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DIVISION OF
WATER AND SEWER
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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU370-01-AR
Residential Water Systems, Inc.
P. O. Box 5220
Ocala, FL 34478-5220

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED
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EDUCATION REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2001



DANIEL J. COLLIER, P.A. Certified Public Accountant

1111 N.E. 25th Avenue, Suite 204 • Ocala, FL 34470 • (352) 732-5611

January 21, 2002

To the Board of Directors:
Residential Water Systems, Inc..

I have compiled the 2001 Annual Report of Residential Water Systems, Inc. in the accompanying prescribed form, in accordance with the Statements on Accounting Standards issued by the American Institute of Certified Public Accountants.

My compilation was limited to presenting in the form prescribed by the Florida Public Service Commission, information that is the representation of the company's management. I have not audited or reviewed the prescribed form referred to above and, accordingly, do not express an opinion or any other form of assurance on it.

This report is presented in accordance of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

Daniel J. Collier P.A.

Member of:
American Institute of C.P.A.
Florida Institute of C.P.A.

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA). Commission Rules and the definitions on next page.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional pages should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.

Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Water and Wastewater, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FINANCIAL SECTION

REPORT OF

RESIDENTIAL WATER SYSTEMS, INC.

(EXACT NAME OF UTILITY)

P.O. BOX 5220 OCALA, FL 34478-5220
Mailing Address

1410 NE 8TH AVENUE OCALA, FL MARION
Street Address County

Telephone Number 352-622-4949

Date Utility First Organized 10/06/83

Fax Number 352-732-4366

E-mail Address CHARLIE@ALTERNATIVEPHONE.COM

Sunshine State One-Call of Florida, Inc. Member No. MIR598

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: 1410 NE 8TH AVENUE OCALA, FL MARION
352-622-4949

Name of subdivisions where services are provided: SUN TREE, HIGH POINT, EDGEWOOD, COUNTRY
ESTATES, BUFFINGTON ADDITION, DALTON WOODS AND WINEBERRY

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: CHARLES DEMENZES	PRESIDENT	1700 NE 25TH AVENUE OCALA, FL	
Person who prepared this report: DANIEL J. COLLIER	CPA	1111 NE 25TH AVE #204 OCALA, FL 34471	
Officers and Managers: CHARLES DEMENZES	PRESIDENT	1410 NE 8TH AVENUE OCALA, FL	\$
			\$
DEPORAH DILLON	VICE PRESIDENT	1410 NE 8TH AVENUE OCALA, FL	\$
			\$

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
CHARLES DEMENZES	100.00%	1410 NE 8TH AVENUE OCALA, FL	\$
			\$
			\$
			\$
			\$
			\$
			\$

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 146,662	\$ _____	\$ _____	\$ 146,662
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues__		_____	_____	_____	_____
Other -Turn on/off charges		<u>5,392</u>	<u>_____</u>	<u>_____</u>	<u>5,392</u>
Total Gross Revenue___		\$ <u>152,054</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>152,054</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 118,167	\$ _____	\$ _____	\$ 118,167
Depreciation Expense_____	F-5	21,242	_____	_____	21,242
CIAC Amortization Expense__	F-8	(16,291)	_____	_____	(16,291)
Taxes Other Than Income__	F-7	9,440	_____	_____	9,440
Income Taxes_____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ <u>132,558</u>	<u>_____</u>	<u>_____</u>	\$ <u>132,558</u>
Net Operating Income (Loss)		\$ <u>19,496</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>19,496</u>
Other Income:					
Nonutility Income_____		\$ <u>628</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>628</u>
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_____		16,130	_____	_____	16,130
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ <u>3,994</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>3,994</u>

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INCYEAR OF REPORT
DECEMBER 31.

2001

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ 652631	\$ 565727
Accumulated Depreciation and Amortization (108)_____	F-5,W-2,S-2	<u>-162035</u>	<u>-140793</u>
Net Utility Plant_____		\$ 490596	\$ 424934
Cash_____		21476	14908
Customer Accounts Receivable (141)_____		17591	13961
Other Assets (Specify): _____			
UTILITY DEPOSITS		300	300
LOAN COSTS, NET OF AMORTIZATION		5218	5158
DUE FROM RELATED PARTY		13964	12546
N/R TO BFF, INC.		<u>20000</u>	
Total Assets_____		\$ <u>569145</u>	\$ <u>471807</u>
Liabilities and Capital:			
Common Stock Issued (201)_____	F-6	100	100
Preferred Stock Issued (204)_____	F-6		
Other Paid in Capital (211)_____		400	400
Retained Earnings (215)_____	F-6	-50349	-54343
Proprietary Capital (Proprietary and partnership only) (218)_____	F-6		
Total Capital_____		\$ <u>-49849</u>	\$ <u>-53843</u>
Long Term Debt (224)_____	F-6	\$ 285343	\$ 285534
Accounts Payable (231)_____		5231	12494
Notes Payable (232)_____			
Customer Deposits (235)_____		2275	2720
Accrued Taxes (236)_____			
Other Liabilities (Specify)_____			
REG COMMISSION TAX		6842	6716
Advances for Construction_____		500513	383105
Contributions in Aid of Construction - Net (271-272)_____	F-8	<u>-181210</u>	<u>-164919</u>
Total Liabilities and Capital_____		\$ <u>569145</u>	\$ <u>471807</u>

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC

YEAR OF REPORT
DECEMBER 31, 2001

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service -----	\$ 652631	\$ _____	\$ _____	\$ 652631
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 652631	\$ _____	\$ _____	\$ 652631

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 140793	\$ _____	\$ _____	\$ 140793
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 21242	\$ _____	\$ _____	\$ 21242
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	0
<u>Total Credits _____</u>	\$ 21242	\$ _____	\$ _____	\$ 21242
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ 0	\$ _____	\$ _____	\$ 0
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	0
<u>Total Debits _____</u>	\$ 0	\$ _____	\$ _____	\$ 0
Balance End of Year _____	\$ 162035	\$ _____	\$ _____	\$ 162035

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC

YEAR OF REPORT	
DECEMBER 31,	2001

CAPITAL STOCK (201 - 204)

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

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ _____	\$ -54343
Changes during the year (Specify):		
NET INCOME (LOSS) _____		3994
Balance end of year _____	\$ _____	\$ -50349

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	
WACHOVIA BANK	8.75%	906 MO	\$ 87420
N/P STATE OF FLORIDA	3.55%	40 2 A YEAR	197923
Total _____			\$ 285343

TAXES ACCRUED (236)

(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 _____	_____	_____	_____	_____
Regulatory assessment fee _____	6842	_____	_____	6842
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Taxes Accrued _____	\$ 6842	\$ _____	\$ _____	\$ 6842

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
MIRA INTERNATIONAL	\$ 107643	\$ _____	MANAGEMENT AND MAINTENANCE
AQUA PURE	\$ 4135	\$ _____	PLANT OPERATION & TESTING
DANIEL J. COLLIER P.A.	\$ 7538	\$ _____	AUDIT AND TAX PREPARATION
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ <u>383,105</u>	\$ _____	\$ <u>383,105</u>
2) Add credits during year_____			
CONNECTION & IMPACT FEES	\$ <u>117,408</u>	\$ _____	\$ <u>117,408</u>
3) Total_____	<u>500,513</u>	_____	<u>500,513</u>
4) Deduct charges during the year_____			
5) Balance end of year_____	<u>500,513</u>	_____	<u>500,513</u>
6) Less Accumulated Amortization_____	<u>181,210</u>	_____	<u>181,210</u>
7) Net CIAC_____	\$ <u><u>319,303</u></u>	\$ <u><u> </u></u>	\$ <u><u>319,303</u></u>

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
LINES FROM DALTON WOODS		PROPERTY	74,658	
Sub-total_____			\$ <u>74,658</u>	\$ _____
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		
CONNECTION FEES	111	\$ 70	\$ 7,750	\$ _____
IMPACT FEES	70	500	35,000	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ <u>117,408</u>	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year_____	\$ <u>164,919</u>	\$ _____	\$ <u>164,919</u>
Add Credits During Year:_____	_____	_____	<u>0</u>
Deduct Debits During Year:_____	<u>16,291</u>	_____	<u>16,291</u>
Balance End of Year (Must agree with line #6 above.)	\$ <u><u>181,210</u></u>	\$ <u><u> </u></u>	\$ <u><u>181,210</u></u>

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

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC

YEAR OF REPORT DECEMBER 31, 2001

SCHEDULE "A"

NO AFUDC WAS CHARGED FOR THE YEAR

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: _____

**WATER
OPERATING
SECTION**

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INCYEAR OF REPORT
DECEMBER 31, 2001

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ 400	\$ _____	\$ _____	\$ 400
106	Construction in process_____	_____	_____	_____	_____
303	Land and Land Rights_____	_____	_____	_____	_____
304	Structures and Improvements_____	38,366	_____	_____	38,366
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_____	32,018	_____	_____	32,018
311	Pumping Equipment_____	47,374	_____	_____	47,374
320	Water Treatment Equipment_____	89,714	_____	_____	89,714
330	Distribution Reservoirs and Standpipes_____	173,719	_____	_____	173,719
331	Transmission and Distribution Lines_____	133,574	64,979	_____	198,553
333	Services_____	26,115	_____	_____	26,115
334	Meters and Meter Installations_____	11,944	11,925	_____	23,869
335	Hydrants_____	4,500	10,000	_____	14,500
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	4,920	_____	_____	4,920
340	Office Furniture and Equipment_____	3,083	_____	_____	3,083
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_____	\$ 565,727	\$ 86,904	\$ 0	\$ 652,631

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC

YEAR OF REPORT
DECEMBER 31, 2001

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_	27	0 %	3.70% %	\$ 22,298	\$	1,421	\$ 23,719
301	Franchises - amortize 4 years	4	0 %	25.00% %	400			400
306	Lake, River and Other Intakes_		%	%				
307	Wells and Springs_		%	%				
308	Infiltration Galleries & Tunnels_		%	%				
309	Supply Mains_		%	%				
310	Power Generating Equipment_	17	0 %	5.88% %	1,068		2,134	3,202
311	Pumping Equipment_	15	0 %	6.67% %	11,214		2,794	14,008
320	Water Treatment Equipment_	17	0 %	5.88% %	87,222		2,212	89,434
330	Distribution Reservoirs & Standpipes_	30	0 %	3.33% %	7,025		5,791	12,816
331	Trans. & Dist. Mains_	38	0 %	2.63% %	803		4,370	5,173
333	Services_	35	0 %	2.86% %	311		746	1,057
334	Meter & Meter Installations_	17	0 %	5.88% %	4,692		1,053	5,745
335	Hydrants_	20	0 %	5.00% %	94		475	569
336	Backflow Prevention Devices_		%	%				
339	Other Plant and Miscellaneous Equipment_	20	0 %	5.00% %	2,583		246	2,829
340	Office Furniture and Equipment_	6	0 %	16.67% %	3,083			3,083
341	Transportation Equipment_		%	%				
342	Stores Equipment_		%	%				
343	Tools, Shop and Garage Equipment_		%	%				
344	Laboratory Equipment_		%	%				
345	Power Operated Equipment_		%	%				
346	Communication Equipment_		%	%				
347	Miscellaneous Equipment_		%	%				
348	Other Tangible Plant_		%	%				
	Totals_				\$ 140,793	\$ 0	\$ 21,242	\$ 162,035 *

* 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_____	5,723
616	Fuel for Power Production_____	_____
618	Chemicals_____	802
620	Materials and Supplies_____	500
630	Contractual Services:	
	Billing_____	92,880
	Professional_____	4,273
	Testing_____	4,285
	Other_____	_____
640	Rents_____	_____
650	Transportation Expense_____	_____
655	Insurance Expense_____	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
670	Bad Debt Expense_____	_____
675	Miscellaneous Expenses - Repairs_____	9,704
	Total Water Operation And Maintenance Expense_____	\$ 118,167 *

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers Start of Year (d)	End of Year (e)	Total Number of Meter Equivalents (c x e) (f)
Residential Service					
5/8"	D	1.0	529	533	533
3/4"	D	1.5			
1"	D	2.5	4	57	142.5
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers					
Other (Specify)					
Total			533	590	675.5

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 2001

PUMPING AND PURCHASED WATER STATISTICS

	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	Water Sold To Customers (Omit 000's)
(a)	(b)	(c)	(d)	(e)	(f)
January_____	NONE_____	4118_____	152_____	3966_____	3966_____
February_____	_____	4150_____	69_____	4081_____	4081_____
March_____	_____	3869_____	66_____	3803_____	3803_____
April_____	_____	4124_____	319_____	3805_____	3805_____
May_____	_____	5316_____	352_____	4964_____	4964_____
June_____	_____	6622_____	46_____	6576_____	6576_____
July_____	_____	6742_____	155_____	6587_____	6587_____
August_____	_____	4378_____	34_____	4344_____	4344_____
September_____	_____	4047_____	197_____	3850_____	3850_____
October_____	_____	5483_____	693_____	4790_____	4790_____
November_____	_____	6014_____	68_____	5946_____	5946_____
December_____	_____	5059_____	130_____	4929_____	4929_____
Total for Year_____	=====	59922_____	2281_____	57641_____	57641_____

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:

N/A_____

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_____	4"_____	10280_____	_____	_____	10280_____
PVC_____	6"_____	25060_____	1859_____	_____	26919_____
PVC_____	8"_____	12676_____	3278_____	_____	15954_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT
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WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	1984	1984		
Types of Well Construction and Casing_____	STEEL GROUTED	STEEL GROUTED		

Depth of Wells_____	220	220		
Diameters of Wells_____	8"	8"		
Pump - GPM_____	600	600		
Motor - HP_____	30	30		
Motor Type *_____	750,000	750,000		
Yields of Wells in GPD_____				
Auxiliary Power_____				
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	STEEL	STEEL	STEEL	
Capacity of Tank_____	20000	20000	20000	
Ground or Elevated_____	GROUND	GROUND	GROUND	

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer_____	N/A			
Type_____				
Rated Horsepower_____				
<u>Pumps</u>				
Manufacturer_____				
Type_____				
Capacity in GPM_____				
Average Number of Hours Operated Per Day_____				
Auxiliary Power_____				

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT
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SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_ _ _ _	300000		
Type of Source_ _ _ _ _	WELL		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_ _ _ _ _	LIQUID CHLORINATED		
Make_ _ _ _ _	VT 100		
Permitted Capacity (GPD)_ _	1,500,000		
High service pumping			
Gallons per minute_ _ _ _	NA		
Reverse Osmosis_ _ _ _ _	NA		
Lime Treatment			
Unit Rating_ _ _ _ _	NA		
Filtration			
Pressure Sq. Ft._ _ _ _ _	NA		
Gravity GPD/Sq.Ft._ _ _ _			
Disinfection			
Chlorinator_ _ _ _ _	NA		
Ozone_ _ _ _ _			
Other_ _ _ _ _			
Auxiliary Power_ _ _ _ _	YES		

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. 564
2. Maximum number of ERCs * which can be served. 1179
3. Present system connection capacity (in ERCs *) using existing lines. 581
4. Future connection capacity (in ERCs *) upon service area buildout. 150
5. Estimated annual increase in ERCs *. 10
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. FIRE HYDRANTS
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? NA NA
10. If the present system does not meet the requirements of DEP rules, submit the following:
 NA
 - 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 # 3424625
12. Water Management District Consumptive Use Permit # 2-83-0023ANFM
 - 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 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.

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC

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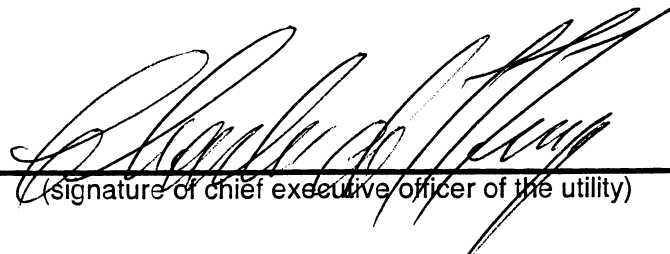
CERTIFICATION OF ANNUAL REPORT

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. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>
---	---	---	---



(signature of chief executive officer of the utility) *

1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>	4. <input type="checkbox"/>
--------------------------------	--------------------------------	--------------------------------	--------------------------------

N/A

(signature of chief financial officer of the utility) *

- * Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.