$ _____	\$ 9575

UTILITY NAME: BRENDEWOOD WATER SYSTEM, INC.

YEAR OF REPORT DECEMBER 31, 2008

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	%	0.036 %	\$ 354	\$	\$ 74	\$ 428
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs		%	%				
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment	17	%	0.059 %	-2076		147	-1929
320	Water Treatment Equipment	17	%	0.059 %	1893		141	2034
330	Distribution Reservoirs & Standpipes		%	%				
331	Trans. & Dist. Mains		%	%				
333	Services		%	%				
334	Meter & Meter Installations	17	%	0.059 %	4		7	11
335	Hydrants		%	%				
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment	Computer 6	%	0.167 %	-537		193	-344
341	Transportation Equipment		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment	10	%	0.1 %	-74			-74
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ -436	\$	\$ 562	\$ 126 *

* This amount should tie to Sheet F-5.

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_____	1702
616	Fuel for Power Production_____	_____
618	Chemicals_____	101
620	Materials and Supplies_____	1150
630	Contractual Services:	
	Billing_____	_____
	Professional_____	75
	Testing_____	917
	Other__ Includes \$8400 in Mgmt Fee_____	14093
640	Rents_____	_____
650	Transportation Expense_____	1142
655	Insurance Expense_____	1175
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
670	Bad Debt Expense_____	_____
675	Miscellaneous Expenses____ Annual Rpt \$150; Rural Water Assn \$95; DER Amrt \$20 PSC Quick Take Amendment \$100; Legal Notice \$46.	411
	Total Water Operation And Maintenance Expense_____	\$ 20766 *

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0			
3/4"	D	1.5	51	51	76.5
1"	D	2.5	6	6	15
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5	1	1	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	58	58
					93

UTILITY NAME: _____ BRENDENWOOD WATER SYSTEM, INC.

YEAR OF REPORT DECEMBER 31, 2005

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1980	_____	_____	_____
Types of Well Construction and Casing _____	GROUTED STEEL	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	141'	_____	_____	_____
Diameters of Wells _____	6"	_____	_____	_____
Pump - GPM _____	160 GPM	_____	_____	_____
Motor - HP _____	15 HP SUBMERSIBLE	_____	_____	_____
Motor Type * _____	SUBMERSIBLE	_____	_____	_____
Yields of Wells in GPD _____	230,400 GPD	_____	_____	_____
Auxiliary Power _____	GASOLINE	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

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

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	FRANKLIN	ELECTRIC	_____	_____
Type _____	3 PHASE	6" MOTOR	_____	_____
Rated Horsepower _____	15 HP	SUBMERSIBLE	_____	_____
Pumps				
Manufacturer _____	FRANKLIN	ELECTRIC	_____	_____
Type _____	3 PHASE	6" MOTOR	_____	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	FOUR (4)	_____	_____	_____
Auxiliary Power _____	GASOLINE	_____	_____	_____

UTILITY NAME: _____ BRENDENWOOD WATER SYSTEM, INC.

YEAR OF REPORT DECEMBER 31, 2005

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	230,400	_____	_____
Type of Source_____	WELL	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	SERIES 200	_____	_____
Make_____	CHEMICAL FEED	_____	_____
Permitted Capacity (GPD)_____	CHLORINE 0.5	_____	_____
High service pumping		_____	_____
Gallons per minute_____	160 GPM	_____	_____
Reverse Osmosis_____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._____	_____	_____	_____
Gravity GPD/Sq.Ft._____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator_____	LIQUID	_____	_____
Ozone_____	_____	_____	_____
Other_____	_____	_____	_____
Auxiliary Power_____	GENERATOR	_____	_____

UTILITY NAME:___ BRENDENWOOD WATER SYSTEM, INC.

YEAR OF REPORT
DECEMBER 31, 2005

SYSTEM NAME:_____

NOT APPLICABLE 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. _____
2. Maximum number of ERCs * which can be served. _____
3. Present system connection capacity (in ERCs *) using existing lines. _____
4. Future connection capacity (in ERCs *) upon service area buildout. _____
5. Estimated annual increase in ERCs *. _____
6. Is the utility required to have fire flow capacity? _____
If so, how much capacity is required? _____
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.

9. When did the company last file a capacity analysis report with the DEP? _____
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 # _____
12. Water Management District Consumptive Use Permit # _____
 - a. Is the system in compliance with the requirements of the CUP? _____
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on one of the following methods:

- (a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period 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

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

CERTIFICATION OF ANNUAL REPORT

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

YES 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. Deborah B Miller *
 (signature of chief executive officer of the utility)

Date: 3/14/06

1. 2. 3. 4. _____ *
 (signature of chief financial officer of the utility)

Date: _____

* 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:

For the Year Ended December 31, _____

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 20,939	\$ 20,939.33	\$ ∅
Commercial	_____	_____	_____
Industrial	_____	_____	_____
Multiple Family	_____	_____	_____
Guaranteed Revenues	_____	_____	_____
Other	192	192.00	∅
Total Water Operating Revenue	\$ 21,131	\$ 21,131.33	\$ ∅
LESS: Expense for Purchased Water from FPSC-Regulated Utility	_____	_____	_____
Net Water Operating Revenues	\$ 21,131	\$ 21,131.33	\$ ∅

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).