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WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

WS571-05-AR

Service Management Systems, Inc.

EXACT LEGAL NAME OF RESPONDENT

517W/450S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



06 MAR -9 AM 10:57
ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
PAUL E. DECHARIO, C.P.A.
KATHERINE U. JACKSON, C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITLAIN, C.P.A.
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD
SUITE 200
CLEARWATER, FLORIDA 33765-4432
(727) 791-4020
FACSIMILE
(727) 797-3602
e-mail
cpas@cjnw.net

March 1, 2006

To the Partners
Service Management Systems, Inc.

We have compiled the 2005 Annual Report of Service Management Systems, Inc. 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 Service Management Systems, Inc. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

We are not independent with respect to Service Management Systems, Inc.

Cronin, Jackson, Nixon & Wilson

CRONIN, JACKSON, NIXON & WILSON

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FINANCIAL SECTION

REPORT OF

Service Management Systems, Inc.

(Exact name of utility)

7500 S. HWY A1A
Melbourne, Fla. 32951

Mailing Address

Same

Street Address

Telephone Number

321-723-2447

Date Utility First Organized

1989

Fax Number

321-725-0804

E - Mail Address

jbates3@cfl.rr.com

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

Individual

Sub Chapter S Corporation

1120 Corporation

Partnership

Location where books and records are located:

Same as above

Names of subdivisions where service is provided:

Aquarina and St.Andrews Village

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Robert C. Nixon	CPA	2560 Gulf-to-Bay Blvd. Suite 200 Clearwater, Fla.	
Person who prepared this report: Cronin, Jackson, Nixon & Wilson	CPA's	2560 Gulf-to-Bay Blvd. Clearwater, Fl.	
Officers and Managers: James Bates	President	7500 S. A1A, Melbourne Bch. Fl.	None

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
Indian River No.1 Developers,LLC	100%	Same As Above	None

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 231,049	\$ 128,544		\$ 359,593
Commercial _____					-
Industrial _____					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____		930	870		1,800
Total Gross Revenue _____		231,979	129,414	N/A	361,393
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	224,737	117,677		342,414
Depreciation Expense _____	F-5	68,216	23,192		91,408
CIAC Amortization Expense _____	F-8	(16,892)	(15,161)		(32,053)
Taxes Other Than Income _____	F-7	14,085	7,647	-	21,732
Income Taxes _____	F-7	-	-		-
Total Operating Expenses _____		290,146	133,355		423,501
Net Operating Income (Loss)		(58,167)	(3,941)	-	(62,108)
Other Income:					
Nonutility Income _____		5,000	5,000		9,999
Interest Income _____		-	-		-
_____					-
Other Deductions:					
Miscellaneous Nonutility Expenses _____					-
Interest Expense _____		28,179	28,179		56,358
AFUDC _____		-	-		-
_____					-
_____					-
Net Income (Loss)		\$ (81,347)	\$ (27,121)	N/A	\$ (108,467)

COMPARATIVE BALANCE SHEET

Account Name	Reference Page	Current Year	Previous Year
ASSETS:			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 4,194,117	\$ 4,193,064
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(2,822,175)	(2,730,764)
Net Utility Plant _____		1,371,942	1,462,300
Cash _____		(33,098)	(30,414)
Customer Accounts Receivable (141) _____		150,784	128,801
Other Assets (Specify):			
Certificates of Deposit		44,528	44,528
Utility Deposit		3,215	3,515
Due from shareholder			2,142
Prepayments		17,820	3,390
Total Assets _____		\$ 1,555,191	\$ 1,614,262
LIABILITIES AND CAPITAL:			
Common Stock Issued (201) _____	F-6	\$ 10,000	\$ 10,000
Preferred Stock Issued (204) _____	F-6	-	-
Other Paid In Capital (211) _____		1,510,202	1,510,202
Retained Earnings (Deficit)(215) _____	F-6	(1,329,901)	(1,221,434)
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		190,301	298,768
Long Term Debt (224) _____	F-6	168,909	183,651
Accounts Payable (231) _____		104,525	94,664
Notes Payable (232) _____			
Customer Deposits (235) _____		1,882	1,882
Accrued Taxes (236) _____	F-7		
Other Liabilities (Specify):			
Due to associated companies		335,745	335,745
Due to shareholder		39,400	
Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8	714,429	699,552
Total Liabilities and Capital _____		\$ 1,555,191	\$ 1,614,262

UTILITY NAME: Service Management Systems, Inc.

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 2,032,386	\$ 2,150,166	N/A	\$ 4,182,552
Construction Work In Progress (105) _____	11,565			11,565
Other (Specify) _____	-	-		-
_____				-
Total Utility Plant _____	\$ 2,043,951	\$ 2,150,166	N/A	\$ 4,194,117

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 1,101,361	\$ 1,629,403	N/A	\$ 2,730,764
Add Credits During Year:				
Accruals charged to depreciation account _____	68,216	23,192		91,408
Salvage _____	-	-		-
Other credits (specify) _____	-	-		-
_____	-	-		-
Total credits _____	68,216	23,192		91,408
Deduct Debits During Year:				
Book cost of plant retired _____				-
Cost of removal _____	-			-
Other debits (specify) _____				
Rounding _____	3			3
Total debits _____	3	-		3
Balance End of Year _____	\$ 1,169,580	\$ 1,652,595	N/A	\$ 2,822,175

UTILITY NAME: Service Management Systems, Inc.

YEAR OF REPORT
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CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$ 1.00	N/A
Shares authorized _____	10,000	
Shares issued and outstanding _____	10,000	
Total par value of stock issued _____	10,000	
Dividends declared per share for year _____	None	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	N/A	\$ (1,221,434)
Charges during the year (specify):		
Current Year Loss _____	-	(108,467)

Balance end of year _____	\$	\$ (1,329,901)

PROPRIETARY CAPITAL (218)

	Proprietor or Partner	Partner
Balance first of year _____	N/A	N/A
Charges during the year (specify):		
Current year income _____		-

Balance end of year _____		

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity)	Interest		Principal Per Balance Sheet Date
	Rate	# of Payments	
Drinking Water State Revolving Fund Construction Loan	3.12 %	40	\$ 142,020
Issued 9/15/99; Matures 12/15/2020			-
SunTrust Bank			26,889
_____	_____ %	_____	_____
Total _____			\$ 168,909

TAX EXPENSE

(a)	WATER (b)	SEWER (c)	OTHER (d)	TOTAL (e)
Income Taxes:				
Federal income tax _____	\$ -	\$ -	N/A	\$ -
State income tax _____	-	-		
Taxes Other Than Income:				
State ad valorem tax _____	-	-		
Local property tax _____	3,646	1,823		5,469
Regulatory assessment fee _____	10,439	5,824		16,263
Other (Specify):				

Total taxes accrued _____	\$ 14,085	\$ 7,647		\$ 21,732

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning 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
Cronin, Jackson, Nixon, Wilson	\$ 848	\$ 848	Accounting services
Accurate Utilities	19,690	5,067	Plant operation
Freeman, Buczyner & Gero	6,000	1,500	Audit & Tax return

UTILITY NAME: Service Management Systems, Inc.

YEAR OF REPORT
December 31, 2005

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year_____	\$ 517,817	\$ 627,370	\$ 1,145,187
2. Add credits during year:			
_____	32,960	13,970	46,930
3. Total_____	550,777	641,340	1,192,117
4. Deduct charges during year _____			-
5. Balance end of year_____	550,777	641,340	1,192,117
6. Less Accumulated Amortization _____	(214,149)	(263,539)	(477,688)
7. Net CIAC_____	\$ 336,628	\$ 377,801	\$ 714,429

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 _____		NONE	NONE
Report below all capacity charges, main extension charges and customer connections charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
Meters and Installations	29	150	4,350
Non - Potable Capacity Charges	3	150	450
Capacity Charges - Water	22	1,280	28,160
Capacity Charges - Sewer	22	635	13,970
Prior Period Adjustments			
Total Credits During Year (Must agree with line # 2 above)_____		\$ 32,960	\$ 13,970

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year_____	\$ 197,257	\$ 248,378	\$ 445,635
Add Debits During Year:_____	16,892	15,161	32,053
_____	-	-	
Deduct Credits During Year:_____	-	-	
Balance End of Year (Must agree with line #6 above)_____	\$ 214,149	\$ 263,539	\$ 477,688

**WATER
OPERATION
SECTION**

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e) (Note 1)	CURRENT YEAR (f)
301	Organization_____	\$ 1,050	\$ -	\$ -	\$ 1,050
302	Franchises_____	-	-	-	-
303	Land and Land Rights_____	62,080	-	-	62,080
304	Structure and Improvements_____	16,415	-	-	16,415
305	Collecting and Impounding Reservoirs_____	-	-	-	-
306	Lake, River and Other Intakes_____	-	-	-	-
307	Wells and Springs_____	230,861	-	-	230,861
308	Infiltration Galleries and Tunnels_____	-	-	-	-
309	Supply Mains_____	141,736	-	-	141,736
310	Power Generation Equipment_____	-	-	-	-
311	Pumping Equipment_____	168,326	702	-	169,028
320	Water Treatment Equipment_____	396,175	-	-	396,175
330	Distribution Reservoirs and Standpipes_____	629,183	-	-	629,183
331	Transmission and Distribution Mains_____	208,096	-	-	208,096
333	Services_____	120,548	-	-	120,548
334	Meters and Meter Installations_____	19,883	-	-	19,883
335	Hydrants_____	8,300	-	-	8,300
339	Other Plant and Miscellaneous Equipment_____	27,916	-	-	27,916
340	Office Furniture and Equipment_____	-	-	-	-
341	Transportation Equipment_____	-	-	-	-
342	Stores Equipment_____	-	-	-	-
343	Tools, Shop and Garage Equipm_____	-	-	-	-
344	Laboratory Equipment_____	-	-	-	-
345	Power Operated Equipment_____	-	-	-	-
346	Communication Equipment_____	-	-	-	-
347	Miscellaneous Equipment_____	1,115	-	-	1,115
348	Other Tangible Plant_____	-	-	-	-
	Total Water Plant_____	\$ 2,031,684	\$ 702	\$ -	\$ 2,032,386

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

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

ACCT. NO. (a)	ACCOUNT NAME (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f) (Note 1)	Debits (g)	Credits (h)	Accum. Depr. Balance End of year (f-g+h=i) (i)
301	Organization	40	%	2.50	\$ 700	\$ -	\$ 27	\$ 727
302	Franchises	-	%	-	-	-	-	-
304	Structure and Improvements	40	%	2.50	13,966	-	411	14,377
305	Collecting and Impounding Reservoirs	-	%	-	-	-	-	-
306	Lake, River and Other Intakes	-	%	-	-	-	-	-
307	Wells and Springs	27	%	3.70	169,310	-	8,542	177,852
308	Infiltration Galleries and Tunnels	-	%	-	-	-	-	-
309	Supply Mains	32	%	3.13	46,806	-	4,437	51,243
310	Power Generation Equipment	17	%	5.88	-	-	-	-
311	Pumping Equipment	17	%	5.88	37,775	-	9,918	47,693
320	Water Treatment Equipment	17	%	5.88	350,809	1	11,527	362,337
330	Distribution Reservoirs and Standpipes	30	%	3.33	384,722	-	20,953	405,675
331	Transmission and Distribution Mains	38	%	2.63	35,601	1	5,472	41,074
333	Services	35	%	2.86	49,394	-	3,447	52,841
334	Meters and Meter Installations	12	%	8.33	9,284	1	1,656	10,941
335	Hydrants	40	%	2.50	1,400	-	207	1,607
339	Other Plant and Miscellaneous Equipment	20	%	5.00	1,298	-	1,396	2,694
340	Office Furniture and Equipment	10	%	10.00	-	-	-	-
341	Transportation Equipment	5	%	20.00	-	-	-	-
342	Stores Equipment	-	%	-	-	-	-	-
343	Tools, Shop and Garage Equipment	10	%	10.00	-	-	-	-
344	Laboratory Equipment	-	%	-	-	-	-	-
345	Power Operated Equipment	-	%	-	-	-	-	-
346	Communication Equipment	-	%	-	-	-	-	-
347	Miscellaneous Equipment	-	%	-	296	-	223	519
348	Other Tangible Plant	5	%	20.00	-	-	-	-
	Totals				\$ 1,101,361	\$ 3	\$ 68,216	\$ 1,169,580

* This amount should tie to Sheet F-5

Note: Debits (Column (g)) to correct rounding in the calculation of depreciation expense

UTILITY NAME: Service Management Systems, Inc.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 66,835
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	8,296
610	Purchased Water _____	
615	Purchased Power _____	43,217
616	Fuel for Power Production _____	436
618	Chemicals _____	19,553
620	Materials and Supplies _____	36,304
630	Contractual Services:	
	Billing _____	
	Operator and Management _____	20,432
	Testing _____	
	Other _____	14,130
640	Rents _____	
650	Transportation Expense _____	1,854
655	Insurance Expense _____	5,718
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	7,962
	Total Water Operation and Maintenance Expense _____	\$ 224,737 *

* 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	231	253	253
3/4"	D	1.5	3	2	3
1"	D	2.5	5	6	15
1 1/2"	D,T	5.0	2		
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	3	24
3"	D	15.0			
3"	C	16.0		1	16
3"	T	17.5			
Unmetered Customers		1.0			
Other (Specify):	Irrigation	1.0	70	90	90
** D = Displacement C = Compound T = Turbine			Total		
			314	355	401

**PUMPING AND PURCHASED WATER STATISTICS
 (Potable Water)**

MONTH (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	-	2,744	-	2,744	2,725
February	-	2,513	-	2,513	2,495
March	-	2,747	2	2,745	2,728
April	-	2,531	1	2,530	2,513
May	-	1,981	2	1,979	1,967
June	-	1,765	1	1,764	1,753
July	-	2,251	-	2,251	2,236
August	-	1,772	-	1,772	1,760
September	-	1,692	1	1,691	1,681
October	-	2,504	-	2,504	2,486
November	-	2,372	-	2,372	2,355
December	-	2,778	-	2,778	2,761
Total for year	N/A	27,650	7	27,643	27,460

If water is purchased for resale, indicate the following:

Vendor N/A
 Point of Delivery N/A

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

MAINS (Feet)

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC Potable	8"	600		-	600
PVC -Non Potable	8"	6,976		-	6,976
PVC Potable	6"	12,290		-	12,290
PVC -Non Potable	6"	1,500		-	1,500
DIP Potable	6"	60		-	60
PVC Potable	4"	5,430		-	5,430
PVC Potable	16"	600		-	600
PVC -Non Potable	12"	9,710		-	9,710
PVC Potable	2"	620		-	620

UTILITY NAME: Service Management Systems, Inc.
 SYSTEM NAME: Aquarina

YEAR OF REPORT
 December 31, 2005

PUMPING AND PURCHASED WATER STATISTICS
 (Irrigation Water)

MONTH (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	-	9,204	-	9,204	9,140
February	-	9,641	-	9,641	9,574
March	-	8,544	-	8,544	8,485
April	-	12,012	-	12,012	11,929
May	-	15,758	-	15,758	15,649
June	-	8,861	-	8,861	8,800
July	-	13,759	-	13,759	13,664
August	-	16,942	-	16,942	16,825
September	-	12,106	-	12,106	12,022
October	-	10,577	-	10,577	10,504
November	-	10,234	-	10,234	10,163
December	-	8,830	-	8,830	8,769
Total for year	N/A	136,468		136,468	135,524

If water is purchased for resale, indicate the following:

Vendor N/A
 Point of Delivery N/A

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

MAINS (Feet)

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC Potable	8"	600		-	600
PVC -Non Potable	8"	6,976		-	6,976
PVC Potable	6"	12,290		-	12,290
PVC -Non Potable	6"	1,500		-	1,500
DIP Potable	6"	60		-	60
PVC Potable	4"	5,430		-	5,430
PVC Potable	16"	600		-	600
PVC -Non Potable	12"	9,710		-	9,710
PVC Potable	2"	620			620

**WELLS AND WELL PUMPS
 (If Available)**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1,981	1,981		
Types of Well Construction and Casing _____	Deep Steel	Deep Steel		
Depth of Wells _____	600'	600'		
Diameters of Wells _____	12"	12"		
Pump - GPM _____	Unk	Unk		
Motor - HP _____	10	10		
Motor Type * _____	Sub.	Sub.		
Yeilds of Wells in GPD _____	1.0 MGD	1.0 MGD		
Auxillary Power _____				
* Submersable, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Concrete	Concrete		
Capacity of Tank _____	.15 MGD	1.2 MGD		
Ground of Elevated _____	Ground	Ground		

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>MOTORS</u>				
Manufacturer _____	Unk.	Unk.	Unk.	
Type _____	Unk.	Unk.	Unk.	
Rated Horsepower _____	10	60	60	
(a)	(b)	(c)	(d)	(e)
<u>PUMPS</u>				
Manufacturer _____	Unk.			
Type _____				
Capacity in GPM _____				
Average Number of Hours Operated Per Day _____				
Auxiliary Power _____				

SOURCE OF SUPPLY

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

Gallons per day of source _____	350,000	350,000	
Type of source _____	Ground	Ground	
	Drinking water	Irrigation water	

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

Type _____	Reverse Osmosis		
Make _____	Basic Technologies		
Permitted Capacity (GPD)	.11 MGD		
High service pumping Gallons per minute _____ See Page W-5 _____	Unknown		
Reverse Osmosis _____	.11 MGD		
Lime treatment Unit Rating _____	N/A		
Filtration Pressure Sq. Ft. _____	N/A		
Gravity GPD/Sq. Ft. _____	N/A		
Disinfection Chlorinator _____	X		
Ozone _____			
Other _____			
Auxiliary Power _____	Generator		

**WASTEWATER
OPERATION
SECTION**

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 1,050	\$ -	\$ -	\$ 1,050
352	Franchises	-	-	-	-
353	Land and Land Rights	33,680	-	-	33,680
354	Structure and Improvements	18,769	-	-	18,769
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	206,148	-	-	206,148
361	Collection Sewers - Gravity	280,669	-	-	280,669
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	163,975	-	-	163,975
364	Flow Measuring Devices	-	-	-	-
365	Flow Measuring Installations	-	-	-	-
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	54,151	351	-	54,502
380	Treatment and Disposal Equipment	1,193,560	-	-	1,193,560
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	157,892	-	-	157,892
389	Other Plant and Miscellaneous Equipment	14,056	-	-	14,056
390	Office Furniture and Equipment	-	-	-	-
391	Transportation Equipment	-	-	-	-
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-
394	Laboratory Equipment	-	-	-	-
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	22,060	-	-	22,060
398	Other Tangible Plant	3,805	-	-	3,805
	Total Sewer Plant	\$ 2,149,815	\$ 351	\$ -	\$ 2,150,166

* This amount should tie to Sheet F-5

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account Name (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)
351	Organization	40	-	2.50 %	872	-	27	899
352	Franchises	-	-	%	-	-	-	-
354	Structure and Improvements	27	-	3.70 %	17,756	-	588	18,344
355	Power Generation Equipment	-	-	%	-	-	-	-
360	Collection Sewers - Force	-	-	%	96,302	-	6,864	103,166
361	Collection Sewers - Gravity	40	-	2.50 %	69,180	-	6,231	75,411
362	Special Collecting Structures (Lift Stations)	-	-	%	-	-	-	-
363	Services to Customers	35	-	2.90 %	76,729	-	4,312	81,041
364	Flow Measuring Devices	5	-	20.00 %	-	-	-	-
365	Flow Measuring Installations	-	-	%	-	-	-	-
370	Receiving Wells (Lift Stations)	-	-	%	-	-	-	-
371	Pumping Equipment	40	-	2.50 %	9,238	-	3,020	12,258
380	Treatment and Disposal Equipment	15	-	6.70 %	1,193,560	-	-	1,193,560
381	Plant Sewers	-	-	%	-	-	-	-
382	Outfall Sewer Lines	-	-	%	157,892	-	-	157,892
389	Other Plant and Miscellaneous Equipment	15	-	6.70 %	622	-	440	1,062
390	Office Furniture and Equipment	10	-	10.00 %	-	-	-	-
391	Transportation Equipment	5	-	20.00 %	-	-	-	-
392	Stores Equipment	-	-	%	-	-	-	-
393	Tools, Shop and Garage Equipment	10	-	10.00 %	-	-	-	-
394	Laboratory Equipment	-	-	%	-	-	-	-
395	Power Operated Equipment	-	-	%	-	-	-	-
396	Communication Equipment	-	-	%	-	-	-	-
397	Miscellaneous Equipment	-	-	%	4,529	-	1,472	6,001
398	Other Tangible Plant	5	-	20.00 %	2,723	-	238	2,961
	Totals				1,629,403		23,192	1,652,595

* This amount should tie to Sheet F-5

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ 33,432
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
704	Employee Pensions and Benefits _____	4,148
710	Purchased Wastewater Treatment _____	
711	Sludge Removal Expense _____	
715	Purchased Power _____	12,782
716	Fule for Power Production _____	218
718	Chemicals _____	5,743
720	Materials and Supplies _____	44,963
730	Contractual Services:	
	Operator and Management _____	
	Testing _____	
	Other _____	8,951
740	Rents _____	
750	Transportation Expense _____	875
755	Insurance Expense _____	2,859
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
770	Bad Debt Expense _____	
775	Miscellaneous Expenses _____	3,706
	Total Wastewater Operation and Maintenance Expense _____	\$ 117,677 *

* This amount should tie to Sheet F-3.

WASTEWATER 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	253	253	253
3/4"	D	1.5	3	1	2
1"	D	2.5	5	6	15
1 1/2"	D,T	5.0	2		
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	3	24
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0			
Other (Specify):					
Total			266	263	294

** D = Displacement
 C = Compound
 T = Turbine

PUMPING EQUIPMENT

Lift station number _____	1	2	3	_____	_____	_____	_____
Make or type and nameplate data of pump _____	Unk.	Unk.	Unk.	_____	_____	_____	_____
Year installed _____	1984	1992	2002	_____	_____	_____	_____
Rated capacity (GPM) _____	Unk.	Unk.	Unk.	_____	_____	_____	_____
Size (HP) _____	Unk.	Unk.	Unk.	_____	_____	_____	_____
Power:							
Electric _____	X	X	X	_____	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	4"	5"	6"	_____	_____	_____	_____
Type (PVC, VCP, etc) _____	PVC	PVC	PVC	_____	_____	_____	_____
Average length _____	20'	20'	20'	_____	_____	_____	_____
Number of active service connections _____	Unk	Unk	Unk	_____	_____	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS AND MANHOLES

	Collecting Mains			Force Mains			
Size (inches) _____	6"	8"	10"	_____	6"	_____	_____
Type of main _____	PVC	PVC	PVC	_____	DIP	_____	_____
Length of main (nearest foot):							
Beginning of year _____	1,720	18,989	2,000	_____	600	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	1,720	18,989	2,000	_____	600	_____	_____

MANHOLES:

Size _____	3'	_____	_____	_____
Type _____	Conc.	_____	_____	_____
Number:				
Beginning of year _____	94	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of year _____	94	_____	_____	_____

TREATMENT PLANT

Manufacturer _____	Schriber	_____	_____
Type _____	Activated Sludge	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Capacity _____	99,000 GPD	_____	_____
Average Daily Flow _____	35,260	_____	_____
Effluent Disposal _____	Drain Field	_____	_____
Total Gallons of Wastewater Treated _____	12,870,000	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	N/A	_____	_____	_____	_____	_____
Capacity _____ (PM)	_____	_____	_____	_____	_____	_____
Motor:	_____	_____	_____	_____	_____	_____
Manufacturer _____	_____	_____	_____	_____	_____	_____
Horsepower _____	_____	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____	_____	_____	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	1,254	None	1,254
February _____	1,183	_____	1,183
March _____	1,347	_____	1,347
April _____	1,196	_____	1,196
May _____	906	_____	906
June _____	884	_____	884
July _____	1,096	_____	1,096
August _____	940	_____	940
September _____	940	_____	940
October _____	1,104	_____	1,104
November _____	895	_____	895
December _____	1,125	_____	1,125
Total for year _____	12,870,000	_____	12,870,000

If Wastewater Treatment is purchased, indicate the vendor:

CERTIFICATION OF ANNUAL REPORT

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

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

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class C**

Company: Service Management Systems, Inc.

For the Year Ended December 31, 2005

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 231,049	\$ 250,743	\$ (19,694)
Commercial	-	-	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other	930	-	930
Total Water Operating Revenue	\$ 231,979	\$ 250,743	\$ (18,764)
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 231,979	\$ 250,743	\$ (18,764)

Explanations:

Irrigation revenue misreported in 6/30/05 return; Miscellaneous service revenues omitted from original return. An amended return is being filed

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).

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations
Class C**

Company: Service Management Systems, Inc.

For the Year Ended December 31, 2005

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 128,544	\$ 128,544	\$ -
Commercial	-	-	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other	870	-	870
Total Wastewater Operating Revenue	\$ 129,414	\$ 128,544	\$ 870
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 129,414	\$ 128,544	\$ 870

Explanations:

Other wastewater revenues omitted from original return. Amended return being filed

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).