

**CLASS "C"**  
**WATER AND/OR WASTEWATER UTILITIES**  
(Gross Revenue of Less Than \$200,000 Each)

**ANNUAL REPORT**

OF

Holmes Utilities, Inc.  
Exact Legal Name of Respondent

WU760-06-AR  
Certificate Number(s)

Submitted To The  
**STATE OF FLORIDA**

07 FEB -5 PM 2:29  
PUBLIC SERVICE  
COMMISSION  
REGULATION

**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 2006**

# *Williams & Sherman*

CERTIFIED PUBLIC ACCOUNTANTS

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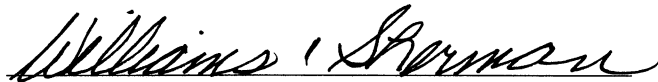
To the Board of Directors  
Holmes Utilities, Inc.  
Lake Placid, Florida

We have compiled the comparative balance sheets of Holmes Utilities, Inc. as of December 31, 2006 and 2005, and the related statements of income and retained earnings for the year ended December 31, 2006 and supplementary information included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Florida Public Service Commission information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) are presented in accordance with the requirements of the Florida Public Service Commission, which may differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

We are not independent with respect to Holmes Utilities, Inc.



Williams & Sherman, CPA's

January 22, 2007

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**FINANCIAL**

**SECTION**

**REPORT OF**

Holmes Utilites, Inc.

**(EXACT NAME OF UTILITY)**

760 Henscratch Road Lake Placid, FL 33852	760 Henscratch Road Lake Placid, FL 33852	Highlands
Mailing Address	Street Address	County

Telephone Number (863) 465-6044 Date Utility First Organized 08/25/95

Fax Number (863) 465-5159 E-mail Address \_\_\_\_\_

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

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

- Individual    
  Sub Chapter S Corporation    
  1120 Corporation    
  Partnership

Name, Address and Phone where records are located: Holmes Utilites, Inc., 760 Henscratch Road,  
Lake Placid, FL 33852 (863) 465-6044

Name of subdivisions where services are provided: Country Walk of Leisure Lakes Subdivision

**CONTACTS**

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>Daniel Holmes</u>	<u>President</u>	<u>760 Henscratch Road</u> <u>Lake Placid, FL 33852</u>	
Person who prepared this report: <u>Lisa Sherman</u>	<u>CPA</u>	<u>111 East Park Street</u> <u>Lake Placid, FL 33852</u>	
Officers and Managers: <u>Daniel Holmes</u>	<u>President</u>	<u>760 Henscratch Road</u> <u>Lake Placid, FL 33852</u>	\$ <u>0</u>
<u>Lisa Holmes</u>	<u>V/P, Sec, Treas</u>	<u>Same as above</u>	\$ <u>0</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>Daniel Holmes</u>	<u>50%</u>	<u>760 Henscratch Road</u>	\$ <u>0</u>
<u>Lisa K. Holmes</u>	<u>50%</u>	<u>760 Henscratch Road</u>	\$ <u>0</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2006
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**INCOME STATEMENT**

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
<b>Gross Revenue:</b>					
Residential _____		\$ 25,032	\$ _____	\$ _____	\$ 25,032
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
<b>Total Gross Revenue</b> _____		<b>\$ 25,032</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 25,032</b>
<b>Operation Expense (Must tie to pages W-3 and S-3)</b>					
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 28,307	\$ _____	\$ _____	\$ 28,307
Depreciation Expense _____	F-5	2,648	_____	_____	2,648
CIAC Amortization Expense _____	F-8	(911)	_____	_____	(911)
Taxes Other Than Income _____	F-7	1,579	_____	_____	1,579
Income Taxes _____	F-7	0	_____	_____	0
<b>Total Operating Expense</b>		<b>\$ 31,623</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 31,623</b>
<b>Net Operating Income (Loss)</b>		<b>\$ (6,591)</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ (6,591)</b>
<b>Other Income:</b>					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
<b>Other Deductions:</b>					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		13,192	_____	_____	13,192
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
<b>Net Income (Loss)</b>		<b>\$ (19,783)</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ (19,783)</b>

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2006
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**COMPARATIVE BALANCE SHEET**

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ <u>67,624</u>	\$ <u>65,482</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>32,848</u>	<u>30,200</u>
Net Utility Plant _____		\$ <u>34,776</u>	\$ <u>35,282</u>
Cash _____		<u>2,350</u>	_____
Customer Accounts Receivable (141) _____		<u>334</u>	_____
Other Assets (Specify): _____		_____	_____
Utility Deposits _____		<u>180</u>	<u>180</u>
		_____	_____
		_____	_____
Total Assets _____		\$ <u>37,640</u>	\$ <u>35,462</u>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201) _____	F-6	<u>100</u>	<u>100</u>
Preferred Stock Issued (204) _____	F-6	_____	_____
Other Paid in Capital (211) _____		_____	_____
Retained Earnings (215) _____	F-6	<u>(156,660)</u>	<u>(136,877)</u>
Proprietary Capital (Proprietary and Partnership only) (218) _____	F-6	_____	_____
Total Capital _____		\$ <u>(156,560)</u>	\$ <u>(136,777)</u>
Long Term Debt (224) _____	F-6	\$ _____	\$ _____
Accounts Payable (231) _____		_____	_____
Notes Payable (232) _____		<u>178,046</u>	<u>155,196</u>
Customer Deposits (235) _____		_____	_____
Accrued Taxes (236) _____		<u>1,126</u>	<u>1,104</u>
Other Liabilities (Specify) _____		_____	_____
		_____	_____
		_____	_____
Advances for Construction _____		_____	_____
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>15,028</u>	<u>15,939</u>
Total Liabilities and Capital _____		\$ <u>37,640</u>	\$ <u>35,462</u>

UTILITY NAME Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2006
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**GROSS UTILITY PLANT**

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other than Reporting Systems	Total
Utility Plant in Service (101)	\$ <u>67,624</u>	\$ _____	\$ _____	\$ <u>67,624</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Total Utility Plant</b> _____	<b>\$ <u>67,624</u></b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ <u>67,624</u></b>

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

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year _____	\$ <u>30,200</u>	\$ _____	\$ _____	\$ <u>30,200</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ <u>2,648</u>	\$ _____	\$ _____	\$ <u>2,648</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
<u>Total Credits</u> _____	<u>\$ <u>2,648</u></u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ <u>2,648</u></u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
<u>Total Debits</u> _____	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
Balance End of Year _____	<u>\$ <u>32,848</u></u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ <u>32,848</u></u>



UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT	
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**CAPITAL STOCK ( 201 - 204 )**

	Common Stock	Preferred Stock
Par or stated value per share _____	1	_____
Shares authorized _____	500	_____
Shares issued and outstanding _____	100	_____
Total par value of stock issued _____	100	_____
Dividends declared per share for year _____	0	_____

**RETAINED EARNINGS ( 215 )**

	Appropriated	Un- Appropriated
Balance first of year _____	\$ _____	\$ (136,877)
Changes during the year (Specify):		
Net loss for the year _____	_____	(19,783)
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ (156,660)

**PROPRIETARY CAPITAL ( 218 )**

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

**LONG TERM DEBT ( 224 )**

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

UTILITY NAME: Holmes Utilities, Inc.

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**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 _____	201	_____	_____	201
Regulatory assessment fee _____	1,126	_____	_____	1,126
Other (Specify) _____	_____	_____	_____	_____
Department of State _____	150	_____	_____	150
Other _____	102	_____	_____	102
Total Tax Expense _____	\$ <u>1,579</u>	\$ _____	\$ _____	\$ <u>1,579</u>

**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
<u>Williams &amp; Sherman, CPA's</u>	\$ 1,830	\$ _____	<u>Accounting</u>
<u>Pugh Utilities Service, Inc.</u>	\$ 25,998	\$ _____	<u>O &amp; M, Billing, various</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Holmes Utilities, Inc.

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**CONTRIBUTIONS IN AID OF CONSTRUCTION ( 271 )**

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 23,700	\$ _____	\$ 23,700
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	23,700	_____	23,700
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	23,700	_____	23,700
6) Less Accumulated Amortization _____	8,672	_____	8,672
7) Net CIAC _____	\$ 15,028	\$ _____	\$ 15,028

**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 _____	\$ 7,761	\$ _____	\$ 7,761
Add Debits During Year: _____	911	_____	911
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ 8,672	\$ _____	\$ 8,672

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

UTILITY NAME Holmes Utilites, Inc.

YEAR OF REPORT DECEMBER 31, 2006
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**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)	_____	_____ %	_____ %	_____ %
<b>Total</b>	\$ <u>_____</u>	<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**

UTILITY NAME: Holmes Utilites, Inc.

YEAR OF REPORT	
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**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_____	1,495	_____	_____	1,495
304	Structures and Improvements_____	10,601	_____	_____	10,601
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	16,306	_____	_____	16,306
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	_____	_____	_____	_____
310	Power Generation Equipment_____	_____	_____	_____	_____
311	Pumping Equipment_____	3,350	689	_____	4,039
320	Water Treatment Equipment_____	6,924	1,453	_____	8,377
330	Distribution Reservoirs and Standpipes_____	6,701	_____	_____	6,701
331	Transmission and Distribution Lines_____	11,863	_____	_____	11,863
333	Services_____	_____	_____	_____	_____
334	Meters and Meter Installations_____	8,242	_____	_____	8,242
335	Hydrants_____	_____	_____	_____	_____
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
340	Office Furniture and Equipment_____	_____	_____	_____	_____
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_____	\$ 65,482	\$ 2,142	\$ _____	\$ 67,624

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT  
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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	%	3.57 %	\$ 5,017	\$	\$ 378	\$ 5,395
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	3.70 %	9,953		603	10,556
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%					
311	Pumping Equipment	17	%	5.88 %	455		217	672
320	Water Treatment Equipment	17	%	5.88 %	5,613		450	6,063
330	Distribution Reservoirs & Standpipes	33	%	3.03 %	3,215		203	3,418
331	Trans. & Dist. Mains	38	%	2.63 %	2,082		312	2,394
333	Services		%					
334	Meter & Meter Installations	17	%	5.88 %	3,865		485	4,350
335	Hydrants		%					
336	Backflow Prevention Devices		%					
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment		%					
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				\$ 30,200	\$	\$ 2,648	\$ 32,848 *

\* This amount should tie to Sheet F-5.



UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2006
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**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_____	801
616	Fuel for Power Production_____	_____
618	Chemicals_____	1,785
620	Materials and Supplies_____	_____
630	Contractual Services:	
	Billing_____	3,600
	Professional_____	1,830
	Testing_____	2,020
	Other_____	16,451
640	Rents_____	_____
650	Transportation Expense_____	_____
655	Insurance Expense_____	788
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
670	Bad Debt Expense_____	_____
675	Miscellaneous Expenses_____	1,032
Total Water Operation And Maintenance Expense_____		\$ <u>28,307</u> *

\* 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)	
<b>Residential Service</b>					
5/8"	D	1.0	67	67	67
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
<b>General Service</b>					
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			<u>67</u>	<u>67</u>	<u>67</u>

\*\* D = Displacement  
C = Compound  
T = Turbine

UTILITY NAME: Holmes Utilites, Inc.

YEAR OF REPORT DECEMBER 31, 2006
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SYSTEM NAME: \_\_\_\_\_

**PUMPING AND PURCHASED WATER STATISTICS**

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [ (b)+(c)-(d) ] (e)	Water Sold To Customers (Omit 000's) (f)
January _____	_____	246	_____	246	246
February _____	_____	218	_____	218	218
March _____	_____	264	_____	264	264
April _____	_____	233	_____	233	233
May _____	_____	267	_____	267	267
June _____	_____	185	_____	185	185
July _____	_____	171	_____	171	171
August _____	_____	181	_____	181	181
September _____	_____	163	_____	163	163
October _____	_____	200	_____	200	200
November _____	_____	276	_____	276	276
December _____	_____	210	_____	210	210
Total for Year _____	_____	<u>2,614</u>	_____	<u>2,614</u>	<u>2,614</u>

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 _____	2"	3815'	_____	_____	3815'
PVC _____	4"	1602'	_____	_____	1602'
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2006
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SYSTEM NAME: \_\_\_\_\_

**WELLS AND WELL PUMPS**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1987	_____	_____	_____
Types of Well Construction and Casing _____	Steel Grouted	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	1,000'	_____	_____	_____
Diameters of Wells _____	4"	_____	_____	_____
Pump - GPM _____	85 GPM	_____	_____	_____
Motor - HP _____	5 HP	_____	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	N/A	_____	_____	_____
_____	_____	_____	_____	_____

† Submersible, centrifugal, etc.

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Pneumatic	_____	_____	_____
Capacity of Tank _____	5,000	_____	_____	_____
Ground or Elevated _____	Ground	_____	_____	_____
_____	_____	_____	_____	_____

**HIGH SERVICE PUMPING**

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

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2006
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**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Permitted Gals. per day_ _ _	<u>122,400</u>	<u>                    </u>	<u>                    </u>
Type of Source_ _ _ _ _	<u>Well</u>	<u>                    </u>	<u>                    </u>

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type_ _ _ _ _	<u>Community System</u>	<u>                    </u>	<u>                    </u>
Make_ _ _ _ _	<u>Pump &amp; Pressure Tank</u>	<u>                    </u>	<u>                    </u>
Permitted Capacity (GPD)_ _	<u>122,400</u>	<u>                    </u>	<u>                    </u>
High service pumping Gallons per minute_ _ _ _	<u>85</u>	<u>                    </u>	<u>                    </u>
Reverse Osmosis_ _ _ _ _	<u>None</u>	<u>                    </u>	<u>                    </u>
Lime Treatment Unit Rating_ _ _ _ _	<u>N/A</u>	<u>                    </u>	<u>                    </u>
Filtration Pressure Sq. Ft._ _ _ _ _	<u>N/A</u>	<u>                    </u>	<u>                    </u>
Gravity GPD/Sq.Ft._ _ _ _ _	<u>N/A</u>	<u>                    </u>	<u>                    </u>
Disinfection Chlorinator_ _ _ _ _	<u>2-3 Gal/Day</u>	<u>                    </u>	<u>                    </u>
Ozone_ _ _ _ _	<u>Chem Tech</u>	<u>                    </u>	<u>                    </u>
Other_ _ _ _ _	<u>                    </u>	<u>                    </u>	<u>                    </u>
Auxiliary Power_ _ _ _ _	<u>Diesel Generator</u>	<u>                    </u>	<u>                    </u>

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 2006

SYSTEM NAME: \_\_\_\_\_

**GENERAL WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 100
2. Maximum number of ERCs \* which can be served. 350
3. Present system connection capacity (in ERCs \*) using existing lines. 100
4. Future connection capacity (in ERCs \*) upon service area buildout. 23
5. Estimated annual increase in ERCs \*. 5
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? N/A
7. Attach a description of the fire fighting facilities. Local volunteer fire department; no fire hydrants; lake access
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
None
9. When did the company last file a capacity analysis report with the DEP? N/A
10. If the present system does not meet the requirements of DEP rules, submit the following:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules. N/A
  - b. Have these plans been approved by DEP? N/A
  - c. When will construction begin? N/A
  - d. Attach plans for funding the required upgrading. N/A
  - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 5284114
12. Water Management District Consumptive Use Permit # N/A
  - a. Is the system in compliance with the requirements of the CUP? N/A
  - b. If not, what are the utility's plans to gain compliance? N/A

\* 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

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

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 2006

# CERTIFICATION OF ANNUAL REPORT

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

- |  |                                |    |  |
|--|--------------------------------|----|--|
| YES<br><input checked="" type="checkbox"/> | NO<br><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<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.  |
| YES<br><input checked="" type="checkbox"/> | NO<br><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<br><input checked="" type="checkbox"/> | NO<br><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.<br><input checked="" type="checkbox"/> | 2.<br><input checked="" type="checkbox"/> | 3.<br><input checked="" type="checkbox"/> | 4.<br><input checked="" type="checkbox"/> |
|---|---|---|---|

 \*  
(signature of Chief Executive Officer of the utility)

Date: 2/2/07

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

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

Date: 2/2/07

\* 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: Holmes Utilities, Inc.**

**For the Year Ended December 31, 2006**

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 25,032	\$ 25,032	\$
Commercial	_____	_____	_____
Industrial	_____	_____	_____
Multiple Family	_____	_____	_____
Guaranteed Revenues	_____	_____	_____
Other	_____	_____	_____
<b>Total Water Operating Revenue</b>	<b>\$ 25,032</b>	<b>\$ 25,032</b>	<b>\$</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Water Operating Revenues</b>	<b>\$ 25,032</b>	<b>\$ 25,032</b>	<b>\$</b>

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).