REVISED 9/6/07

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

Keen Subdivision

WU771-06-AR
Keen Sales, Rentals and Utilities, Inc.
685 Dyson Road
Haines City, FL 33844-8587

07 SEP 10 PM 3: 37
ECONOMIC REGULATION

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2006

Form PSC/ECR 006-W (Rev. 12/99)

FINANCIAL SECTION

REPORT OF

KEEN SALES, RENTALS AND UTILITIES, INC.

(EXACT NAME OF UTILITY)

Mailing Address	Street Address	County
685 Dyson Rd. Haines City, FL 33844		POLK

Telephone Number 863-421-6827

Date Utility First Organized 1/1990

Fax Number SAME

E-mail Address KCORP16@TAMPABAY.RR.com

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: SAME

Name of subdivisions where services are provided: KEEN SUBDIVISION

CONTACTS

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence:			
Mindy DUNNAHOE	Manager	SAME	
Person who prepared this report:			
Steve Herman / Mindy Dunnahoe CPA / manager			
Officers and Managers:			
Earlene R. KEEN	President		$ 16400.00 yR.
Karen B. KEEN Kimbrel	V. President		$ ~~0~~
Shelly K. Kiker	Secretary		$ ~~0~~
Melinda K. Dunnahoe	Treasurer		$ ~~0~~
			$

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
			$
			$
			$
			$
			$
			$
			$

UTILITY NAME: Subs

YEAR OF REPORT
DECEMBER 31, 2006

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		$ 41625	$	$	$ 41625
Commercial					
Industrial					
Multiple Family					
Guaranteed Revenues					
Other (Specify)					
Total Gross Revenue		$ 41625	$	$	$ 41625
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	$ 35416	$	$	$ 35416
Depreciation Expense	F-5	5413			5413
CIAC Amortization Expense	F-8				
Taxes Other Than Income	F-7	3711			3711
Income Taxes	F-7				
Total Operating Expense		$ 44540			$ 44540
Net Operating Income (Loss)		$ (2915)	$	$	$ (2915)
Other Income:					
Nonutility Income		$ 1549	$	$	$ 1549
Other Deductions:					
Miscellaneous Nonutility Expenses		$ 2192	$	$	$ 2192
Interest Expense		3996			3996
Net Income (Loss)		$ (7554)	$	$	$ (7554)

UTILITY NAME: S

YEAR OF REPORT
DECEMBER 31, 2006

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105)	F-5,W-1,S-1	$ 90127	$ 87929
Accumulated Depreciation and Amortization (108)	F-5,W-2,S-2	(52410)	(46997)
Net Utility Plant		$ 37717	$ 40932
Cash		680	4899
Customer Accounts Receivable (141)		1057	620
Other Assets (Specify):			
SALES AGREEMENTS		31471	43971
INTER COMPANY ACCT		15569	
Total Assets		$ 86494	$ 90422
Liabilities and Capital:			
Common Stock Issued (201)	F-6	300	300
Preferred Stock Issued (204)	F-6		
Other Paid in Capital (211)			
Retained Earnings (215)	F-6	7751	15305
Propietary Capital (Proprietary and Partnership only) (218)	F-6		
Total Capital		$ 8051	$ 17605
Long Term Debt (224)	F-6	$ 43600	$ 45029
Accounts Payable (231)		388	362
Notes Payable (232)			
Customer Deposits (235)			
Accrued Taxes (236)		1070	1051
Other Liabilities (Specify) ROUNDING		1	
ACCRUED RENT		12960	9720
ACCRUED INTEREST		8295	6436
PAYROLL LIABILITY		12129	12159
Advances for Construction			
Contributions in Aid of Construction - Net (271-272)	F-8		
Total Liabilities and Capital		$ 86494	$ 90422

UTILITY NAME: S

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 (101)	$ 90127	$	$	$ 90127
Construction Work in Progress (105)				
Other (Specify)				
Total Utility Plant	$ 90127	$	$	$ 90127

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

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year	$ 46997	$	$	$ 46997
Add Credits During Year:				
Accruals charged to depreciation account	$ 5413	$	$	$ 5413
Salvage				
Other Credits (specify)				
Total Credits	$ 5413	$	$	$ 5413
Deduct Debits During Year:				
Book cost of plant retired	$	$	$	$
Cost of removal				
Other debits (specify)				
Total Debits	$	$	$	$
Balance End of Year	$ 52410	$	$	$ 52410

UTILITY NAME: S

YEAR OF REPORT
DECEMBER 31, 2006

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share	.30	
Shares authorized	1000	
Shares issued and outstanding	1000	
Total par value of stock issued	300	
Dividends declared per share for year		

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year	$	$ 15305
Changes during the year (Specify):		
LOSS		(7554)
Balance end of year	$	$ 7751

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 Rate	Interest # of Pymts	Principal per Balance Sheet Date
ATTACHED			$
Total			$

KEEN SALES RENTAL & UTILITIES, INC.
12/31/2006

	INTEREST RATE	# OF PAYMENTS	
Long Term Liabilities			
232 · Notes Payable			
232.17 · N P KEEN RENTALS 2	**7.00%**	**SUSPENDED**	9,164.54
232.18 · N P KEEN RENTAL 3	**7.00%**	**SUSPENDED**	4,867.05
232.15 · KEEN RENTAL	**7.00%**	**SUSPENDED**	2,000.00
232.20 · N P KEEN RENTAL SUBDIVISIONS	**7.00%**	**SUSPENDED**	46,298.45
232.19 · N P KEEN RENTAL ALTURAS	**7.00%**	**SUSPENDED**	25,819.00
232.16 · N P KEEN RENTAL 2	**7.00%**	**SUSPENDED**	1,000.00
232.3 · N/P - Ray Keen	**7.00%**	**SUSPENDED**	33,436.41
232.6 · NOTE PAYABLE - KEEN RENTALS	**7.00%**	**SUSPENDED**	4,365.46
232.7 · AUTO LOAN	**7.99%**	**60**	6,761.14
232.9 · LOAN PAYMENTS	**7.00%**	**SUSPENDED**	11,620.00
Total 232 · Notes Payable			145,332.05

Systems	
Paradise	101,732.44
Subdivision	43,599.61
	145,332.05

UTILITY NAME: S

YEAR OF REPORT DECEMBER 31, 2006

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	797			
Local property tax				
Regulatory assessment fee	1763			
Other (Specify)				
PAYROLL TAX	1151			
Total Tax Expense	$ 3711	$	$	$

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to $500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	

UTILITY NAME: S

YEAR OF REPORT DECEMBER 31, 2006

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

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

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	Water	Wastewater
		$	$	$
Total Credits During Year (Must agree with line # 2 above.)			$ Ø	$ Ø

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year	$	$	$
Add Debits During Year:			
Deduct Credits During Year:			
Balance End of Year (Must agree with line #6 above.)	$ Ø	$ Ø	$ Ø

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

UTILITY NAME: S

YEAR OF REPORT
DECEMBER 31, 2006

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	$ N/A	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:	

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

UTILITY NAME: S

YEAR OF REPORT
DECEMBER 31, 2006

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	$ 300	$	$	$	$ 300
Preferred Stock					
Long Term Debt	43600				43600
Customer Deposits					
Tax Credits-Zero Cost					
Tax Credits-Weighted Cost of Capital					
Deferred Income Taxes					
Other (Explain)					
Total	$ 43900	$	$	$	$ 43900

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

WATER

OPERATING

SECTION

UTILITY NAME: S

YEAR OF REPORT
DECEMBER 31, 2006

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	4000			4000
304	Structures and Improvements	1381	1011		2392
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	13436			13436
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	10143			10143
320	Water Treatment Equipment	7053			7053
330	Distribution Reservoirs and Standpipes	10 000			10 000
331	Transmission and Distribution Lines	15,500			15,500
333	Services				
334	Meters and Meter Installations	3019	41		3 060
335	Hydrants	1800			1800
336	Backflow Prevention Devices				
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment	2229	824		3053
341	Transportation Equipment	15355	322		15677
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	491			491
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment	2847			2847
348	Other Tangible Plant	675			675
	Total Water Plant	$ 87929	$ 2198	$	$ 90127

UTILITY NAME: S

YEAR OF REPORT
DECEMBER 31, 2006

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		%	%	$ 148	$	$ 143	$ 291
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs		%	%	6905		746	7651
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment		%	%	6152		636	6788
320	Water Treatment Equipment		%	%	7053			7053
330	Distribution Reservoirs & Standpipes		%	%	3084		333	3417
331	Trans. & Dist. Mains		%	%	7332		388	7720
333	Services		%	%				
334	Meter & Meter Installations		%	%	1864		179	2043
335	Hydrants		%	%	465		45	510
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment		%	%	1503		193	1696
341	Transportation Equipment		%	%	9508		2382	11890
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%	199		33	232
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%	2159		285	2444
348	Other Tangible Plant		%	%	625		50	675
	Totals				$ 46997	$	$ 5413	$ 52410 *

* This amount should tie to Sheet F-5.

UTILITY NAME: S

YEAR OF REPORT
DECEMBER 31, 2006

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	$ 9250
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	4920
604	Employee Pensions and Benefits	168
610	Purchased Water	
615	Purchased Power	1535
616	Fuel for Power Production	37
618	Chemicals	634
620	Materials and Supplies	234
630	Contractual Services:	
	Billing	
	Professional	2669
	Testing	3768
	Other	549
640	Rents	3240
650	Transportation Expense	1321
655	Insurance Expense	3075
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	140
670	Bad Debt Expense	390
675	Miscellaneous Expenses	3486
	Total Water Operation And Maintenance Expense	$ 35416 *
	* 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)	Number of Active Customers: End of Year (e)	Total Number of Meter Equivalents (c x e) (f)
Residential Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
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)					
** D = Displacement C = Compound T = Turbine		Total			

UTILITY NAME: Keen

SYSTEM NAME: Subdivison

YEAR OF REPORT
DECEMBER 31, 2006

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	~~0~~	566763	43425	523338	523338
February		477236	21514	455722	455722
March		460009	30389	429620	429620
April		718759	67579	651180	651180
May		636415	51800	584615	584615
June		565044	58567	506477	506477
July		709503	65333	644170	644170
August		513756	19998	493758	493758
September		696531	64444	632087	632087
October		314308	15335	298973	298973
November		772460	50330	722130	722130
December		497470	45210	452260	452260
Total for Year	~~0~~	6928254	533924	6394330	6394330

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

UTILITY NAME: KEEN

SYSTEM NAME: Subdivision

YEAR OF REPORT
DECEMBER 31, 2006

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed	7/89			
Types of Well Construction and Casing	PVC			
Depth of Wells	235			
Diameters of Wells	6			
Pump - GPM	?			
Motor - HP	25			
Motor Type *	Submersible			
Yields of Wells in GPD	-			
Auxiliary Power	Generator Rental			

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel			
Capacity of Tank	2@ 9000			
Ground or Elevated	Ground			

HIGH SERVICE PUMPING

N/A

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

UTILITY NAME: KEEN

YEAR OF REPORT
DECEMBER 31, 2006

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)

Permitted Gals. per day	Unknown		
Type of Source	Ground		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

Type	Standard		
Make	Goulds		
Permitted Capacity (GPD)	Unknown		
High service pumping Gallons per minute	Unknown		
Reverse Osmosis	Unknown		
Lime Treatment Unit Rating	Unknown		
Filtration Pressure Sq. Ft.	Unknown		
Filtration Gravity GPD/Sq.Ft.	Unknown		
Disinfection Chlorinator	Chlorine		
Ozone	N/A		
Other			
Auxiliary Power	Generator Rental		

UTILITY NAME: KEEN

SYSTEM NAME: Subdivision

YEAR OF REPORT
DECEMBER 31, 2006

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. 137
2. Maximum number of ERCs * which can be served. Unknown
3. Present system connection capacity (in ERCs *) using existing lines. Unknown
4. Future connection capacity (in ERCs *) upon service area buildout. Unknown
5. Estimated annual increase in ERCs *. Unknown
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. City of Haines City Fire Dept.
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? Unknown
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 # 9569
12. Water Management District Consumptive Use Permit # 653-5235
    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 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: KEEN

YEAR OF REPORT
DECEMBER 31, 2006

CERTIFICATION OF ANNUAL REPORT

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

YES	NO		
X		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.
X		2.	The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
X		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.
X		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.
X	X	X	X

* [signature]
(signature of Chief Executive Officer of the utility)

Date: 5/23/07

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: KEEN

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	$ 41625	$ 39191	$ 2434.
Commercial	—	—	—
Industrial	—	—	—
Multiple Family	—	—	—
Guaranteed Revenues	—	—	—
Other	—	—	—
Total Water Operating Revenue	$ 41625	$ 39191	$ 2434
LESS: Expense for Purchased Water from FPSC-Regulated Utility	—	—	—
Net Water Operating Revenues	41625	$ 39191	$ 2434

Explanations:

Revenue not actually collected.

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).

REVISED 9/6/07

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

L. R. Paradise Island

WU771-06-AR
Keen Sales, Rentals and Utilities, Inc.
685 Dyson Road
Haines City, FL 33844-8587

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

GREAT SEAL OF THE STATE OF FLORIDA
IN GOD WE TRUST

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2006

Form PSC/ECR 006-W (Rev. 12/99)

FINANCIAL SECTION

REPORT OF

KEEN SALES, RENTALS AND UTILITIES, INC.
(EXACT NAME OF UTILITY)

Mailing Address	Street Address	County
685 Dyson Rd. Haines City, FL 33844		POLK

Telephone Number 863-421-6827

Date Utility First Organized 1/1990

Fax Number SAME

E-mail Address KCORP16@TAMPABAY.RR.com

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: SAME

Name of subdivisions where services are provided: LAKE Region PARADISE ISLAND

CONTACTS

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence:			
Mindy DUNNAHOE	Manager	SAME	
Person who prepared this report:			
Steve Herman/Mindy DUNNAHOE CPA manager			
Officers and Managers:			
Earlene R. KEEN	President		$ 16400.00 YR.
Karen B. KEEN Kimbrel	V. President		$ 0
Shelly K. Kiker	Secretary		$ 0
Melinda K. DUNNAHOE	Treasurer		$ 0
			$

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
			$
			$
			$
			$
			$
			$
			$

UTILITY NAME: Lake Region Paradise Island

YEAR OF REPORT DECEMBER 31, 2006

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		$ 50,877	$	$	$ 50,877
Commercial					
Industrial					
Multiple Family					
Guaranteed Revenues					
Other (Specify)					
Total Gross Revenue		$ 50,877	$	$	$ 50,877
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	$ 71,423	$	$	$ 71,423
Depreciation Expense	F-5	3130			3,130
CIAC Amortization Expense	F-8				
Taxes Other Than Income	F-7	5720			5720
Income Taxes	F-7				
Total Operating Expense		$ 80,273			$ 80,273
Net Operating Income (Loss)		$ (29,396)	$	$	$ (29,396)
Other Income:					
Nonutility Income		$	$	$	$
Other Deductions:					
Miscellaneous Nonutility Expenses		$ 297	$	$	$ 297
Interest Expense		2594			2594
Net Income (Loss)		$ (32,287)	$	$	$ (32,287)

UTILITY NAME: PI

YEAR OF REPORT
DECEMBER 31, 2006

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105)	F-5,W-1,S-1	$ 46815	$ 41686
Accumulated Depreciation and Amortization (108)	F-5,W-2,S-2	(23525)	(20405)
Net Utility Plant		$ 23280	$ 21281
Cash		1588	11431
Customer Accounts Receivable (141)		645	415
Other Assets (Specify):			
Total Assets		$ 25513	$ 33127
Liabilities and Capital:			
Common Stock Issued (201)	F-6	700	700
Preferred Stock Issued (204)	F-6		
Other Paid in Capital (211)			
Retained Earnings (215)	F-6	(174,110)	(141823)
Propietary Capital (Proprietary and Partnership only) (218)	F-6		
Total Capital		$ (173410)	$ (141123)
Long Term Debt (224)	F-6	$ 101732	$ 105092
Accounts Payable (231)		712	522
Notes Payable (232)			
Customer Deposits (235)			
Accrued Taxes (236)		3014	2452
Other Liabilities (Specify) INTER CO ACT		15569	
ACCRUED RENT		30240	22680
ACCRUED INTEREST		19356	15134
PAYROLL LIABILITIES		28300	28270
Advances for Construction			
Contributions in Aid of Construction - Net (271-272)	F-8		
Total Liabilities and Capital		$ 25513	$ 33127

UTILITY NAME: P

YEAR OF REPORT
DECEMBER 31, 2006

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other than Reporting Systems	Total
Utility Plant in Service (101)	$ 46 815	$	$	$ 46 815
Construction Work in Progress (105)				
Other (Specify)				
Total Utility Plant	$ 46,815	$	$	$ 46,815

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

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year	$ 20405	$	$	$ 20405
Add Credits During Year:				
Accruals charged to depreciation account	$ 3130	$	$	$ 3130
Salvage				
Other Credits (specify)				
Total Credits	$ 3130	$	$	$ 3130
Deduct Debits During Year:				
Book cost of plant retired	$	$	$	$
Cost of removal				
Other debits (specify)				
Total Debits	$	$	$	$
Balance End of Year	$ 23,535	$	$	$ 23535

UTILITY NAME: P

YEAR OF REPORT DECEMBER 31, 2006

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share	.70	
Shares authorized	1000	
Shares issued and outstanding	1000	
Total par value of stock issued	700	
Dividends declared per share for year	ø	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year	$	$ (141823)
Changes during the year (Specify):		
LOSS FOR 2006		(32287)
Balance end of year	$	$ (174 410)

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 Rate	Interest # of Pymts	Principal per Balance Sheet Date
ATTACHED			$
Total			$

KEEN SALES RENTAL & UTILITIES, INC.
12/31/2006

	Interest Rate	# of Payments	
Long Term Liabilities			
232 · Notes Payable	**INTEREST RATE**	**# OF PAYMENTS**	
232.17 · N P KEEN RENTALS 2	**7.00%**	**SUSPENDED**	9,164.54
232.18 · N P KEEN RENTAL 3	**7.00%**	**SUSPENDED**	4,867.05
232.15 · KEEN RENTAL	**7.00%**	**SUSPENDED**	2,000.00
232.20 · N P KEEN RENTAL SUBDIVISIONS	**7.00%**	**SUSPENDED**	46,298.45
232.19 · N P KEEN RENTAL ALTURAS	**7.00%**	**SUSPENDED**	25,819.00
232.16 · N P KEEN RENTAL 2	**7.00%**	**SUSPENDED**	1,000.00
232.3 · N/P - Ray Keen	**7.00%**	**SUSPENDED**	33,436.41
232.6 · NOTE PAYABLE - KEEN RENTALS	**7.00%**	**SUSPENDED**	4,365.46
232.7 · AUTO LOAN	**7.99%**	**60**	6,761.14
232.9 · LOAN PAYMENTS	**7.00%**	**SUSPENDED**	11,620.00
Total 232 · Notes Payable			145,332.05

Systems	
Paradise	101,732.44
Subdivision	43,599.61
	145,332.05

UTILITY NAME: P

YEAR OF REPORT DECEMBER 31, 2006

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	715			715
Local property tax				
Regulatory assessment fee	2320			2320
Other (Specify)				
PAYROLL TAXES	2685			2685
Total Tax Expense	$ 5720	$	$	$ 5720

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to $500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	
	$	$	

UTILITY NAME: P

YEAR OF REPORT
DECEMBER 31, 2006

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

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

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	Water	Wastewater
		$	$	$
Total Credits During Year (Must agree with line # 2 above.)			$ Ø	$ Ø

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year	$	$	$
Add Debits During Year:			
Deduct Credits During Year:			
Balance End of Year (Must agree with line #6 above.)	$ Ø	$ Ø	$ Ø

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

UTILITY NAME: P

YEAR OF REPORT
DECEMBER 31, 2006

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	$ N/A	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:	

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

UTILITY NAME: P

YEAR OF REPORT
DECEMBER 31, 2006

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	$ 700	$	$	$	$ 700
Preferred Stock					
Long Term Debt	101732				101732
Customer Deposits					
Tax Credits-Zero Cost					
Tax Credits-Weighted Cost of Capital					
Deferred Income Taxes					
Other (Explain)					
Total	$ 102432	$	$	$	$ 102432

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

WATER

OPERATING

SECTION

UTILITY NAME: P

YEAR OF REPORT
DECEMBER 31, 2006

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	2,000			2,000
304	Structures and Improvements	5'424	2359		7,783
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	3,000			3,000
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	406			406
320	Water Treatment Equipment	2,840			2,840
330	Distribution Reservoirs and Standpipes	1,000			1,000
331	Transmission and Distribution Lines	9,617			9617
333	Services				
334	Meters and Meter Installations	4,308	96		4,404
335	Hydrants	900			900
336	Backflow Prevention Devices				
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment	1,502	1,924		3,426
341	Transportation Equipment	10,357	750		11,107
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	332			332
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	Total Water Plant	$ 41,686	$ 5129	$	$ 46,815

UTILITY NAME: P

YEAR OF REPORT DECEMBER 31, 2006

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	%	3.93 %	$ 1530	$	$ 306	$ 1836
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs	18	%	5.56 %	1500		167	1667
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment	17	%	5.91 %	252		24	276
320	Water Treatment Equipment	7	%	1.73 %	2767		49	2816
330	Distribution Reservoirs & Standpipes	30	%	3.30 %	291		33	324
331	Trans. & Dist. Mains	40	%	2.88 %	4032		277	4,309
333	Services		%	%				
334	Meter & Meter Installations	17	%	5.45 %	2174		240	2414
335	Hydrants	40	%	2.56 %	315		23	338
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment	13	%	8.62 %	997		282	1279
341	Transportation Equipment	6	%	15.57 %	6414		1707	8121
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment	15	%	6.63 %	133		22	155
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				$ 20405	$	$ 3130	$ 23535*

* This amount should tie to Sheet F-5.

UTILITY NAME: P

YEAR OF REPORT
DECEMBER 31, 2006

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	$ 21585
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	11480
604	Employee Pensions and Benefits	387
610	Purchased Water	
615	Purchased Power	2454
616	Fuel for Power Production	86
618	Chemicals	1114
620	Materials and Supplies	522
630	Contractual Services:	
	Billing	
	Professional	1330
	Testing	4577
	Other	1496
640	Rents	7560
650	Transportation Expense	3319
655	Insurance Expense	7175
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	327
670	Bad Debt Expense	254
675	Miscellaneous Expenses	7757
	Total Water Operation And Maintenance Expense	$ 71423*
	* 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)	Number of Active Customers End of Year (e)	Total Number of Meter Equivalents (c x e) (f)
Residential Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
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)					
** D = Displacement C = Compound T = Turbine		Total			

UTILITY NAME: KEEN

SYSTEM NAME: LK. Region Paradise

YEAR OF REPORT
DECEMBER 31, 2006

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	Ø	853510	50150	803360	803360
February		719660	36200	683460	683460
March		690010	40310	649700	649700
April		1059850	50650	1009200	1009200
May		1059710	50000	1009710	1009710
June		964880	62350	902530	902530
July		1146480	43500	1102980	1102980
August		470820	32250	438570	438570
September		920600	61100	859500	859500
October		497100	25000	472100	472100
November		832340	49440	782900	782900
December		735650	41510	694140	694140
Total for Year	Ø	9950610	542460	9408150	9408150

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

UTILITY NAME: KEEN

SYSTEM NAME: LK. Reg. Paradise

YEAR OF REPORT
DECEMBER 31, 2006

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed				
Types of Well Construction and Casing	metal			
Depth of Wells	265'			
Diameters of Wells	6"			
Pump - GPM	?			
Motor - HP	25			
Motor Type *	Submers.			
Yields of Wells in GPD	?			
Auxiliary Power	Generator Rental			

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel			
Capacity of Tank	7500			
Ground or Elevated	Ground			

HIGH SERVICE PUMPING

N/A

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

UTILITY NAME: ~~Kecal~~ P/T

YEAR OF REPORT
DECEMBER 31, 2006

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)

Permitted Gals. per day	Unknown		
Type of Source	Ground		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

Type	Standard		
Make	Goulds		
Permitted Capacity (GPD)	Unknown		
High service pumping			
Gallons per minute	Unknown		
Reverse Osmosis	Unknown		
Lime Treatment			
Unit Rating	Unknown		
Filtration			
Pressure Sq. Ft.	Unknown		
Gravity GPD/Sq.Ft.	Unknown		
Disinfection			
Chlorinator	Chlorine		
Ozone	N/A		
Other			
Auxiliary Power	Generator Rental		

UTILITY NAME: KEEN

SYSTEM NAME: LK. Region Paradise

YEAR OF REPORT DECEMBER 31, 2006

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. Unknown
3. Present system connection capacity (in ERCs *) using existing lines. Unknown
4. Future connection capacity (in ERCs *) upon service area buildout. Unknown
5. Estimated annual increase in ERCs *. Unknown
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. City of Haines City
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? Unknown
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 # 20.6679.01
12. Water Management District Consumptive Use Permit # 653-1340
    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 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.

Reconciliation of Revenue to Regulatory Assessment Fee Revenue

Water Operations

Class C

Company: KEEN/PT

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	$ 50877	$ 51562	$ <685>
Commercial	—	—	—
Industrial	—	—	—
Multiple Family	—	—	—
Guaranteed Revenues	—	—	—
Other	—	—	—
Total Water Operating Revenue	$ 50877	$ 51562	$ <685>
LESS: Expense for Purchased Water from FPSC-Regulated Utility	—	—	—
Net Water Operating Revenues	$ 50877	$ 51562	$ <685>

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).