

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU370-04-AR
Residential Water Systems, Inc.
P. O. Box 5220
Ocala, FL 34478-5220

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2004

Collier & Company, P.A.

Certified Public Accountants

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Ocala, Florida 34470

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Daniel J. Collier, C.P.A.

John G. Collier, C.P.A.

March 16, 2005

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

I have compiled the 2004 Annual Report of Residential Water Systems, Inc. in the accompanying prescribed form, in accordance with the Statements on Accounting and Review Services 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.

Collier & Company, P.A.

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FINANCIAL SECTION

REPORT OF

(EXACT NAME OF UTILITY)

RESIDENTIAL WATER SYSTEMS, INC.

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

1410 NE 8TH AVENUE OCALA, FL

MARION

Mailing Address

Street Address

County

Telephone Number 352-622-4949

Date Utility First Organized 10/06/1983

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: _____

Name of subdivisions where services are provided: _____

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>CHARLES DEMENZES</u>	<u>PRESIDENT</u>	<u>P.O. BOX 5220 OCALA, FL 34478</u>	
Person who prepared this report: <u>DANIEL J. COLLIER P.A.</u>	<u>CPA</u>	<u>1111 NE 25TH AVE. #204 OCALA FL 34470</u>	
Officers and Managers: <u>CHARLES DEMENZES</u>	<u>PRESIDENT</u>	<u>P.O. BOX 5220 OCALA, FL 34478</u>	\$ _____
<u>DEBORAH DILLON</u>	<u>VICE PRESIDENT</u>	<u>P.O. BOX 5220 OCALA, FL 34478</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	Principle Business Address	Salary Charged Utility
<u>CHARLES DEMENZES</u>	<u>100%</u>	<u>P.O. BOX 5220 OCALA, FL 34478</u>	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 165,344	\$ _____	\$ _____	\$ 165,344
Commercial _____		_____	_____	_____	0
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other TURN ON/OFF _____		_____	_____	_____	0
Total Gross Revenue _____		\$ 165,344	\$ _____	\$ _____	\$ 165,344
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 175,906	\$ _____	\$ _____	\$ 175,906
Depreciation Expense _____	F-5	33,526	_____	_____	33,526
CIAC Amortization Expense _____	F-8	(32,504)	_____	_____	(32,504)
Taxes Other Than Income _____		17,402	_____	_____	17,402
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense _____		\$ 194,330	\$ _____	\$ _____	\$ 194,330
Net Operating Income (Loss) _____		\$ (28,986)	\$ _____	\$ _____	\$ (28,986)
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ 0
INTEREST INCOME _____		_____	_____	225	225
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		(7,116)	_____	_____	(7,116)
AMORTIZATION OF LOAN COSTS _____		(297)	_____	_____	(297)
Net Income (Loss) _____		\$ (36,399)	\$ _____	\$ 225	\$ (36,174)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ 1,068,849	\$ 751,332
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>222,339</u>	<u>169,777</u>
Net Utility Plant _____		\$ 846,510	\$ 581,555
Cash _____		9,020	11,253
Customer Accounts Receivable (141) _____		18,369	35,762
Other Assets (Specify): _____			
DEPOSIT _____		300	
UNAMORTIZAD RATE CASE EXPENSE _____		22,579	15,624
UNAMORTIZED DEBT DISCOUNT _____		4,327	4,624
DUE FROM STOCKHOLDER _____		<u>545</u>	
Total Assets _____		\$ <u>901,650</u>	\$ <u>648,818</u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	100	100
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____		191,790	124,635
Retained Earnings (215) _____	F-6	(171,756)	(62,144)
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>20,134</u>	\$ <u>62,591</u>
Long Term Debt (224) _____	F-6	\$ 186,212	\$ 193,787
Accounts Payable (231) _____		1,065	3,355
Notes Payable (232) _____			
Customer Deposits (235) _____		3,160	3,475
Accrued Taxes (236) _____		7,441	9,583
Other Liabilities (Specify) _____			
DUE TO AFFILIATED COMPANIES _____			36,213
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>683,638</u>	<u>339,814</u>
Total Liabilities and Capital _____		\$ <u>901,650</u>	\$ <u>648,818</u>

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 2004

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service	\$ 1,068,849	\$ 0	\$	\$ 1,068,849

Construction Work in -----				
Other (Specify) -----				

Total Utility Plant -----	\$ 1,068,849	\$ 0	\$	\$ 1,068,849

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year -----	\$ 169,777	\$ 0	\$	\$ 169,777
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account -----	\$ 33,526	\$ 0	\$	\$ 33,526
Salvage -----				
Other Credits (specify) -----				
PSC AUDIT ADJUSTMENT 2003	19,036			19,036
Total Credits -----	\$ 52,562	\$ 0	\$	\$ 52,562
<u>Deduct Debits During Year:</u>				
Book cost of plant retired -----	\$	\$	\$	\$
Cost of removal -----				
Other debits (specify) -----				
Total Debits -----	\$ 0	\$ 0	\$	\$ 0
Balance End of Year -----	\$ 222,339	\$ 0	\$	\$ 222,339

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT DECEMBER 31, 2004

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	N/A
Shares authorized _____	1000	
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 _____	\$ N/A	\$ (62,144)
Changes during the year (Specify):		
LESS CURRENT YEAR PROFIT (LOSS) _____		(36,174)
RESULTS OF PSC RATE CASE 2003 _____		(73,438)

Balance end of year _____	\$ _____	\$ (171,756)

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ N/A	\$ _____
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	
STATE SRF LOAN _____	3.55%	20YEARS	\$ 170,659
N/P INGERSOL FOR BOBCAT _____	3.90%	494 MO	9,553
DUE TO STOCKHOLDER _____	NONE	DEMAND	6,000

Total _____			\$ 186,212

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 _____	7441	_____	_____	7441
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Taxes Accrued _____	\$ 7441	\$ 0	\$ _____	\$ 7441

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, INC.	\$ 32,009	\$ _____	MANAGEMENT & MAINTENANCE
AQUA PURE	\$ 1,995	\$ _____	PLANT OPERATION & TESTING
DANIEL J. COLLIER P.A	\$ 5,150	\$ _____	ACCOUNTING FEES
PRO-TECH WATER & WASTE WATER	\$ 3,325	\$ _____	PLANT OPERATION & TESTING
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 557,508	\$ _____	\$ 557,508
2) Add credits during year - CIAC RECEIVED	\$ 471,957	\$ _____	\$ 471,957
3) Total _____	1,029,465	_____	1,029,465
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	1,029,465	_____	1,029,465
6) Less Accumulated Amortization _____	345,827	_____	345,827
7) Net CIAC _____	\$ 683,638	\$ _____	\$ 683,638

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
PSC AUDIT ADJUSTMENT 2003		_____	368,927	_____
LINES AND MAINS PROVIDED BY DEVELOPER		PROPERTY	72,418	_____
REFUND PER PSC ORDER TO CIAC		_____	23,087	_____
_____		_____	_____	_____
_____		_____	_____	_____
Sub-total _____		_____	\$ 464,432	\$ 0
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		
METER FEE	23	\$ 175	\$ 4,025	\$ _____
HOOKUP FEE	7	500	3,500	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ 471,957	\$ 0

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ 217,694	\$ _____	\$ 217,694
Add Credits During Year: _____	_____	_____	_____
Deduct Debits During Year: _____	32,504	_____	32,504
CORRECT PER PSC AUDIT OF 2003	95,629	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ 345,827	\$ _____	\$ 250,198

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

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT DECEMBER 31 2004

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

NO AFUDC WAS CHARGED THIS YEAR THUS N/A

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>100.00</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: _____ %
Commission Order Number approving AFUDC rate: _____

**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 _____	\$ 400	\$ _____	\$ (600)	\$ 1,000
302	Franchises _____	_____	_____	_____	0
303	Land and Land Rights _____	_____	_____	(7,704)	7,704
304	Structures and Improvements _____	44,976	_____	18,506	26,470
305	Collecting and Impounding Reservoirs _____	_____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____	_____
307	Wells and Springs _____	_____	_____	(19,657)	19,657
308	Infiltration Galleries and Tunnels _____	_____	_____	_____	_____
309	Supply Mains _____	_____	_____	(6,379)	6,379
310	Power Generation Equipment _____	32,588	995	11,868	21,715
311	Pumping Equipment _____	47,195	_____	12,974	34,221
320	Water Treatment Equipment _____	89,714	_____	87,730	1,984
330	Distribution Reservoirs and Standpipes _____	173,719	1,755	23,565	151,909
331	Transmission and Distribution Lines _____	198,553	54,773	(313,075)	566,401
333	Services _____	44,031	12,544	(49,672)	106,247
334	Meters and Meter Installations _____	74,727	22,154	23,869	73,012
335	Hydrants _____	14,500	6,400	(320)	21,220
336	Backflow Prevention Devices _____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	4,920	_____	_____	4,920
340	Office Furniture and Equipment _____	26,009	_____	22,925	3,084
341	Transportation Equipment _____	_____	_____	_____	_____
342	Stores Equipment _____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	_____	_____	_____	_____
344	Laboratory Equipment _____	_____	_____	_____	_____
345	Power Operated Equipment _____	_____	_____	(22,926)	22,926
346	Communication Equipment _____	_____	_____	_____	_____
347	Miscellaneous Equipment _____	_____	_____	_____	_____
348	Other Tangible Plant _____	_____	_____	_____	_____
	Total Water Plant _____	\$ 751,332	\$ 98,621	\$ (218,896)	\$ 1,068,849

*** PSC AUDIT ADJUSTMENTS FOR 2003

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)	***** PSC AUDIT 2003 Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements	28		3.57%	26,838	16,364	945	11,419
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes	40	%	2.50%	400	(88)	25	513
301	ORGANIZATION COSTS		%					0
302	Franchises	27	%	3.70%		(6,856)	728	7,584
307	Wells and Springs		%					
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains	32	%	3.13%		(1,481)	199	1,680
310	Power Generating Equipment	17	%	5.88%	7,544	11,305	1,248	(2,513)
311	Pumping Equipment	17	%	5.88%	19,919	17,299	2,013	4,633
320	Water Treatment Equipment	17	%	5.88%	47,575	46,687	117	1,005
330	Distribution Reservoirs & Standpipes	33	%	3.03%	24,398	15,749	4,577	13,226
331	Trans. & Dist. Mains	38	%	2.63%	15,623	(110,284)	14,185	140,092
333	Services	35	%	2.86%	2,805	(23,809)	2,896	29,510
334	Meter & Meter Installations	17	%	5.88%	11,157	13,451	3,643	1,349
335	Hydrants	40	%	2.50%	2,019	972	451	1,498
336	Backflow Prevention Devices		%					
339	Other Plant and Miscellaneous Equipment	20	%	5.00%	3,321		246	3,567
340	Office Furniture and Equipment	15	%	6.67%	8,178	5,094		3,084
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment		%					
344	Laboratory Equipment	10	%	10.00%		(3,439)	2,253	5,692
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 169,777	\$ (19,036)	\$ 33,526	\$ 222,339 *

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ 31,800
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	61,000
604	Employee Pensions and Benefits_____	
610	Purchased Water_____	
615	Purchased Power_____	9,171
616	Fuel for Power Production_____	
618	Chemicals_____	846
620	Materials and Supplies_____	
630	Contractual Services:	
	Billing_____	32,009
	Professional_____	4,946
	Testing_____	207
	Other_____	5,337
640	Rents_____	2,659
650	Transportation Expense_____	
655	Insurance Expense_____	5,212
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	7,526
670	Bad Debt Expense_____	
675	Miscellaneous Expenses - REPAIRS & MAINTENANCE & AMORT. OF ACQ. ADJ_____	15,193
	Total Water Operation And Maintenance Expense_____	\$ 175,906 *

* 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	535	535	535
3/4"	D	1.5			
1"	D	2.5	115	143	357.5
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			650	678	892.5

** D = Displacement
C = Compound
T = Turbine

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	NONE	6,401	59	6,342	1,051
February		5,200	123	5,077	891
March		6,591	164	6,427	882
April		9,698	851	8,847	880
May		10,894	712	10,182	846
June		10,500	96	10,404	1,009
July		7,318	700	6,618	979
August		6,524	827	5,697	910
September		6,014	847	5,167	916
October		6,674	772	5,902	1,091
November		8,302	907	7,395	963
December		7,069	134	6,935	1,100
Total for Year		91,185	6,192	84,993	11,518

If water is purchased for resale, indicate the following:
 Vendor NA
 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	4"	10280			10280
PVC	6"	26919	1820		28739
PVC	8"	15954	1000		16954

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1984	1984	_____	_____
Types of Well Construction and Casing _____	STEEL GROUDED	STEEL GROUDED	_____	_____
_____	_____	_____	_____	_____
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 _____	1000	_____	_____	_____
Auxiliary Power _____	PROPANE GEN.	_____	_____	_____
* 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 _____	NA	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
<u>Pumps</u>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	300,000	_____	_____
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. 90
2. Maximum number of ERCs * which can be served. 4286
3. Present system connection capacity (in ERCs *) using existing lines. *****
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. NA
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
NA

9. When did the company last file a capacity analysis report with the DEP? 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 # 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.

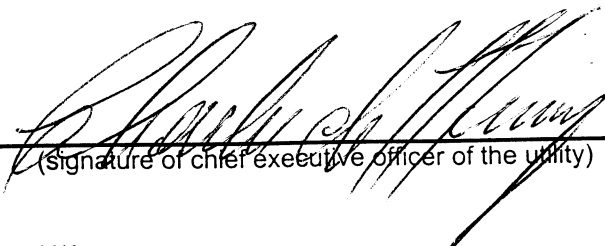
CERTIFICATION OF ANNUAL REPORT

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. |
| <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. |

s Certified

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