

CLASS "A" OR "B"

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

**ANNUAL REPORT**

OF

WS236-16-AR

WATER MANAGEMENT SERVICES, INC

Exact Legal Name of Respondent

OFFICIAL COPY  
Filed for the Commission  
in This Office

302W

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION

2017 APR 28 AM 5:55

DIVISION OF  
ACCOUNTING & FINANCE

FOR THE

YEAR ENDED DECEMBER 31, 2016

## GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added, provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems."
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission  
Division of Economic Regulation  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850**

The fourth copy should be retained by the utility.

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# **EXECUTIVE SUMMARY**

**CERTIFICATION OF ANNUAL REPORT**

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

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES	NO
<input checked="" type="checkbox"/>	<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	NO
<input checked="" type="checkbox"/>	<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

  
 \_\_\_\_\_  
 (Signature of Chief Executive Officer of the utility) \*

1.	2.	3.	4.
X	X	X	X

  
 \_\_\_\_\_  
 (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**

<b>YEAR OF REPORT</b> December 31, 2016
--

**WATER MANAGEMENT SERVICES, INC**  
 (Exact Name of Utility)

County: Franklin

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

250 John Knox Road, # 4  
Tallahassee, FL 32303

Telephone: (850)668-0440

E Mail Address: gdb5@comcast.net; sandymchase@comcast.net

WEB Site: www.wmsistgeorge.com

Sunshine State One-Call of Florida, Inc. Member Number WM1736

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

Gene D. Brown  
250 John Knox Road, # 4  
Tallahassee, FL 32303

Telephone: (850)668-0440

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

250 John Knox Road, # 4  
Tallahassee, FL 32303

Telephone: (850)668-0440

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

<u>Barbara S. Withers, CPA</u>	<u>Contact information shown on E-3</u>
<u>William D. Lansford, P.E.</u>	<u>Contact information shown on E-3</u>

Date of original organization of the utility: 03/03/78

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

Individual	Partnership	Sub S Corporation	1120 Corporation
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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.	<u>St. George Island Utility Co., Ltd.</u>	<u>94.44%</u>
2.	<u>T.E. Bronson</u>	<u>5.56%</u>
3.	<u> </u>	<u> </u>
4.	<u> </u>	<u> </u>
5.	<u> </u>	<u> </u>
6.	<u> </u>	<u> </u>
7.	<u> </u>	<u> </u>
8.	<u> </u>	<u> </u>
9.	<u> </u>	<u> </u>
10.	<u> </u>	<u> </u>

**DIRECTORY OF PERSONNEL WHO CONTACT  
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Gene D. Brown	President	General Manager	General Business/Legal
Sandra M. Chase	VP & Secretary	Assistant General Manager	General Business
Brenda Molsbee	Certified Operator	Operations Manager	General Business
Hank Garrett	Certified Operator	Assistant Operations Manager	General Business
Martin S. Friedman	Attorney		Regulatory Matters
766 North Sun Drive Ste. 4030 Lake Mary, FL 32746 (407)830-6331, (407)830-8522 (Fax)			
Barbara S. Withers Leonard & Withers	CPA		Accounting and Tax
3837 A Killearn Center Ct Tallahassee, FL 32309 (850)893-4080			
William D. Lansford, P.E. 26 Crum Drive Panacea, FL 32346 (850)984-4435	Engineer		Engineering

(1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.  
 (2) Provide individual telephone numbers if the person is not normally reached at the company.  
 (3) Name of company employed by, if not on general payroll.

### 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.

St. George Island Utility Company, Ltd. was certificated on March 31, 1978 to provide water service to St. George Island, which is a barrier island located in the Gulf of Mexico in Franklin County, Florida. The name on the certificate was changed to Water Management Services, Inc. in 1997. The Company has 4 wells on the mainland, and water is piped to the island through a 12" supply main attached to the bridge to the island. The Company has 2 treatment systems, 2 ground storage tanks and an elevated storage tank on the island. Although the Company is not required to provide fire protection, the Company does provide limited fire protection through 154 hydrants on the island.

The island population fluctuates widely because it is a vacation/resort area. Accordingly, there are peak demands during summer and other holiday periods, with lower demand the remainder of the year. The utility has sufficient capacity to meet all current demands. Construction of the system commenced in 1974, and improvement have been made over the years. On April 1, 2016, the Company completed construction of substantial improvements to the plant to prevent a deterioration of the system's reliability. Those improvements included a new 600,000 gallon ground storage tank, new pumping and control facilities, new electrical facilities, new chlorination facilities, a new facilities building, additional distribution lines, and a partial new supply main. The original system is being maintained for safety and redundancy, as well as possible use in the case of an extreme fire emergency on the island. These improvements were made so that the utility can meet its primary goal and objective, which is to provide safe and reliable water service to its customers on St. George Island.

The utility has an administration and accounting office in Tallahassee, Florida, and an operations office on St. George Island. The Tallahassee office has five full-time employees who handle most administrative, legal and accounting functions. The St. George Island office has four full time employees, including two certified operators and two field technicians, who are responsible for the day-to-day operations of the utility, including the billing of customers.



UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

**PARENT / AFFILIATE ORGANIZATION CHART**

Current as of 12/31/16

Complete below an organizational chart that shows 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).

St. George Island Utility Company, Ltd.  
Stockholder

Gene D. Brown  
Legal Counsel

Brown Management Group, Inc.  
Subsidiary

**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)
Gene D. Brown	President	100%	\$ 136,698
Sandra Chase	Vice President	100%	89,353

**COMPENSATION OF DIRECTORS**

For each director, list the number of directors' 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)
Gene D. Brown	President	1	\$ 0

**BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES**

List all contracts, agreements, or other business arrangements\* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Brown Management Group, Inc	Office Rental	\$ 15,750	BMG, Inc. 250 John Knox Rd. # 4 Tallahassee, FL 32303
Gene D. Brown	Legal Services	12,000	Gene D. Brown 250 John Knox Rd. # 4 Tallahassee, FL 32303

\* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

**AFFILIATION OF OFFICERS AND DIRECTORS**

<p>For each of the officials listed on page E-6, list the principal 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.</p>			
NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Gene D. Brown	Officer/Director	Legal Services	Gene D. Brown
Gene D. Brown	Officer/Director of General Partner	President of Corporate General Partners of General Partner	St. George Isl. Utility Co, Ltd.
Gene D. Brown	Officer/Director of General Partner	President of Corporate General Partners	Leisure Properties, Ltd.
Gene D. Brown	Officer/Director	President	St. George's Plantation, Inc.
Gene D. Brown	Officer/Director	President	Brown Management Group, Inc.
			All above located at 250 John Knox Rd, # 4 Tallahassee, FL 32303

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

<b>YEAR OF REPORT</b> December 31, 2016
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**BUSINESSES WHICH ARE A BY-PRODUCT, CO PRODUCT OR JOINT-PRODUCT  
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

Complete the following for any business which is conducted as a byproduct, co product, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)
None	\$		\$		\$	

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT  
December 31, 2016

### BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6, identifying the parties, amounts, dates and product, and asset, or service involved.

#### Part I. Specific Instructions: Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided.

2. Below are some types of transactions to include:

- |  |   |
|--|---|
| -management, legal and accounting services | -material and supplies furnished                |
| -computer services                         | -leasing of structures, land, and equipment     |
| -engineering & construction services       | -rental transactions                            |
| -repairing and servicing of equipment      | -sale, purchase or transfer of various products |

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
Brown Management Group, Inc.	Office Rental	January 1, 2010	P	\$ 15,750
Gene D. Brown	Legal Services	January 1, 2010	P	12,000

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

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

- |  |  |
|--|--|
| <p>1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.</p> <p>2. Below are examples of some types of transactions to include:</p> <ul style="list-style-type: none"> <li>-purchase, sale or transfer of equipment</li> <li>-purchase, sale or transfer of land and structures</li> <li>-purchase, sale or transfer of securities</li> <li>-noncash transfers of assets</li> <li>-noncash dividends other than stock dividends</li> <li>-write-off of bad debts or loans</li> </ul> | <p>3. The columnar instructions follow:</p> <ul style="list-style-type: none"> <li>(a) Enter name of related party or company.</li> <li>(b) Describe briefly the type of assets purchased, sold or transferred.</li> <li>(c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".</li> <li>(d) Enter the net book value for each item reported.</li> <li>(e) Enter the net profit or loss for each item reported. (column (c) - column (d))</li> <li>(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.</li> </ul> |
|--|--|

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)
		\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

<b>YEAR OF REPORT</b> December 31, 2016
--

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 12,306,547	\$ 13,669,957
108-110	Less: Accumulated Depreciation and Amortization	F-8	4,456,305	4,734,705
Net Plant			\$ 7,850,242	\$ 8,935,252
114-115	Utility Plant Acquisition adjustment (Net)	F-7	_____	_____
116 *	Other Utility Plant Adjustments		_____	_____
Total Net Utility Plant			\$ 7,850,242	\$ 8,935,252
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	\$ 815,366	\$ 968,824
122	Less: Accumulated Depreciation and Amortization		0	57,138
Net Nonutility Property			\$ 815,366	\$ 911,686
123	Investment in Associated Companies	F-10	1,215,075	1,215,075
124	Utility Investments	F-10	_____	_____
125	Other Investments	F-10	_____	_____
126-127	Special Funds	F-10	_____	_____
Total Other Property & Investments			\$ 2,030,441	\$ 2,126,761
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 7,390	\$ 2,616
132	Special Deposits	F-9	216,672	82,880
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	134,878	156,155
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		41,335	51,192
171	Accrued Interest and Dividends Receivable		_____	_____
172 *	Rents Receivable		_____	_____
173 *	Accrued Utility Revenues		_____	_____
174	Miscellaneous Current and Accrued Assets	F-12	_____	_____
Total Current and Accrued Assets			\$ 400,275	\$ 292,843

\* Not Applicable for Class B Utilities



UTILITY NAME: WATER MANAGEMENT SERVICES, INC

<b>YEAR OF REPORT</b> December 31, 2016
--

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED DEBITS</b>				
181	Unamortized Debt Discount & Expense	F-13	\$ 297,275	\$ 288,811
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey & Investigation Charges		21,600	18,000
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	27,067	0
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 345,942	\$ 306,811
<b>TOTAL ASSETS AND OTHER DEBITS</b>			<b>\$ 10,626,901</b>	<b>\$ 11,661,667</b>

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**  
The space below is provided for important notes regarding the balance sheet

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

<b>YEAR OF REPORT</b> December 31, 2016
--

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 10,000	\$ 10,000
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		(488,548)	(488,548)
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(2,619,570)	(2,771,387)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ (3,098,118)	\$ (3,249,935)
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	9,603,856	10,764,302
Total Long Term Debt			\$ 9,603,856	10,764,302
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		673,521	343,309
232	Notes Payable	F-18	291,116	381,465
233	Accounts Payable to Associated Companies	F-18	7,600	83,910
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		164,175	178,757
236	Accrued Taxes	W/S-3	48,346	72,451
237	Accrued Interest	F-19	36,944	35,719
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	45,647	285
Total Current & Accrued Liabilities			\$ 1,267,349	\$ 1,095,895

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	5,780	4,580
253	Other Deferred Credits	F-21	953,115	1,032,541
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ <u>958,895</u>	\$ <u>1,037,121</u>
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____	\$ <u>0</u>
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 3,871,764	\$ 4,105,084
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,976,845)	(2,090,800)
Total Net CIAC			\$ <u>1,894,919</u>	\$ <u>2,014,284</u>
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
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			\$ _____	\$ <u>0</u>
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ <u>10,626,901</u>	\$ <u>11,661,667</u>

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 1,747,159	2,060,345
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	246	982
Net Operating Revenues			\$ 1,746,913	2,059,363
401	Operating Expenses	F-3(b)	\$ 1,229,210	1,290,599
403	Depreciation Expense:	F-3(b)	\$ 264,011	373,343
	Less: Amortization of CIAC	F-22	108,348	113,955
Net Depreciation Expense			\$ 156,663	259,388
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	3,600	3,600
408	Taxes Other Than Income	W/S-3	145,485	159,220
409	Current Income Taxes	W/S-3		
410.1	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.1	Provision for Deferred Income Taxes - Credit	W/S-3		
412.1	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			\$ 1,534,958	1,712,807
Net Utility Operating Income			\$ 211,955	346,556
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	246	982
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)]			\$ 212,201	347,538

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

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

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**COMPARATIVE OPERATING STATEMENT (Cont'd)**

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>2,060,345</u> 982	\$ <u>0</u> 0	\$ _____
\$ <u>2,059,363</u>	\$ <u>0</u>	\$ <u>0</u>
\$ 1,290,599	\$ 0	\$ _____
<u>373,343</u> <u>113,955</u>	<u>0</u> <u>0</u>	_____
\$ <u>259,388</u>	\$ <u>0</u>	\$ <u>0</u>
<u>3,600</u> <u>159,220</u>	<u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____ _____ _____ _____ _____ _____ _____
\$ <u>1,712,807</u>	\$ <u>0</u>	\$ <u>0</u>
\$ <u>346,556</u>	\$ <u>0</u>	\$ <u>0</u>
<u>982</u>	<u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____
\$ <u>347,538</u>	\$ <u>0</u>	\$ <u>0</u>

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

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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)]			\$ 212,201	347,538
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	_____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		450	15
421	Nonutility Income		232,065	0
426	Miscellaneous Nonutility Expenses		(50,725)	4,093
Total Other Income and Deductions			\$ 181,790	4,108
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.2	Taxes Other Than Income		\$ _____	0
409.2	Income Taxes		_____	_____
410.2	Provision for Deferred Income Taxes		_____	_____
411.2	Provision for Deferred Income Taxes - Credit		_____	_____
412.2	Investment Tax Credits - Net		_____	_____
412.3	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ _____	0
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 363,931	484,918
428	Amortization of Debt Discount & Expense	F-13	28,587	18,548
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 392,518	503,466
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ _____	_____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ _____	_____
<b>NET INCOME</b>			<b>\$ 1,473</b>	<b>(151,818)</b>

Explain Extraordinary Income:

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UTILITY NAME: WATER MANAGEMENT SERVICES, INC

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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	\$ 13,669,957	\$ 0
	Less:			
	Nonused and Useful Plant (1)		7,025	
108	Accumulated Depreciation	F-8	4,734,705	0
110	Accumulated Amortization	F-8		0
271	Contributions in Aid of Construction	F-22	4,105,084	0
252	Advances for Construction	F-20	4,580	
Subtotal			\$ 4,818,563	\$ 0
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	2,090,800	0
Subtotal			\$ 6,909,363	\$ 0
114	Plus or Minus: Acquisition Adjustments (2)	F-7		0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		0
	Working Capital Allowance (3)			0
	Other (Specify): Negative WCAP set to 0			
RATE BASE			\$ 6,909,363	\$ 0
Net Utility Operating Income			\$ 346,611	\$ 0
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			5.02%	0.00%

**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.

**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	\$ 0	0.00%	11.16%	0.00%
Preferred Stock	0	0.00%	0.00%	0.00%
Long & Short Term Debt	10,780,655	98.44%	4.46%	4.39%
Customer Deposits	171,103	1.56%	3.00%	0.05%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	0	0.00%		0.00%
Other (Explain)	0	0.00%		0.00%
	0	0.00%		0.00%
<b>Total</b>	\$ <u>10,951,758</u>	<u>100.00%</u>		<u>4.44%</u>

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

NOTE: Debt cost calculated based on effective interest costs applied to 13 mos average balances.

(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**

Current Commission Return on Equity:	<u>11.16%</u>
Commission order approving Return on Equity:	<u>PSC-11-0287-PAA-WS</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u></u>
Commission order approving AFUDC rate:	<u></u>

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:

WATER MANAGEMENT SERVICES, INC

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**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 (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ (3,114,217)	\$ _____	\$ _____	\$ 3,114,217	_____	\$ 0
Preferred Stock	_____	_____	_____	_____	_____	0
Long Term Debt	10,780,655	_____	_____	_____	4,047,234	6,733,421
Customer Deposits	171,103	_____	_____	_____	_____	171,103
Tax Credits - Zero Cost	_____	_____	_____	_____	_____	0
Tax Credits - Weighted Cost	_____	_____	_____	_____	_____	0
Deferred Inc. Taxes	_____	_____	_____	_____	_____	0
Other (Explain)	_____	_____	_____	_____	_____	0
<b>Total</b>	<b>\$ 7,837,541</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,114,217</b>	<b>\$ 4,047,234</b>	<b>\$ 6,904,524</b>

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

Column (b) - 13 month average balances of debt and customer deposits  
 Column (e) - Equity is negative, set to zero  
 Column (f) - Hold customer deposits and reconcile to rate base shown on Schedule F-4

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

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**UTILITY PLANT  
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 13,669,957	\$ 0	\$	\$ 13,669,957
102	Utility Plant Leased to Other				0
103	Property Held for Future Use				0
104	Utility Plant Purchased or Sold				0
105	Construction Work in Progress				0
106	Completed Construction Not Classified				0
	<b>Total Utility Plant</b>	<u>\$ 13,669,957</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,669,957</u>

**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. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$	\$	\$	\$ 0
	N/A				0
					0
					0
	<b>Total Plant Acquisition Adjustments</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
115	Accumulated Amortization	\$	\$	\$	\$ 0
	N/A				0
					0
					0
	<b>Total Accumulated Amortization</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
	<b>Net Acquisition Adjustments</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**ACCUMULATED DEPRECIATION ( ACCT. 108 ) AND AMORTIZATION (ACCT. 110)**

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b>				
<b>Account 108</b>				
Balance first of year	\$ 4,456,305	\$	\$	\$ 4,456,305
Credit during year:				
Accruals charged to:				
Account 108.XX	\$ 373,343	\$	\$	\$ 373,343
				0
				0
				0
				0
Salvage				0
Other Credits (Specify):				0
				0
Total Credits	\$ 373,343	\$ 0	\$ 0	\$ 373,343
Debits during year:				
Book cost of plant retired	42,456			42,456
Cost of Removal				0
Other Debits (specify):				0
Reclass to Non-Utility	52,487			52,487
Total Debits	\$ 94,943	\$ 0	\$ 0	\$ 94,943
Balance end of year	\$ <u>4,734,705</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>4,734,705</u>
<b>ACCUMULATED AMORTIZATION</b>				
<b>Account 110</b>				
Balance first of year	\$ 220,123	\$	\$	\$ 220,123
Credit during year:				
Accruals charged to:				
Account 110	\$ 3,600	\$	\$	\$ 3,600
Account 110.6	27,067			27,067
Other Accounts (specify):				0
				0
Total credits	\$ 30,667	\$ 0	\$ 0	\$ 30,667
Debits during year:				
				0
				0
Total Debits	\$	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>250,790</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>250,790</u>

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

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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)
Docket 110200-WU	\$ <u>0</u>	<u>666.80</u>	\$ <u>27,067</u>
Total	\$ <u>0</u>		\$ <u>27,067</u>

**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)
Disallowed Investment in Plant	\$ <u>815,366</u>		\$ <u> </u>	\$ <u>815,366</u>
Non-Utility Land				<u>0</u>
Old Building		<u>153,457</u>		<u>153,457</u>
				<u>0</u>
Total Nonutility Property	\$ <u>815,366</u>	\$ <u>153,457</u>	\$ <u>0</u>	\$ <u>968,823</u>

**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):	
Ameris Bank - Escrow Account 1	\$ <u>4</u>
Ameris Bank - Escrow Account 2	<u>28,568</u>
Ameris Bank - Escrow Account 3	<u>54,309</u>
Total Special Deposits	\$ <u>82,881</u>
OTHER SPECIAL DEPOSITS (Account 133):	
N/A	\$ <u> </u>
Total Other Special Deposits	\$ <u>0</u>

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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): <u>Brown Management Group, Inc</u> _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ <u>1,215,075</u> _____ _____ _____ _____
Total Investment in Associated Companies		\$ <u><u>1,215,075</u></u>
UTILITY INVESTMENTS (Account 124): <u>N/A</u> _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Utility Investment		\$ <u><u>0</u></u>
OTHER INVESTMENTS (Account 125): <u>N/A</u> _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Investment		\$ <u><u>0</u></u>
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): <u>N/A</u> _____ _____ _____ _____		\$ _____ _____ _____ _____ _____
Total Special Funds		\$ <u><u>0</u></u>

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

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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	\$ 177,994	
Total Customer Accounts Receivable		\$ 177,994
OTHER ACCOUNTS RECEIVABLE ( Account 142):		
Insurance	\$ 6,998	
Refunds	438	
Total Other Accounts Receivable		\$ 7,436
NOTES RECEIVABLE (Account 144 ):		
	\$	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 185,430
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143)		
Balance first of year	\$ 29,275	
Add: Provision for uncollectibles for current year	\$ 0	
Collection of accounts previously written off	0	
Utility Accounts		
Others		
Total Additions	\$ 0	
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off	\$ 0	
Balance end of year		\$ 29,275
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>		<b>\$ 156,155</b>

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>0</u>

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
N/A	_____ %	\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ <u>0</u>

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS**  
**ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
N/A	\$ _____
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ <u>0</u>

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**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):		
DEP- SRF Loan	\$ 7,347	\$ 40,313
FMB - Construction Loan	703	
Ameris Bank Loan	10,400	245,636
CoBank	99	2,861
<b>Total Unamortized Debt Discount and Expense</b>	\$ <u>18,548</u>	\$ <u>288,811</u>
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$	\$
<b>Total Unamortized Premium on Debt</b>	\$ <u>0</u>	\$ <u>0</u>

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$
<b>Total Extraordinary Property Losses</b>	\$ <u>0</u>



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**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)		
186.06 Deferred Rate Case - 2010 TY	\$ 27,067	0
<b>Total Deferred Rate Case Expense</b>	\$ <u>27,067</u>	<u>0</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$	
<b>Total Other Deferred Debits</b>	\$ <u> </u>	<u> </u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
N/A	\$ 0	\$
<b>Total Regulatory Assets</b>	\$ <u>0</u>	\$ <u>0</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ <u>27,067</u>	\$ <u>0</u>

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**CAPITAL STOCK  
ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	_____ %	\$ 0.10
Shares authorized		100,000
Shares issued and outstanding		100,000
Total par value of stock issued	_____ %	\$ 10,000
Dividends declared per share for year	_____ %	\$ 0
<b>PREFERRED STOCK</b>		
Par or stated value per share	_____ %	\$ _____
Shares authorized		_____
Shares issued and outstanding		_____
Total par value of stock issued	_____ %	\$ _____
Dividends declared per share for year	_____ %	\$ _____

\* 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)	
N/A	_____ %	_____	\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
<b>Total</b>			<b>\$ 0</b>

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

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**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	\$ (2,619,570)
439	Changes to Account: Adjustments to Retained Earnings ( requires Commission approval prior to use): Credits: _____ _____ _____	\$ _____ _____ _____
	Total Credits:	\$ 0
	Debits: _____ _____ _____	\$ _____ _____ _____
	Total Debits:	\$ 0
435	Balance Transferred from Income	\$ (151,818)
436	Appropriations of Retained Earnings: _____ _____	_____ _____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____ _____
438	Common Stock Dividends Declared _____	_____ _____
	Total Dividends Declared	\$ 0
215	Year end Balance	\$ (2,771,388)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____	_____ _____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ <u>(2,771,388)</u>
Notes to Statement of Retained Earnings:		

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**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$
Total	\$ <u>0</u>

**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)	
D.E.P. - SRF Loan 5/15/03 - 05/15/33	2.99	Fixed	4,227,491
Ameris Bank Loan 3/29/15 - 3/29/41	5.50	Variable (Prime + 2.25)	5,989,774
CoBank 8/5/16 - 7/1/26	4.60	% Fixed	547,037
Total			\$ <u>10,764,302</u>

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

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
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**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)	
D.E.P. - SRF Loan 5/15/03 - 05/15/33	2.99 %	Fixed	211,640
Ameris Bank Loan 3/29/15 - 3/29/41	5.50 %	Variable-(Prime + 2.25%)	123,518
Cobank Loan 8/05/16 - 07/01/26	4.60 %	Fixed	46,307
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ <u>381,465</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
N/A	%		\$ 0
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ <u>0</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)
BMG	\$ 10,000
Gene D. Brown	73,909
Total	\$ <u>83,909</u>

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**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					
FMB - Construction Loan	\$ 0	427.20	\$ 3,481	\$ 3,481	\$ 0
CoBank	0	427.32	13,574	13,574	0
DEP - SRF Loan	17,361	427.31	136,598	137,366	16,593
Ameris Bank	19,583	427.30	324,777	325,233	19,126
Ameris Bank					
<b>Total Account 237.1</b>	<b>\$ 36,944</b>		<b>\$ 478,430</b>	<b>\$ 479,654</b>	<b>\$ 35,719</b>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ 0	427.40	\$ 4,086	4,086	\$ 0
Vendors	0	427.50	2,402	2,402	0
<b>Total Account 237.2</b>	<b>\$ 0</b>		<b>\$ 6,488</b>	<b>6,488</b>	<b>\$ 0</b>
<b>Total Account 237 (1)</b>	<b>\$ 36,944</b>		<b>484,918</b>	<b>486,142</b>	<b>\$ 35,719</b>
<b>INTEREST EXPENSED:</b>					
Total accrual Account 237			\$ 484,918		(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			\$ 484,918		(2) Must agree to F-3 (c), Current Year Interest Expense

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

<b>YEAR OF REPORT</b> December 31, 2016
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accounts Payable - 401K	\$ (106)
Accounts Payable - AFLAC Ins	391
Total Miscellaneous Current and Accrued Liabilities	\$ <u>285</u>

**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)		
D.E.P. - East End Connections	\$ 5,780		\$ (1,200)		\$ 4,580
					0
					0
					0
					0
					0
					0
					0
					0
Total	\$ <u>5,780</u>		\$ <u>(1,200)</u>	\$ <u>0</u>	\$ <u>4,580</u>

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

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
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**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):		
Deferred Rate Increase	\$ 79,426	\$ 1,032,541
Total Regulatory Liabilities	\$ 79,426	\$ 1,032,541
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
N/A	\$	\$
Total Other Deferred Liabilities	\$	\$
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ 79,426	\$ 1,032,541



UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

**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	\$ <u>3,871,765</u>	\$ <u>0</u>	\$ _____	\$ <u>3,871,765</u>
Add credits during year:	\$ <u>233,319</u>	\$ <u>0</u>	\$ _____	\$ <u>233,319</u>
Less debit charged during the year	\$ _____	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>4,105,084</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>4,105,084</u></u>

**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	\$ <u>1,976,845</u>	\$ <u>0</u>	\$ _____	\$ <u>1,976,845</u>
Debits during the year:	\$ <u>113,955</u>	\$ <u>0</u>	\$ _____	\$ <u>113,955</u>
Credits during the year	\$ _____	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>2,090,800</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>2,090,800</u></u>

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

<b>YEAR OF REPORT</b> December 31, 2016
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

- 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.
- 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)	\$ (151,818)
<b>Reconciling items for the year:</b>		
Taxable income not reported on books:		
Net Additions to CIAC	F-22	99,364
Deferred Income		79,426
Deductions recorded on books not deducted for return:		
Life Insurance, Key Man	W-10	39,258
Penalty/Fines	F-3 (6)	
Income recorded on books not included in return:		
Deduction on return not charged against book income:		

Federal tax net income		\$ <u>66,230</u>
------------------------	--	------------------

Computation of tax : No Tax Due because of Net Operating Loss Carry forwards from prior years.

**WATER  
OPERATION  
SECTION**

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**

December 31, 2016

**WATER LISTING OF SYSTEM GROUPS**

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-14) must be filed for each system in the group.

All of the following water pages (W-2 through W-14) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Water Management Services, Inc./ Franklin	302-W	N/A
There is only one reporting system.		

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

SYSTEM NAME / COUNTY : Franklin

**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)	\$ 13,669,957
	Less:		
	Nonused and Useful Plant (1)		7,025
108	Accumulated Depreciation	W-6(b)	4,734,705
110	Accumulated Amortization	F-8	
271	Contributions in Aid of Construction	W-7	4,105,084
252	Advances for Construction	F-20	4,580
Subtotal			\$ 4,818,563
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 2,090,800
Subtotal			\$ 6,909,363
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		
	Other (Specify): Negative WCAP set to 0		
WATER RATE BASE			\$ 6,909,363
WATER OPERATING INCOME		W-3	\$ 346,556
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			5.02%

- 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:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**WATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 2,060,345
469	Less: Guaranteed Revenue and AFPI	W-9	982
	Net Operating Revenues		\$ 2,059,363
401	Operating Expenses	W-10(a)	\$ 1,290,599
403	Depreciation Expense	W-6(a)	373,343
	Less: Amortization of CIAC	W-8(a)	113,955
	Net Depreciation Expense		\$ 259,388
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	3,600
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		96,290
408.11	Property Taxes		18,565
408.12	Payroll Taxes		41,660
408.13	Other Taxes and Licenses		2,705
408	Total Taxes Other Than Income		\$ 159,220
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		\$ 1,712,807
	Utility Operating Income		\$ 346,556
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 982
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		\$ 347,538

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

SYSTEM NAME / COUNTY : Franklin

**WATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$	\$	\$	\$ 0
302	Franchises				0
303	Land and Land Rights	87,594	190,000		277,594
304	Structures and Improvements	363,096	416,446	195,913	583,629
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	405,941			405,941
308	Infiltration Galleries and Tunnels				0
309	Supply Mains	3,984,508	330,079		4,314,587
310	Power Generation Equipment	113,061	171,502		284,563
311	Pumping Equipment	224,240	794,890		1,019,130
320	Water Treatment Equipment	62,412	50,664		113,076
330	Distribution Reservoirs and Standpipes	373,544	899,269		1,272,813
331	Transmission and Distribution Mains	2,573,645	1,004,146		3,577,791
333	Services	259,899	30,600		290,499
334	Meters and Meter Installations	335,632	747,062		1,082,693
335	Hydrants	208,077	9,836		217,913
336	Backflow Prevention Devices				0
339	Other Plant Miscellaneous Equipment				0
340	Office Furniture and Equipment	81,460	8,963	38,962	51,461
340.5	Data Processing Equipment		13,575	(38,962)	52,537
341	Transportation Equipment				0
342	Stores Equipment				0
343	Tools, Shop and Garage Equipment	31,903	4,951		36,854
344	Laboratory Equipment				0
345	Power Operated Equipment	13,044			13,044
346	Communication Equipment	0	75,831		75,831
347	Miscellaneous Equipment				0
348	Other Tangible Plant				0
<b>TOTAL WATER PLANT</b>		<b>\$ 9,118,056</b>	<b>\$ 4,747,813</b>	<b>\$ 195,913</b>	<b>\$ 13,669,957</b>

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.  
\* To Reclas 6 yr DP Equipment from 15 yr office equipment.

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

SYSTEM NAME / COUNTY : Franklin

**WATER UTILITY PLANT MATRIX**

ACCT. NO. (a)	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	\$	\$	\$	\$	\$	\$
302	Franchises						
303	Land and Land Rights	277,594		40,271	5,000	20,151	212,173
304	Structures and Improvements	583,630		38,905	300,435		244,289
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	405,941		405,941			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	4,314,587		4,314,587			
310	Power Generation Equipment	284,563		284,563			
311	Pumping Equipment	1,019,130		1,019,130		0	
320	Water Treatment Equipment	113,076			113,076		
330	Distribution Reservoirs and Standpipes	1,272,813				1,272,813	
331	Transmission and Distribution Mains	3,577,791				3,577,791	
333	Services	290,499				290,499	
334	Meters and Meter Installations	1,082,693				1,082,693	
335	Hydrants	217,913				217,913	
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment						
340	Office Furniture and Equipment						
340.5	Data Processing Equipment	51,461					51,461
341	Transportation Equipment	52,537					52,537
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	36,854					36,854
344	Laboratory Equipment						
345	Power Operated Equipment	13,044					13,044
346	Communication Equipment	75,831					75,831
347	Miscellaneous Equipment						
348	Other Tangible Plant						
<b>TOTAL WATER PLANT</b>		<b>\$ 13,669,957</b>	<b>\$ 0</b>	<b>\$ 6,103,397</b>	<b>\$ 418,512</b>	<b>\$ 6,461,860</b>	<b>\$ 686,188</b>



UTILITY NAME: WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
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SYSTEM NAME / COUNTY : Franklin

**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	33		3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	35		2.86%
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants	45		2.22%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment	15		6.67%
340.5	Data Processing Equipment	6		16.67%
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment			
345	Power Operated Equipment	12		8.33%
346	Communication Equipment	10		10.00%
347	Miscellaneous Equipment			
348	Other Tangible Plant			
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.

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**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	\$ 165,139	14,086		14,086
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	262,825	11,279		11,279
308	Infiltration Galleries and Tunnels				0
309	Supply Mains	1,632,997	136,534		136,534
310	Power Generation Equipment	96,073	8,626		8,626
311	Pumping Equipment	138,618	37,577		37,577
320	Water Treatment Equipment	27,027	4,787		4,787
330	Distribution Reservoirs and Standpipes	296,999	24,675		24,675
331	Transmission and Distribution Mains	1,345,751	80,231		80,231
333	Services	185,882	4,830		4,830
334	Meters and Meter Installations	117,237	34,031		34,031
335	Hydrants	94,098	3,241		3,241
336	Backflow Prevention Devices				0
339	Other Plant Miscellaneous Equipment				0
340	Office Furniture and Equipment	60,831	4,647		4,647
340.5	Data Processing Equipment	0	866		866
341	Transportation Equipment				0
342	Stores Equipment				0
343	Tools, Shop and Garage Equipment	19,843	2,188		2,188
344	Laboratory Equipment				0
345	Power Operated Equipment	12,984	59		59
346	Communication Equipment	0	5,687		5,687
347	Miscellaneous Equipment				0
348	Other Tangible Plant				0
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 4,456,305</b>	<b>373,343</b>	<b>0</b>	<b>373,343</b>

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

W-6(a)  
GROUP \_\_\_\_\_

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
304	Structures and Improvements	\$ 42,455	\$	\$ 52,487	\$ 94,943	\$ 84,282
305	Collecting and Impounding Reservoirs				0	0
306	Lake, River and Other Intakes					0
307	Wells and Springs					274,104
308	Infiltration Galleries and Tunnels					0
309	Supply Mains					1,769,531
310	Power Generation Equipment					104,700
311	Pumping Equipment					176,194
320	Water Treatment Equipment					31,815
330	Distribution Reservoirs and Standpipes					321,674
331	Transmission and Distribution Mains					1,425,981
333	Services					190,711
334	Meters and Meter Installations					151,268
335	Hydrants					97,339
336	Backflow Prevention Devices					0
339	Other Plant Miscellaneous Equipment					0
340	Office Furniture and Equipment					65,478
340.5	Data Processing Equipment					866
341	Transportation Equipment					0
342	Stores Equipment					0
343	Tools, Shop and Garage Equipment					22,031
344	Laboratory Equipment					0
345	Power Operated Equipment					13,044
346	Communication Equipment					5,687
347	Miscellaneous Equipment					0
348	Other Tangible Plant					0
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 42,455</b>	<b>\$ 0</b>	<b>\$ 52,487</b>	<b>\$ 94,943</b>	<b>\$ 4,734,704</b>

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>3,871,765</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>233,319</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>          </u>
Total Credits		\$ <u>233,319</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>          </u>
Total Contributions In Aid of Construction		\$ <u>4,105,084</u>

If any prepaid CIAC has been collected, provide a supporting schedule showing how the

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

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UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**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)
Plant Capacity	30		\$ 132,688
Meter Installation	30		11,915
Main Extension	30		88,716
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
Total Credits			\$ <u>233,319</u>

**ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ <u>1,976,845</u>
Debits during the year:	
Accruals charged to Account 272	\$ <u>113,955</u>
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ <u>113,955</u>
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ <u>0</u>
Balance end of year	\$ <u><u>2,090,800</u></u>

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**WATER CIAC SCHEDULE "B"**  
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION  
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS  
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
None		\$
Total Credits		\$ 0

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**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		0	\$
461.1	Metered Water Revenue: Sales to Residential Customers	1,771	1,803	1,698,773
461.2	Sales to Commercial Customers	87	85	211,406
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	2	2	53,077
461.5	Sales Multiple Family Dwellings	35	35	86,598
Total Metered Sales		1,895	1,925	\$ 2,049,854
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue				\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		1,895	1,925	\$ 2,049,854
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 982
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			9,509
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 10,491
Total Water Operating Revenues				\$ 2,060,345

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

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**  
December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**WATER UTILITY EXPENSE ACCOUNT MATRIX**

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	\$ 393,302	24,459	24,459
603	Salaries and Wages - Officers, Directors and Majority Stockholders	127,765	10,647	10,647
604	Employee Pensions and Benefits	126,755	4,268	4,268
610	Purchased Water	0	0	
615	Purchased Power	68,387	29,482	
616	Fuel for Power Production	2,535		
618	Chemicals	14,972		
620	Materials and Supplies	20,574	1,570	1,570
631	Contractual Services-Engineering	3,000		
632	Contractual Services - Accounting	8,698		
633	Contractual Services - Legal	16,856		
634	Contractual Services - Mgt. Fees	0		
635	Contractual Services - Testing	4,470	2,235	
636	Contractual Services - Other	121,713		
641	Rental of Building/Real Property	17,864		
642	Rental of Equipment	23,983		
650	Transportation Expenses	51,558	5,316	5,316
656	Insurance - Vehicle	0	0	0
657	Insurance - General Liability	42,179	6,026	6,026
658	Insurance - Workman's Comp.	4,750	576	576
659	Insurance - Other	64,367	16,740	
660	Advertising Expense	460		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	27,067		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	0		
675	Miscellaneous Expenses	149,343	1,227	1,227
Total Water Utility Expenses		\$ 1,290,599	\$ 102,545	\$ 54,088



UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

YEAR OF REPORT

December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**WATER UTILITY 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)
\$ 24,459	24,459	24,459	24,459	67,500	179,049
10,647	10,647	10,647	10,647		63,883
4,268	4,268	4,268	4,268	6,429	94,721
22,429				14,952	1,525
2,535					
14,972					
1,570	1,570	1,570	1,570	6,113	5,043
					3,000
					8,698
					16,856
					0
2,235					
4,050		4,050	72,869	12,058	28,686
			669		17,195
			13,290	9,541	1,151
5,316	5,316	5,316	5,316	6,000	13,660
0	0	0	0	0	0
6,026	6,026	6,026	6,026	6,026	0
576	576	576	576	576	720
8,369					39,258
					460
					0
					27,067
					0
1,227	1,227	1,227	106,396	17,497	19,315
\$ 108,678	\$ 54,088	\$ 58,138	\$ 246,085	\$ 146,691	\$ 520,286

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Franklin

**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	12,855	3,326	9,529	8,667
February	0	13,342	3,751	9,591	8,721
March	0	12,764	2,617	10,147	9,237
April	0	17,059	2,899	14,160	12,893
May	0	18,930	3,841	15,089	13,728
June	0	28,944	3,738	25,206	22,928
July	0	33,488	9,187	24,301	22,091
August	0	18,196	3,665	14,531	13,228
September	0	15,852	4,128	11,724	10,663
October	0	15,991	3,005	12,986	11,822
November	0	14,573	3,931	10,642	9,690
December	0	13,904	4,231	9,673	8,784
Total for Year	0	215,898	48,319	167,579	152,452

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:

N/A

**SOURCE OF SUPPLY**

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well No. 1 (1975)	360,000 gpd	360,000	Floridan Aquifer
Well No. 2 (1985)	360,000 gpd	360,000	Floridan Aquifer
Well No. 3 (1993)	720,000 gpd	720,000	Floridan Aquifer
Well No. 4 (2000)	720,000 gpd	720,000	Floridan Aquifer
		<b>2,160,000</b>	

W-11

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY : Franklin

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD): 1,240,000

Location of measurement of capacity  
(i.e. Wellhead, Storage Tank): Storage Tank

Type of treatment (reverse osmosis,  
(sedimentation, chemical, aerated, etc.): Aeration and Chlorination, Ground & Elevated Storage Tanks

**LIME TREATMENT**

Unit rating (i.e., GPM, pounds  
per gallon): Not Applicable Manufacturer: Not Applicable

**FILTRATION**

Type and size of area:

Pressure (in square feet): Not Applicable Manufacturer: Not Applicable

Gravity (in GPM/square feet): Not Applicable Manufacturer: Not Applicable

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC

<b>YEAR OF REPORT</b> December 31, 2016
--

SYSTEM NAME / COUNTY :

Franklin

**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	1,803	1,803
5/8"	Displacement	1.0	58	58
3/4"	Displacement	1.5	18	27
1"	Displacement	2.5	28	70
1 1/2"	Displacement or Turbine	5.0	10	50
2"	Displacement, Compound or Turbine	8.0	4	32
3"	Displacement	15.0		
3"	Compound	16.0	2	32
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0	1	30
6"	Displacement or Compound	50.0		
6"	Turbine	62.5	1	63
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				<u>2,165</u>

**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> <p>152,452,000 total gallons/365/350 gpd/ERC = 1193 ERCs</p>
--

UTILITY NAME: WATER MANAGEMENT SERVICES, INC

SYSTEM NAME / COUNTY : Franklin

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERCs \* the system can efficiently serve. 3389
2. Maximum number of ERCs \* which can be served. 3389
3. Present system connection capacity (in ERCs \*) using existing lines. 3389
4. Future connection capacity (in ERCs \*) upon service area buildout. 3389
5. Estimated annual increase in ERCs \*. 56
6. Is the utility required to have fire flow capacity?  
 If so, how much capacity is required? No  
N/A
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:  
These improvements include a new 600,000 gallon ground storage tank, new pumping and control facilities, new electrical facilities, new chlorination facilities, a new facilities building, additional distribution lines, and a partial new supply main. Completion 04/01/16
9. When did the company last file a capacity analysis report with the DEP? 24-Sep-99
10. If the present system **does not** meet the requirements of DEP rules: N/A
  - 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 # 1190789
12. Water Management District Consumptive Use Permit # 830074
  - 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? Not applicable

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

# **WASTEWATER OPERATING SECTION**

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

**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Water Operations  
Class A & B**

**Company:**

**For the Year Ended December 31, 2016**

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ _____	\$ _____	\$ _____
Total Metered Sales (461.1 - 461.5)	2,049,855	2,129,281	79,426
Total Fire Protection Revenue (462.1 - 462.2)	_____	_____	_____
Other Sales to Public Authorities (464)	_____	_____	_____
Sales to Irrigation Customers (465)	_____	_____	_____
Sales for Resale (466)	_____	_____	_____
Interdepartmental Sales (467)	_____	_____	_____
Total Other Water Revenues (469 - 474)	10,491	10,491	0
<b>Total Water Operating Revenue</b>	<b>\$ 2,060,346</b>	<b>\$ 2,139,772</b>	<b>\$ 79,426</b>
<b>LESS: Expense for Purchased Water from WWA-Regulated Utility</b>	_____	_____	_____
<b>Net Water Operating Revenues</b>	<b>\$ 2,060,346</b>	<b>\$ 2,139,772</b>	<b>\$ 79,426</b>

Explanations: Deferred Rate Increase, see page F-21

**Instructions:**

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).