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REGISTRATION SERVICE

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DIVISION OF
ELECTRIC REGULATION

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WU864-06-AR
Virginia City Utility Company a Division of Community Util
P. O. Box 398
New Port Richey, FL 34656-0398

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, _____ 2006

J. S. BAILLIE, JR.
CERTIFIED PUBLIC ACCOUNTANT
2153 GRAND BLVD.
HOLIDAY, FL 34690
(727) 937-6650

April 25, 2007

Board of Directors
Virginia City Utility Company
New Port Richey, Florida

We have compiled the comparative Balance Sheet as of December 31, 2005 and 2006 of Virginia City Utility Company and the related detail schedules and the Statement of Income and related detail schedules for the year ended December 31, 2006, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. S. Baillie, Jr.', written over a horizontal line.

J. S. Baillie, Jr.
Certified Public Accountant

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FINANCIAL SECTION

REPORT OF

VIRGINIA CITY UTILITY COMPANY

(EXACT NAME OF UTILITY)

P.O. BOX 398 NEW PORT RICHEY, FL 34656-0398	PASCO
Mailing Address	Street Address County

Telephone Number (727) 848-8292 Date Utility First Organized 01/01/94

Fax Number (727) 848-7701 E-mail Address _____

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

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

- Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and phone where records are located: VICTORIA PENICK
(727) 848-8292

Name of subdivisions where services are provided: VIRGINIA CITY SUBDIVISION

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>GARY DEREMER</u>	<u>PRESIDENT</u>	<u>SAME</u>	
Person who prepared this report: <u>J. S. BAILLIE, JR., CPA</u>	<u>(SEE ACCOUNTANT'S COMPILATION REPORT)</u>		
Officers and Managers: <u>GARY DEREMER</u> <u>VICTORIA PENICK</u>	<u>PRESIDENT</u> <u>ADMIN. SERVICES</u> <u>DIRECTOR</u>	<u>SAME</u> <u>SAME</u>	\$ <u>12,000</u> \$ <u>-</u> \$ _____ \$ _____ \$ _____

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
<u>COMMUNITY UTILITIES OF FLORIDA, INC.</u>	<u>100%</u>	<u>SAME</u>	\$ _____ \$ <u>-</u> \$ _____ \$ _____ \$ _____ \$ _____

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

YEAR OF REPORT DECEMBER 31, 2006

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_-----		\$ 84,241	\$ N/A	\$ -	\$ 84,241
Commercial_-----		21,289			21,289
Industrial_-----					
Multiple Family_-----					
Guaranteed Revenues_-----					
Other (Specify)_-----		998			998
Total Gross Revenue_-----		\$ 106,528	N/A	-	106,528
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 81,478	\$	\$	\$ 81,478
Depreciation Expense_-----	F-5	8,287			8,287
CIAC Amortization Expense_-----	F-8	(629)			(629)
Taxes Other Than Income_-----	F-7	6,620			6,620
Income Taxes_-----	F-7				
Total Operating Expense		\$ 95,756	N/A	-	\$ 95,756
Net Operating Income (Loss)		\$ 10,772	\$ N/A	\$ -	\$ 10,772
Other Income:					
Nonutility Income_-----		\$	\$	\$ 4,163	\$ 4,163
Other Deductions:					
Miscellaneous Nonutility Expenses_-----		\$	\$	\$	\$
Interest Expense_-----		573			573
Amortization of Acquisition Adjustment				7,016	7,016
Net Income (Loss)		\$ 10,199	\$ N/A	\$ (2,853)	\$ 7,346

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

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	\$ <u>225,901</u>	\$ <u>180,118</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>61,766</u>	<u>56,479</u>
Net Utility Plant _____		\$ <u>164,135</u>	\$ <u>123,639</u>
Cash _____		<u>3,796</u>	<u>8,614</u>
Customer Accounts Receivable (141) _____		<u>16,727</u>	<u>14,162</u>
Other Assets (Specify): _____			
Unamortized Acquisition Adjustment _____		<u>105,247</u>	<u>105,247</u>
Accumulated Amortization _____		<u>(28,064)</u>	<u>(21,048)</u>
Total Assets _____		\$ <u>261,841</u>	\$ <u>230,614</u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	<u>1,000</u>	<u>1,000</u>
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____		<u>139,000</u>	<u>139,000</u>
Retained Earnings (215) _____	F-6	<u>(14,924)</u>	<u>(22,270)</u>
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>125,076</u>	\$ <u>117,730</u>
Long Term Debt (224) _____	F-6	\$ _____	\$ _____
Accounts Payable (231) _____		<u>124,225</u>	<u>97,574</u>
Notes Payable (232) _____			
Customer Deposits (235) _____		<u>3,320</u>	<u>5,180</u>
Accrued Taxes (236) _____		<u>4,794</u>	<u>5,075</u>
Other Liabilities (Specify) _____			
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>4,426</u>	<u>5,055</u>
Total Liabilities and Capital _____		\$ <u>261,841</u>	\$ <u>230,614</u>

UTILITY NAME VIRGINIA CITY UTILITY COMPANY

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)	\$ <u>225,901</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>225,901</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>225,901</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>225,901</u>

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ <u>56,479</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>56,479</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ <u>8,287</u>	\$ _____	\$ _____	\$ <u>8,287</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ <u>8,287</u>	\$ _____	\$ _____	\$ <u>8,287</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ <u>3,000</u>	\$ _____	\$ _____	\$ <u>3,000</u>
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ <u>3,000</u>	\$ _____	\$ _____	\$ <u>3,000</u>
Balance End of Year _____	\$ <u>61,766</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>61,766</u>

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

YEAR OF REPORT DECEMBER 31, 2006

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	N/A
Shares authorized _____	1000	_____
Shares issued and outstanding _____	1000	_____
Total par value of stock issued _____	1000	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ N/A	\$ (22,270)
Changes during the year (Specify):		
Net Income for the Year _____	_____	7,346
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ N/A	\$ (14,924)

PROPRIETARY CAPITAL (218)

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

LONG TERM DEBT (224)

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

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

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_____	_____	_____	_____	_____
Local property tax_____	1,826	_____	_____	1,826
Regulatory assessment fee__	4,794	_____	_____	4,794
Other (Specify)_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Tax Expense_____	\$ 6,620	\$ N/A	\$ N/A	\$ 6,620

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

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

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
U.S. WATER	\$ 36,062	\$ N/A	PROFESSIONAL SERVICES
U.S. WATER	\$ 1,696	\$ N/A	TESTING
U.S. WATER	\$ 65	\$ N/A	OTHER
GARY DEREMER	\$ 12,000	\$ N/A	MANAGEMENT FEES
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 17,159	\$ N/A	\$ 17,159
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	17,159	_____	17,159
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	17,159	_____	17,159
6) Less Accumulated Amortization _____	12,733	_____	12,733
7) Net CIAC _____	\$ 4,426	\$ N/A	\$ 4,426

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 _____	_____	_____	\$ N/A	\$ N/A
Report below all capacity charges, main extension charges and customer connection charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ N/A	\$ N/A

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ 12,104	\$ N/A	\$ 12,104
Add Debits During Year: _____	629	_____	629
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ 12,733	\$ N/A	\$ 12,733

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

UTILITY NAME VIRGINIA CITY UTILITY COMPANY

YEAR OF REPORT DECEMBER 31, 2006

N/A
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	\$ <u>N/A</u>	<u> </u> %	<u> </u> %	<u>N/A</u> %
Preferred Stock	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Long Term Debt	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Customer Deposits	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Tax Credits - Zero Cost	<u> </u>	<u> </u> %	0.00 %	<u> </u> %
Tax Credits - Weighted Cost	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Deferred Income Taxes	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Other (Explain)	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Total	\$ <u><u>N/A</u></u>	<u><u>100.00</u></u> %		<u><u>N/A</u></u> %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	<u> </u> %
Commission Order Number approving AFUDC rate:	<u> </u>

**WATER
OPERATING
SECTION**

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

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_____	_____	_____	_____	_____
304	Structures and Improvements_	<u>793</u>	<u>2,544</u>	_____	<u>3,337</u>
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	<u>72,460</u>	<u>14,425</u>	_____	<u>86,885</u>
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	<u>10,588</u>	_____	_____	<u>10,588</u>
310	Power Generation Equipment_	_____	<u>24,791</u>	_____	<u>24,791</u>
311	Pumping Equipment_____	<u>428</u>	<u>2,285</u>	_____	<u>2,713</u>
320	Water Treatment Equipment_	_____	<u>354</u>	_____	<u>354</u>
330	Distribution Reservoirs and Standpipes_____	_____	_____	_____	_____
331	Transmission and Distribution Lines_____	<u>49,677</u>	_____	_____	<u>49,677</u>
333	Services_____	_____	_____	_____	_____
334	Meters and Meter Installations_____	<u>41,172</u>	<u>4,000</u>	<u>(3,000)</u>	<u>42,172</u>
335	Hydrants_____	<u>386</u>	_____	_____	<u>386</u>
336	Backflow Prevention Devices_	<u>3,021</u>	<u>384</u>	_____	<u>3,405</u>
339	Other Plant and Miscellaneous Equipment_	_____	_____	_____	_____
340	Office Furniture and Equipment_____	<u>1,463</u>	_____	_____	<u>1,463</u>
341	Transportation Equipment_____	_____	_____	_____	_____
342	Stores Equipment_____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
344	Laboratory Equipment_____	_____	_____	_____	_____
345	Power Operated Equipment_	_____	_____	_____	_____
346	Communication Equipment_	_____	_____	_____	_____
347	Miscellaneous Equipment_	_____	_____	_____	_____
348	Other Tangible Plant_____	<u>130</u>	_____	_____	<u>130</u>
	Total Water Plant_____	\$ <u>180,118</u>	<u>48,783</u>	<u>(3,000)</u>	<u>225,901</u>

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

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	%	3.57	14	\$	74	\$ 88
305	Collecting and Impounding Reservoirs_		%					
306	Lake, River and Other Intakes_		%					
307	Wells and Springs_	27	%	3.70	2,799		2,948	5,747
308	Infiltration Galleries & Tunnels_		%					
309	Supply Mains_	30	%	3.33	4,771		352	5,123
310	Power Generating Equipment_		%				729	729
311	Pumping Equipment_	17	%	5.88	38		92	130
320	Water Treatment Equipment_		%				10	10
330	Distribution Reservoirs & Standpipes_		%					
331	Trans. & Dist. Mains_	38	%	2.63	33,562		1,307	34,869
333	Services_		%					
334	Meter & Meter Installations_	17	%	5.88	14,082	3,000	2,539	13,621
335	Hydrants_	40	%	2.50	341		10	351
336	Backflow Prevention Devices_	40	%	2.50	38		80	118
339	Other Plant and Miscellaneous Equipment_		%					
340	Office Furniture and Equipment_	10	%	10.00	710		146	856
341	Transportation Equipment_		%					
342	Stores Equipment_		%					
343	Tools, Shop and Garage Equipment_		%					
344	Laboratory Equipment_		%					
345	Power Operated Equipment_		%					
346	Communication Equipment_		%					
347	Miscellaneous Equipment_		%					
348	Other Tangible Plant_	10	%	10.00	124			124
	Totals_				\$ 56,479	3,000	8,287	\$ 61,766 *

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	12,000
604	Employee Pensions and Benefits_____	_____
610	Purchased Water_____	64
615	Purchased Power_____	3,910
616	Fuel for Power Production_____	_____
618	Chemicals_____	4,611
620	Materials and Supplies_____	496
630	Contractual Services:	
	Billing_____	_____
	Professional_____	38,062
	Testing_____	1,696
	Other_____	65
640	Rents_____	19,710
650	Transportation Expense_____	_____
655	Insurance Expense_____	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
670	Bad Debt Expense_____	_____
675	Miscellaneous Expenses_____	864
	Total Water Operation And Maintenance Expense_____	\$ <u>81,478</u> *

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	296	296	296
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	11	11	16.5
1"	D	2.5	4	4	10
1 1/2"	D,T	5.0	1	1	5
2"	D,C,T	8.0	2	2	16
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	314	314
				314	343.5

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

YEAR OF REPORT DECEMBER 31, 2006

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b)	(c)	(d)	(e)	(f)
	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	Water Sold To Customers (Omit 000's)
January_____	0	2,031	20	2,011	1,847
February_____	14	1,862	19	1,857	1,474
March_____	0	2,151	22	2,129	1,628
April_____	0	2,226	22	2,204	1,693
May_____	0	2,396	24	2,372	1,764
June_____	0	2,222	22	2,200	1,949
July_____	0	2,153	22	2,131	1,498
August_____	0	2,170	22	2,148	1,939
September_____	2	1,915	19	1,898	1,493
October_____	0	2,051	21	2,030	1,550
November_____	3	1,933	19	1,917	1,860
December_____	0	1,930	19	1,911	1,448
Total for Year_____	19	25,040	251	24,808	20,143

If water is purchased for resale, indicate the following:

Vendor _____ Pasco County
 Point of delivery At Subdivision

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

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6"	1,365	0	0	1,365
PVC	4"	4,193	0	0	4,193
PVC	2.5"	6,180	0	0	6,180
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

YEAR OF REPORT DECEMBER 31, 2006

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	<u>2003</u>	_____	_____	_____
Types of Well Construction and Casing_____	<u>STEEL</u>	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells_____	<u>98</u>	_____	_____	_____
Diameters of Wells_____	<u>8"</u>	_____	_____	_____
Pump - GPM_____	<u>210</u>	_____	_____	_____
Motor - HP_____	<u>15</u>	_____	_____	_____
Motor Type *_____	<u>SUBMERSIBLE</u>	_____	_____	_____
Yields of Wells in GPD_____	<u>163,000</u>	_____	_____	_____
Auxiliary Power_____	<u>NONE</u>	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>STEEL</u>	_____	_____	_____
Capacity of Tank_____	<u>5000 GAL</u>	_____	_____	_____
Ground or Elevated_____	<u>HYDROPNEUMATIC</u>	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer_____	<u>NONE</u>	_____	_____	_____
Type_____	_____	_____	_____	_____
Rated Horsepower_____	_____	_____	_____	_____
Pumps				
Manufacturer_____	<u>NONE</u>	_____	_____	_____
Type_____	_____	_____	_____	_____
Capacity in GPM_____	_____	_____	_____	_____
Average Number of Hours Operated Per Day_____	_____	_____	_____	_____
Auxiliary Power_____	_____	_____	_____	_____

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

YEAR OF REPORT DECEMBER 31, 2006

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day ___	<u>GROUNDWATER WELL</u>	<u>91,000 AVG 163,000 PEAK</u>	_____
Type of Source _____	<u>PASCO COUNTY</u>	<u>AS NEEDED</u>	_____
	<u>PURCHASE</u>		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	<u>PRIMARY TREATMENT</u>	_____	_____
Make _____	<u>DISINFECT/STABILIZATION</u>	_____	_____
Permitted Capacity (GPD) ___	<u>72,200</u>	_____	_____
High service pumping	<u>NONE</u>	_____	_____
Gallons per minute _____	<u>N/A</u>	_____	_____
Reverse Osmosis _____	<u>NONE</u>	_____	_____
Lime Treatment		_____	_____
Unit Rating _____	<u>N/A</u>	_____	_____
Filtration		_____	_____
Pressure Sq. Ft. _____	<u>NONE</u>	_____	_____
Gravity GPD/Sq.Ft. _____	<u>N/A</u>	_____	_____
Disinfection		_____	_____
Chlorinator _____	<u>STENNER (LIQUID)</u>	_____	_____
Ozone _____	<u>N/A</u>	_____	_____
Other _____	<u>N/A</u>	_____	_____
Auxiliary Power _____	<u>NONE</u>	_____	_____

UTILITY NAME: VIRGINIA CITY UTILITY COMPANY

YEAR OF REPORT
DECEMBER 31, 2006

SYSTEM NAME:

GENERAL WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve. 161

2. Maximum number of ERCs * which can be served.

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

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

5. Estimated annual increase in ERCs *.

6. Is the utility required to have fire flow capacity? YES
If so, how much capacity is required? 500 GPM FOR 2 HR DURATION (MINIMUM)

7. Attach a description of the fire fighting facilities. HYDRANTS LOCATED THROUGHOUT SUBDIVISION.
PRESSURE CONTROL REGULATOR AT PASCO COUNTY METER.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
AUXILLARY POWER GENERATOR HAS BEEN INSTALLED.

9. When did the company last file a capacity analysis report with the DEP? 2003

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. SEE #8

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 # 6511907

12. Water Management District Consumptive Use Permit # 20007745.002

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 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: VIRGINIA CITY UTILITY COMPANY

YEAR OF REPORT
DECEMBER 31, 2006

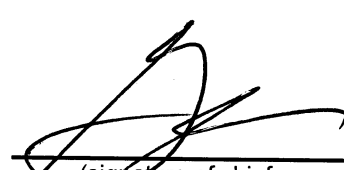
CERTIFICATION OF ANNUAL REPORT

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

- | | | | |
|--|--------------------------------|----|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. | There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. | The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified


1. 2. 3. 4.



(signature of chief executive officer of the utility) *

Date: _____

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: VIRGINIA CITY UTILITY COMPANY

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	\$ 84,241	\$ 84,241	\$ 0
Commercial	21,289	21,289	0
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	998	998	0
Total Water Operating Revenue	\$ 106,528	\$ 106,528	\$ 0
LESS: Expense for Purchased Water from FPSC-Regulated Utility	0	0	0
Net Water Operating Revenues	\$ 106,528	\$ 106,528	\$ 0

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).