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CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

WU776-05-AR

Park Water Company Inc.
25 First Avenue, North
Lake Wales, FL 33859-8761

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

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EXECUTIVE SUMMARY

UTILITY NAME: Park Water Company

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December 31, 2005

CERTIFICATION OF ANNUAL REPORT

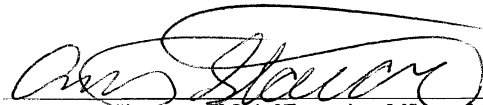
I HEREBY CERTIFY, to the best of my knowledge and belief:

- | | | |
|--|--------------------------------|--|
| 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. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the 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 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

1.	2.	3.	4.


(Signature of Chief Executive Officer of the utility) *

(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.

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2005

Park Water Company, Inc.

County: Polk

(Exact Name of Utility)

List below the exact mailing address of the utility for which normal correspondence should be sent:

Park Water Company Inc
25 First Avenue North
Lake Wales, Florida 33853

Telephone: (863) 638-1285

E Mail Address:

WEB Site:

Sunshine State One-Call of Florida, Inc. Member Number

Name and address of person to whom correspondence concerning this report should be addressed:

Hodakowski & Hodakowski
349 Route 31
Suite 401
Flemington, NJ 08822
Telephone: (908) 782-4888

List below the address of where the utility's books and records are located:

25 First Avenue North
Lake Wales, Florida 33853

Telephone: (863)638-1285

List below any groups auditing or reviewing the records and operations:

Date of original organization of the utility: 9/12/55

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

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	Anthony Staiano	100
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

UTILITY NAME: Park Water Company

YEAR OF REPORT
December 31, 2005

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

A. Park Water Company Inc. was formed in 1955 during the development of Crooked Lake in Polk County. It has been privately owned and operated in part and subsequently in it's entirety by the Staiano family. Louis Staiano started the corporation and now Anthony Staiano currently owns it.

B. Park Water Company Inc. has a service area of approximately 5 square miles. Currently it provides potable water service only to approximately 779 water connections. All services are metered. Meters are read and billed on a monthly basis. Park Water Company also provides fire protection through numerous fire hydrants, which produce in excess of 2000 gallons per minute in water flow.

C. Our goal as a corporation is to meet customer expectation regarding potable water service while being as efficient as possible. First and foremost we must provide safe and aesthetically pleasing potable water. Secondly we strive to keep costs down so that we may provide water at reasonable rates. Thirdly our goal is to provide fire protection to every customer in the form of fire hydrants with sufficient water flows.

D. Park Water Company Inc. has a small staff of 3 that is dedicated to providing quality customer service. Meter reading, billing, work orders, leak repair, book keeping, and costumer service are handled by all three employees, so that response to customer requests can be made swiftly.

E. Growth in our service area has been relatively slow when compared to neighboring towns and communities. However it is only a matter of time until a large development or project comes into the service area.

F. Park Water Company Inc. installed a large standpipe in 1999 and booster pumps with a backup generator to ensure that we can operate during emergency conditions. These two projects enhanced our ability to provide fire protection as well as keep a constant 60 psi throughout the system.

UTILITY NAME: Park Water Company

YEAR OF REPORT
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PARENT / AFFILIATE ORGANIZATION CHART

Current as of _____

Complete below an organizational chart that show all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

NONE

UTILITY NAME: Park Water Company

YEAR OF REPORT
December 31, 2005

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Anthony Staiano	Pres	75	\$ 41,923
Jennifer Staiano	Sec / Treas	100	41,923
Kevin Egan	VP	100	41,923

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.

NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
			\$

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
	NONE		

YEAR OF REPORT
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UTILITY NAME: Park Water Company

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

3. The columnar instructions follow:

(a) Enter name of related party or company.
 (b) Describe briefly the type of assets purchased, sold or transferred.
 (c) Enter the total received or paid. Indicate purchase with "p" and sale with "S".
 (d) Enter the net book value for each item reported.
 (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
 (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
		\$ NONE	\$	\$	\$

**FINANCIAL
SECTION**

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 1,067,918	\$ 1,118,346
108-110	Less: Accumulated Depreciation and Amortization	F-8	406,090	448,137
Net Plant			\$ 661,829	\$ 670,209
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 661,829	\$ 670,209
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$	\$
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$	\$
123	Investment In Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property & Investments			\$	\$
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ (14,976)	\$ (38,324)
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	30,304	31,388
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments			
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12	47,929	52,213
Total Current and Accrued Assets			\$ 63,257	\$ 45,277

* Not Applicable for Class B Utilities

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$	\$
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Misc. Deferred Debits	F-14	0	2000
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 0	\$ 0
TOTAL ASSETS AND OTHER DEBITS			\$ 725,086	\$ 717,486

* Not Applicable for Class B Utilities

<p><u>NOTES TO THE BALANCE SHEET</u></p> <p>The space below is provided for important notes regarding the balance sheet.</p>

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 29,500	\$ 29,500
204	Preferred Stock Issued	F-15		
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital			
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(117,880)	(246,478)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ (88,380)	\$ (216,978)
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	518,858	518,858
Total Long Term Debt			\$ 518,858	\$ 518,858
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable			11,020
232	Notes Payable	F-18	86,872	112,092
233	Accounts Payable to Associated Companies	F-18		
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		7,334	9,734
236	Accrued Taxes	W/S-3	9,742	6,825
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	19,628	95,235
Total Current & Accrued Liabilities			\$ 123,576	\$ 234,906

* Not Applicable for Class B Utilities

UTILITY NAME: Park Water Company

YEAR OF REPORT
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**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	\$ _____	\$ _____
253	Other Deferred Credits	F-21	\$ _____	\$ _____
255	Accumulated Deferred Investment Tax Credits		\$ _____	\$ _____
Total Deferred Credits			\$ _____	\$ _____
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		\$ _____	\$ _____
263	Pensions and Benefits Reserve		\$ _____	\$ _____
265	Miscellaneous Operating Reserves		\$ _____	\$ _____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 231,101	\$ 247,140
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(60,068)	(66,440)
Total Net C.I.A.C.			\$ 171,033	\$ 180,700
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		\$ _____	\$ _____
283	Accumulated Deferred Income Taxes - Other		\$ _____	\$ _____
Total Accumulated Deferred Income Tax			\$ _____	\$ _____
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 725,086	\$ 717,486

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 270,560	\$ 239,643
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 270,567	\$ 239,643
401	Operating Expenses	F-3(b)	\$ 204,681	\$ 234,192
403	Depreciation Expense:	F-3(b)	\$ 39,089	\$ 41,961
	Less: Amortization of CIAC	F-22		
Net Depreciation Expense			\$ _____	\$ _____
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	1,478	
408	Taxes Other Than Income	W/S-3	42,404	34,944
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			\$ 304,965	\$ 311,097
Net Utility Operating Income			\$ (11,222)	\$ (71,454)
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ (11,222)	\$ (71,454)

* For each account, Column e should agree with Columns f, g and h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 239,643	\$ _____	\$ _____
\$ 239,643	\$ _____	\$ _____
\$ 234,192	\$ _____	\$ _____
41,962	_____	_____
\$ _____	\$ _____	\$ _____
34,944	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
\$ 311,097	\$ _____	\$ _____
\$ (71,454)	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
\$ (71,454)	\$ _____	\$ _____

* Total of Schedules W-3 / S-3 for all rate groups.

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ (11,222)	\$ (71,454)
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		92	_____
421	Nonutility Income		41,730	_____
426	Miscellaneous Nonutility Expenses		41,730	13,035
Total Other Income and Deductions			\$ 92	\$ 13,035
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		_____	_____
410.20	Provision for Deferred Income Taxes		_____	_____
411.20	Provision for Deferred Income Taxes - Credit		_____	_____
412.20	Investment Tax Credits - Net		_____	_____
412.30	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ _____	\$ _____
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 36,503	\$ 38,086
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 36,503	\$ 38,086
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ _____	\$ _____
NET INCOME			\$ (47,633)	\$ (122,575)

Explain Extraordinary Income:

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 1,118,346	\$
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	448,137	
110	Accumulated Amortization	F-8		
271	Contributions In Aid of Construction	F-22	247,140	
252	Advances for Construction	F-20		
Subtotal			\$ 423,069	\$
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	66,440	
Subtotal			\$ 489,509	\$
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			
	Other (Specify):			

RATE BASE			\$ 489,509	\$
NET UTILITY OPERATING INCOME			\$ (71,454)	\$
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			Loss	

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 29,500	5.38	.1012	.544
Preferred Stock				
Long Term Debt	518,858	94.62	.1000	9.462
Customer Deposits				
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$ 548,358	100.00		10.006

- (1) If the utility's capital structure is not used, explain which capital structure is used.

- (2) Should equal amounts on Schedule F-6, Column (g).
- (3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Return on Equity:	<u>10.01</u> %
Return on Equity:	_____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

AFUDC rate:	_____ %
AFUDC rate:	_____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME: _____
Park Water Company

**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING**

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (I) ADJUSTMENTS SPECIFIC (e)	OTHER (I) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 29,500					\$ 29,500
Preferred Stock						
Long Term Debt	518,858					518,858
Customer Deposits						
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
Total	\$ 548,358					\$ 548,358

(I) Explain below all adjustments made in Columns (e) and (f):

UTILITY NAME: Park Water Company

YEAR OF REPORT
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**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 1,118,346	\$ _____	\$ _____	\$ 1,118,346
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	_____	_____	_____	_____
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	\$ 1,118,346	\$ _____	\$ _____	\$ 1,118,346

**UTILITY PLANT ACQUISITION ADJUSTMENTS
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 405,694	\$	\$	\$
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 41,873	\$	\$	\$
Account 108.2 (2)				
Account 108.3 (2)				
Other Accounts (specify):				

Salvage				
Other Credits (Specify):				

Total Credits	\$	\$	\$	\$
Debits during year:				
Book cost of plant retired				
Cost of Removal				
Other Debits (specify):				

Total Debits	\$	\$	\$	\$
Balance end of year	\$ 447,567	\$	\$	\$
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 396	\$	\$	\$
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ 88	\$	\$	\$
Other Accounts (specify):				

Total credits	\$ 88	\$	\$	\$
Debits during year:				
Book cost of plant retired				
Other debits (specify):				

Total Debits	\$	\$	\$	\$
Balance end of year	\$ 404	\$	\$	\$

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED... DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
Rate Case - 2000	\$ 0	407.1	\$ 0
Total	\$ 0		\$

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.

Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
	\$	\$	\$	\$
Total Nonutility Property	\$	\$	\$	\$

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132):	
	\$
Total Special Deposits	\$
OTHER SPECIAL DEPOSITS (Account 133):	
	\$
Total Other Special Deposits	\$

UTILITY NAME: Park Water Co.

YEAR OF REPORT December 31, 2005
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INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Special Funds		\$ _____

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 31,388	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 31,388
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	

Total Other Accounts Receivable		\$ _____
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	

Total Notes Receivable		\$ _____
Total Accounts and Notes Receivable		\$ _____
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ _____	
Add: Provision for uncollectibles for current year	\$ _____	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions	\$ _____	
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off	\$ _____	
Balance end of year		\$ 31,388
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 31,388

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
--

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
Total	\$ _____

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
	%	\$ _____
	%	\$ _____
	%	\$ _____
	%	\$ _____
	%	\$ _____
	%	\$ _____
	%	\$ _____
	%	\$ _____
Total		\$ _____

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Watermain Project In Process	\$ 52,213
	\$ _____
	\$ _____
Total Miscellaneous Current and Accrued Liabilities	\$ 52,213

UTILITY NAME: Park Water Co.

YEAR OF REPORT
December 31, 2005

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

UTILITY NAME: Park Water Company

YEAR OF REPORT
December 31, 2005

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
Rate Case - 2005	\$ 0	\$ 2000
Total Deferred Rate Case Expense	\$ 0	\$ 2000
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$	\$
Total Other Deferred Debits	\$	\$
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$	\$
Total Regulatory Assets	\$	\$
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$	\$ 2000

UTILITY NAME: Park Water Co.

YEAR OF REPORT
December 31, 2005

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	%\$	
Shares authorized		60
Shares issued and outstanding		60
Total par value of stock issued	%\$	29,500
Dividends declared per share for year	%\$	
PREFERRED STOCK		
Par or stated value per share	%\$	
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	%\$	
Dividends declared per share for year	%\$	NONE

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.) (117,880)

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
--

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ (117,880)
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits:	\$ _____ _____
	Total Credits:	\$ _____
	Debits: Prior Year Professional Fee	\$ 6,023
	Total Debits:	\$ _____
435	Balance Transferred from Income	\$ (122,575)
436	Appropriations of Retained Earnings:	_____
	Total Appropriations of Retained Earnings	\$ _____
	Dividends Declared:	
437	Preferred Stock Dividends Declared	_____
438	Common Stock Dividends Declared	_____
	Total Dividends Declared	\$ _____
215	Year end Balance	\$ _____
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	_____
	Total Appropriated Retained Earnings	\$ _____
	Total Retained Earnings	\$ (246,478)
Notes to Statement of Retained Earnings:		

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
	\$
Total	\$

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
Anthony Staiano	6 %		\$ 166,000
Estate Louis Staiano	6 %		357,858
Total			\$ 523,858

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
--

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232):			
Wachovia Line Credit	%		\$ 50,000
Ford 2003 F-150	%		12,865
2005 Escalade	%		49,227
	%		
	%		
	%		
	%		
Total Account 232			\$ <u>112,092</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ <u> </u>

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
	\$
Total	\$ <u> </u>

YEAR OF REPORT
December 31, 2005

UTILITY NAME: Park Water Company

**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ _____			\$ _____	\$ _____
_____	_____			_____	_____
_____	_____			_____	_____
_____	_____			_____	_____
Total Account 237.1	\$ _____ 0		\$ _____ 36,503	\$ _____ 36,503	\$ _____ 0
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$ _____			\$ _____	\$ _____
Customer Deposits	_____	427	_____	_____	_____
_____	_____			_____	_____
_____	_____			_____	_____
Total Account 237.2	\$ _____ 0		\$ _____ 0	\$ _____ 0	\$ _____ 0
Total Account 237 (1)	\$ _____ 0		\$ _____ 36,503	\$ _____ 36,503	\$ _____ 0
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ _____ 36,503		
Less Capitalized Interest Portion of AFUDC:					

Net Interest Expensed to Account No. 427 (2)			\$ _____ 36,503		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
(2) Must agree to F-3 (c), Current Year Interest Expense

UTILITY NAME: _____

Park Water Company

YEAR OF REPORT
December 31, 2005

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued Expenses	\$ 87,428
Unearned Revenue	996
Accrued Expenses - Sewer Co.	6,811
Total Miscellaneous Current and Accrued Liabilities	\$ 95,235

ADVANCES FOR CONSTRUCTION
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
	\$	\$			
Total	\$	\$			

* Report advances separately by reporting group, designating water or wastewater in column (a).

UTILITY NAME: Park Water Co.

YEAR OF REPORT December 31, 2005
--

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
	\$ _____	\$ _____
	_____	_____
	_____	_____
	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
	\$ _____	\$ _____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

UTILITY NAME: Park Water Company

YEAR OF REPORT
December 31, 2005

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 231,101	\$ _____	\$ _____	\$ 231,101
Add credits during year:	\$ 16,039	\$ _____	\$ _____	\$ 16,039
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ 247,140	\$ _____	\$ _____	\$ 247,140

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 60,068	\$ _____	\$ _____	\$ 60,068
Debits during the year:	\$ _____	\$ _____	\$ _____	\$ _____
Credits during the year	\$ 6,372	\$ _____	\$ _____	\$ 6,372
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 66,440	\$ _____	\$ _____	\$ 66,440

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
--

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)

1 The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.

2 If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ _____
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
_____		_____
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ _____

Computation of tax :

N/A Corporation is a Sub S

**WATER
OPERATION
SECTION**

UTILITY NAME: Park Water Company

YEAR OF REPORT December 31, 2005
--

SYSTEM NAME / COUNTY : Polk

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 1,118,346
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	453,939
110	Accumulated Amortization		
271	Contributions In Aid of Construction	W-7	247,140
252	Advances for Construction	F-20	
	Subtotal		\$ 417,267
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 60,440
	Subtotal		\$ 483,707
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		
	Other (Specify):		
	WATER RATE BASE		\$ 483,707
	WATER OPERATING INCOME	W-3	\$ (71,454)
	ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)		Loss

- NOTES : (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: Park Water Company
 SYSTEM NAME / COUNTY : Polk

YEAR OF REPORT
 December 31, 2005

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	W-9	\$ 239,643
469	Less: Guaranteed Revenue and AFPI	W-9	
Net Operating Revenues			\$ 239,643
401	Operating Expenses	W-10(a)	\$ 234,192
403	Depreciation Expense	W-6(a)	41,961
	Less: Amortization of CIAC	W-8(a)	
Net Depreciation Expense			\$
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
Taxes Other Than Income			
408.10	Utility Regulatory Assessment Fee		10,921
408.11	Property Taxes		13,905
408.12	Payroll Taxes		10,118
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 34,944
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 311,097
Utility Operating Income			\$ (11,222)
Add Back:			
469	Guaranteed Revenue (and AFPI)	W-9	\$
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ (11,222)

YEAR OF REPORT
December 31, 2005

UTILITY NAME: Park Water Company

SYSTEM NAME / COUNTY: Polk

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 3,500	\$	\$	\$ 3,500
302	Franchises				
303	Land and Land Rights				
304	Structures and Improvements	94,814			94,814
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	4,670			4,670
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	20,694			20,694
311	Pumping Equipment	89,088			89,088
320	Water Treatment Equipment	8,021			8,021
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains	677,807			677,807
333	Services				
334	Meters and Meter Installations	42,928	6,914		49,842
335	Hydrants	795			795
336	Backflow Prevention Devices	1,302			1,302
339	Other Plant Miscellaneous Equipment	10,199			10,199
340	Office Furniture and Equipment	49,137	10,000		59,137
341	Transportation Equipment	60,359	68,669	35,155	93,873
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	3,858			3,858
344	Laboratory Equipment				
345	Power Operated Equipment	159			159
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	587			587
TOTAL WATER PLANT		\$ 1,067,918	\$ 85,583	\$ 31,155	\$ 1,118,346

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

W-4(a)
GROUP _____

YEAR OF REPORT
December 31, 2005

UTILITY NAME: Park Water Company

SYSTEM NAME / COUNTY: Polk

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 3,500	\$ 3,500				
302	Franchises						
303	Land and Land Rights						
304	Structures and Improvements	94,814		94,814			
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	4,670		4,670			
308	Infiltration Galleries and Tunnels						
309	Supply Mains						
310	Power Generation Equipment	20,694		20,694			
311	Pumping Equipment	89,088		89,088			
320	Water Treatment Equipment	8,021			8,021		
330	Distribution Reservoirs and Standpipes					677,807	
331	Transmission and Distribution Mains	677,807					
333	Services						
334	Meters and Meter Installations	49,842				49,842	
335	Hydrants	795				795	
336	Backflow Prevention Devices	1,302				1,302	
339	Other Plant Miscellaneous Equipment	10,199				10,199	
340	Office Furniture and Equipment	59,137					59,137
341	Transportation Equipment	93,873					93,873
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	3,858					3,858
344	Laboratory Equipment						
345	Power Operated Equipment	159					159
346	Communication Equipment						
347	Miscellaneous Equipment						
348	Other Tangible Plant	587					587
	TOTAL WATER PLANT	\$ 1,118,346	\$ 3,500	\$ 209,266	\$ 8,021	\$ 739,945	\$ 157,614

W-4(b)
GROUP _____

UTILITY NAME: Park Water Company

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : Polk

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	28	0	3.57
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	27	0	3.7
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment	17	0	5.88
311	Pumping Equipment	15	0	6.67
320	Water Treatment Equipment	17	0	5.88
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	38	0	2.63
333	Services			
334	Meters and Meter Installations	17	0	5.88
335	Hydrants	17	0	5.88
336	Backflow Prevention Devices	17	0	5.88
339	Other Plant Miscellaneous Equipment	20	0	5
340	Office Furniture and Equipment	15	0	6.67
341	Transportation Equipment	6	0	16.67
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	15	0	6.67
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	10	0	10
Water Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

Depreciation rates in use were adjusted to rate case findings in 2000.

YEAR OF REPORT
December 31, 2005

UTILITY NAME: Park Water Company

SYSTEM NAME / COUNTY: Polk

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 36,149	\$ 3,385		\$ 3,385
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	4,301	173		173
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	5,521	1,217		1,217
311	Pumping Equipment	39,145	4,760		4,760
320	Water Treatment Equipment	6,273	471		471
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains	244,697	17,827		17,827
333	Services				
334	Meters and Meter Installations	10,026	2,766		2,766
335	Hydrants	110	20		20
336	Backflow Prevention Devices	273	78		78
339	Other Plant Miscellaneous Equipment	8,133	510		510
340	Office Furniture and Equipment	40,023	3,249		3,249
341	Transportation Equipment	9,604	13,457		13,457
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	1,147	257		257
344	Laboratory Equipment				
345	Power Operated Equipment	56	16		16
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	236	59		59
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 405,694	\$ 48,245		\$ 48,245

* Specify nature of transaction
Use () to denote reversal entries.

W-6(a)
GROUP _____

YEAR OF REPORT
December 31, 2005

UTILITY NAME: Park Water Co

SYSTEM NAME / COUNTY : Polk.

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i)	BALANCE AT END OF YEAR (c+f-k) (l)
304	Structures and Improvements	\$	\$	\$	\$	\$ 39,534
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					4,474
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					6,738
311	Pumping Equipment					43,905
320	Water Treatment Equipment					6,744
330	Distribution Reservoirs and Standpipes					
331	Transmission and Distribution Mains					262,524
333	Services					
334	Meters and Meter Installations					12,792
335	Hydrants					130
336	Backflow Prevention Devices					351
339	Other Plant Miscellaneous Equipment					8,643
340	Office Furniture and Equipment					43,272
341	Transportation Equipment					23,061
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					1,404
344	Laboratory Equipment					
345	Power Operated Equipment					72
346	Communication Equipment					
347	Miscellaneous Equipment					295
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 0	\$ 0	\$ 0	\$ 0	\$ 453,939

W-6(b)
GROUP _____

UTILITY NAME: Park Water Company
 SYSTEM NAME / COUNTY : Polk

YEAR OF REPORT December 31, 2005
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**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ 231,101
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 16,039
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		\$ 247,140
Less debits charged during the year (All debits charged during the year must be explained below)		\$
Total Contributions In Aid of Construction		\$ 247,140

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

Explain all debits charged to Account 271 during the year below:

UTILITY NAME: Park Water Company
 SYSTEM NAME / COUNTY : Polk

YEAR OF REPORT
 December 31, 2005

WATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR.

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Meters		\$	\$ 5,200
Plant Capacity			2,921
Main Line Extension			6,766
Backflow			1,152
Total Credits			\$ 16,039

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 60,068
Debits during the year:	
Accruals charged to Account 272	\$ 6,372
Other debits (specify) :	
Total debits	\$ 6,372
Credits during the year (specify) :	
Total credits	\$
Balance end of year	\$ 66,440

UTILITY NAME:

Park Water Company

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY :

Polk

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	751	752	142,187
461.2	Sales to Commercial Customers	26	23	60,007
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings	6	6	25,633
Total Metered Sales		783	781	\$
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue				\$
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		783	781	\$ 227,827
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			11,816
Total Other Water Revenues				\$ 11,816
Total Water Operating Revenues				\$ 239,643

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

YEAR OF REPORT
December 31, 2005

UTILITY NAME: Park Water Company

SYSTEM NAME / COUNTY : Polk

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	125,769	25,000	3,200
604	Employee Pensions and Benefits	23,559	4,700	600
610	Purchased Water			
615	Purchased Power	12,515	12,265	
616	Fuel for Power Production	1,287	1,287	
618	Chemicals	1,639		
620	Materials and Supplies	5,161	650	650
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	13,123		
633	Contractual Services - Legal			
634	Contractual Services - Mgt. Fees	4,184		
635	Contractual Services - Testing	1,054		
636	Contractual Services - Other	4,200		1,400
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expenses	9,835	4,000	
656	Insurance - Vehicle	3,300	1,600	
657	Insurance - General Liability	10,206	2,000	
658	Insurance - Workman's Comp.			
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	1,596		
675	Miscellaneous Expenses	16,764		
Total Water Utility Expenses		\$ 234,192	\$ 51,502	\$ 5,850

#675 Misc
Office - 12,105
Phone - 3,667
Dues - 792
Bank Charges - 200
TOTAL: \$16,764

UTILITY NAME:

Park Water Company

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY :

Polk

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$	\$	\$	\$	\$	\$
25,000	3,200	25,000	3,200	20,585	20,585
4,700	600	4,700	600	3,830	3,829
250					
1,639					
550	650	650	650	630	631
					13,123
				4,000	184
1,054					
1,400	800				
1,500		1,800		1,200	1,335
600		700		400	
1,200		3,000			1,006
					10,921
				1,596	
\$ 37,893	\$ 5,250	\$ 35,850	\$ 4,450	\$ 32,241	\$ 51,614

UTILITY NAME: Park Water Company

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : Polk

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	0	6,852	26	8,877	6,068
February	0	7,641	18	8,785	7,210
March	0	6,246	17	8,758	6,551
April	0	7,158	24	8,667	7,225
May	0	6,858	17	11,355	5,588
June	0	8,262	22	8,016	4,523
July	0	5,338	26	7,263	5,119
August	0	6,514	34	6,650	5,503
September	0	8,205	120	6,275	6,091
October	0	6,013	20	7,029	6,173
November	0	6,785	15	6,767	5,805
December	0	5,976	18	7,112	5,579
Total for Year	0	81,852	357	81,495	70,435

If water is purchased for resale, indicate the following:
 Vendor N/A
 Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:
City of Lake Wales

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
<u>6" well 1,050 ft.</u>	<u>2,500 6PM</u>	<u>150,000</u>	<u>Aquifire</u>
<u>6" well 850 ft.</u>	<u>1,500 6PM</u>	<u>150,000</u>	<u>Aquifire</u>
_____	_____	_____	_____
_____	_____	_____	_____

UTILITY NAME: Park Water Company

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : Park Water Co. Inc./Polk

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>3 M6D</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Well head</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Chlorine Disinfection</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon):	Manufacturer: _____
FILTRATION	
Type and size of area:	
Pressure (in square feet):	Manufacturer: _____
Gravity (in GPM/square feet):	Manufacturer: _____

UTILITY NAME: Park Water Company

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : Polk

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	751	751
5/8"	Displacement	1.0	13	13
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	18	144
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				913

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use 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 residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

<p>ERC Calculation:</p> $70,435,000 / 751 / 365 = 256 \text{ ERC}$

UTILITY NAME: Park Water Co. Inc.
SYSTEM NAME / COUNTY : Park Water Co. / Polk

YEAR OF REPORT
December 31, 2005

OTHER 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. 1,735

2. Maximum number of ERCs * which can be served. 1,735

3. Present system connection capacity (in ERCs *) using existing lines. _____

4. Future connection capacity (in ERCs *) upon service area buildout. 1,735

5. Estimated annual increase in ERCs *. 2.5%

6. Is the utility required to have fire flow capacity? yes
If so, how much capacity is required? 1,000 GPM

7. Attach a description of the fire fighting facilities.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____

We are currently planning to replace approximately 80% of our existing distribution system with 6" x 8" PVC mains

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:

- 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 # 6530408

12. Water Management District Consumptive Use Permit # 20 4005 003

- 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? N/A

* An ERC is determined based on the calculation on the bottom of Page W-13.

WASTEWATER OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-13 have been omitted from this report.