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**CLASS "C"**

**WATER AND/OR WASTEWATER UTILITIES**

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

***ANNUAL REPORT***

OF

RESIDENTIAL WATER SYSTEMS, INC.

Exact Legal Name of Respondent

419 W

Certificate Number(s)

Submitted To The

***STATE OF FLORIDA***



***PUBLIC SERVICE COMMISSION***

FOR THE

**YEAR ENDED DECEMBER 31, 2005**

# Collier & Company, P.A.

## Certified Public Accountants

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Ocala, Florida 34470

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Daniel J. Collier, C.P.A.

John G. Collier, C.P.A.

January 26, 2006

To the Board of Directors:  
Residential Water Systems, Inc.

We have compiled the 2005 Annual Report of Residential Water Systems, Inc. in the accompanying prescribed form, in accordance with the Statements on 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 company's management. We have not audited or reviewed the prescribed form referred to above and, accordingly, do not express an opinion or any other form of assurance on it.

This report is presented in accordance 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.

*John G. Collier*

06 FEB 15 11 51 AM '06

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# FINANCIAL SECTION

# REPORT OF

(EXACT NAME OF UTILITY)

RESIDENTIAL WATER SYSTEMS, INC.  
P.O. BOX 5220 OCALA, FL 34478-5220  
Mailing Address

1410 NE 8TH AVENUE OCALA, FL MARION  
Street Address County

Telephone Number 352-622-4949

Date Utility First Organized 10/06/1983

Fax Number 352-732-4366

E-mail Address [CHARLIE@ALTERNATIVEPHONE.COM](mailto:CHARLIE@ALTERNATIVEPHONE.COM)

Sunshine State One-Call of Florida, Inc. Member No. MIR598

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

☐ Individual ☒ Sub Chapter S Corporation ☐ 1120 Corporation ☐ Partnership

Name, Address and phone where records are located:

Name of subdivisions where services are provided:

## CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: CHARLES DEMENZES	PRESIDENT	P.O. BOX 5220 OCALA, FL 34478 1410 NE 8TH AVENUE SUITE 200 OCALA FL 34470	
Person who prepared this report: COLLIER & COMPANY, P.A.	CPA		
Officers and Managers: CHARLES DEMENZES	PRESIDENT	P.O. BOX 5220 OCALA, FL 34478	\$
DEBORAH DILLON	VICE PRESIDENT	P.O. BOX 5220 OCALA, FL 34478	\$

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
CHARLES DEMENZES	100%	P.O. BOX 5220 OCALA, FL 34478	\$ \$ \$ \$ \$ \$

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT DECEMBER 31, 2005
-------------------------------------

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 192,835	\$	\$	\$ 192,835
Commercial_____					0
Industrial_____					
Multiple Family_____					
Guaranteed Revenues__					
Other TURN ON/OFF		6,008			6,008
		<u>6,008</u>	<u></u>	<u></u>	<u>6,008</u>
Total Gross Revenue___		\$ 198,843	\$	\$	\$ 198,843
		<u>198,843</u>	<u></u>	<u></u>	<u>198,843</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 174,911	\$	\$	\$ 174,911
Depreciation Expense____	F-5	35,597			35,597
CIAC Amortization Expense_	F-8	(34,471)			(34,471)
Taxes Other Than Income__		19,885			19,885
Income Taxes_____	F-7				
		<u></u>	<u></u>	<u></u>	<u></u>
Total Operating Expense		\$ 195,922			\$ 195,922
		<u>195,922</u>	<u></u>	<u></u>	<u>195,922</u>
Net Operating Income (Loss)		\$ 2,921	\$	\$	\$ 2,921
		<u>2,921</u>	<u></u>	<u></u>	<u>2,921</u>
Other Income:					
Nonutility Income_____		\$	\$	\$	\$ 0
GAIN ON SALE OF ASSETS				4,500	4,500
				<u>4,500</u>	<u>4,500</u>
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$	\$	\$	\$
Interest Expense_____		(6,436)			(6,436)
AMORTIZATION OF LOAN COSTS		(297)			(297)
		<u>(6,436)</u>	<u></u>	<u></u>	<u>(6,436)</u>
		<u>(297)</u>	<u></u>	<u></u>	<u>(297)</u>
Net Income (Loss)		\$ (3,812)	\$	\$ 4,500	\$ 688
		<u>(3,812)</u>	<u></u>	<u>4,500</u>	<u>688</u>

## COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ 1,083,270	\$ 1,068,849
Accumulated Depreciation and Amortization (108)_____	F-5,W-2,S-2	<u>253,436</u>	<u>222,339</u>
Net Utility Plant _____		\$ 829,834	\$ 846,510
Cash _____		1,449	9,020
Customer Accounts Receivable (141)_____		18,099	18,369
Other Assets (Specify): _____			
DEPOSIT _____		300	300
UNAMORTIZED RATE CASE EXPENSE _____		15,379	22,579
UNAMORTIZED DEBT DISCOUNT _____		4,030	4,327
DUE FROM STOCKHOLDER _____		<u>545</u>	<u>545</u>
Total Assets _____		\$ 869,636	\$ 901,650
<b>Liabilities and Capital:</b>			
Common Stock Issued (201)_____	F-6	100	100
Preferred Stock Issued (204)_____	F-6		
Other Paid in Capital (211)_____		191,790	191,790
Retained Earnings (215)_____	F-6	(171,068)	(171,756)
Proprietary Capital (Proprietary and partnership only) (218)_____	F-6	<u>          </u>	<u>          </u>
Total Capital _____		\$ <u>20,822</u>	\$ <u>20,134</u>
Long Term Debt (224)_____	F-6	\$ 172,128	\$ 186,212
Accounts Payable (231)_____		3,255	1,065
Notes Payable (232)_____			
Customer Deposits (235)_____		3,240	3,160
Accrued Taxes (236)_____		8,949	7,441
Other Liabilities (Specify)_____			
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272)_____	F-8	<u>661,242</u>	<u>683,638</u>
Total Liabilities and Capital _____		\$ 869,636	\$ 901,650

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT DECEMBER 31, 2005
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GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service -----	\$ 1,083,270	\$ 0	\$	\$ 1,083,270
Construction Work in -----				
Other (Specify) ----- _____ _____				
Total Utility Plant -----	\$ 1,083,270	\$ 0	\$	\$ 1,083,270

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year -----	\$ 222,339	\$ 0	\$	\$ 222,339
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account -----	\$ 35,597	\$ 0	\$	\$ 35,597
Salvage -----				
Other Credits (specify) -----				0
Total Credits -----	\$ 35,597	\$ 0	\$	\$ 35,597
<u>Deduct Debits During Year:</u>				
Book cost of plant retired -----	\$ 4,500	\$	\$	\$ 4,500
Cost of removal -----				
Other debits (specify) -----				
Total Debits -----	\$ 4,500	\$ 0	\$	\$ 4,500
Balance End of Year -----	\$ 253,436	\$ 0	\$	\$ 253,436



UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT DECEMBER 31, 2005
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CAPITAL STOCK ( 201 - 204 )

	Common Stock	Preferred Stock
Par or stated value per share_____	1	N/A
Shares authorized_____	1000	
Shares issued and outstanding_____	100	
Total par value of stock issued_____	100	
Dividends declared per share for year_____		

RETAINED EARNINGS ( 215 )

	Appropriated	Un- Appropriated
Balance first of year_____	\$ N/A	\$ (171,756)
Changes during the year (Specify): LESS CURRENT YEAR PROFIT (LOSS)		688
	_____	_____
Balance end of year_____	\$	\$ (171,068)

PROPRIETARY CAPITAL ( 218 )

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

LONG TERM DEBT ( 224 )

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest Rate	# of Pymts	Principal per Balance Sheet Date
STATE SRF LOAN	3.55%	20YEARS	\$ 162,232
N/P INGERSOL FOR BOBCAT	3.90%	494 MO	3,896
DUE TO STOCKHOLDER	NONE	DEMAND	6,000
Total_____			\$ 172,128

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT DECEMBER 31, 2005
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**TAXES ACCRUED ( 236 )**

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax_____	\$	\$	\$	\$
State income Tax_____				
Taxes Other Than Income:_____				
State ad valorem tax_____				
Local property tax_____				
Regulatory assessment fee_____	8949			8949
Other (Specify)_____				
_____				
_____				
Total Taxes Accrued_____	\$ 8949	\$ 0	\$	\$ 8949

**PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES**

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

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
MIRA INTERNATIONAL, INC.	\$ 7,293	\$	RENT & INSURANCE
MIRA INTERNATIONAL, INC.	\$ 33,507	\$	MANAGEMENT & MAINTENANCE
PRO-TECH WATER & WASTE WATER	\$ 5,500	\$	PLANT OPERATION & TESTING
COLLIER & COMPANY, P.A.	\$ 1,795	\$	ACCOUNTING FEES
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

## CONTRIBUTIONS IN AID OF CONSTRUCTION ( 271 )

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ 1,029,465	\$ _____	\$ 1,029,465
2) Add credits during year - CIAC RECEIVED	\$ 12,075	\$ _____	\$ 12,075
3) Total_____	1,041,540		1,041,540
4) Deduct charges during the year_____			
5) Balance end of year_____	1,041,540		1,041,540
6) Less Accumulated Amortization_____	380,298	_____	380,298
7) Net CIAC_____	\$ 661,242	\$ _____	\$ 661,242

## 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_____			\$ 0	\$ 0
Report below all capacity charges, main extension charges and customer connection charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
METER FEE	29	\$ 175	\$ 5,075	\$ _____
HOOKUP FEE	14	500	7,000	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ 12,075	\$ 0

## ACCUMULATED AMORTIZATION OF CIAC (272)

	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
Balance First of Year_____	\$ 345,827	\$ _____	\$ 345,827
Add Credits During Year:_____			
Deduct Debits During Year:_____	34,471		34,471
Balance End of Year (Must agree with line #6 above.)	\$ 380,298	\$ _____	\$ 380,298

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

**UTILITY NAME:** RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT	
DECEMBER 31	2005

**SCHEDULE "A"**

**SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)**

NO AFUDC WAS CHARGED THIS YEAR THUS N/A

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [ c x d ] (e)
Common Equity	\$	%	%	%
Preferred Stock		%	%	%
Long Term Debt		%	%	%
Customer Deposits		%	%	%
Tax Credits - Zero Cost		%	0.00 %	%
Tax Credits - Weighted Cost		%	%	%
Deferred Income Taxes		%	%	%
Other (Explain)	_____	_____ %	%	_____ %
Total	\$	100.00 %		%

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

**APPROVED AFUDC RATE**

Current Commission approved AFUDC rate:	%
Commission Order Number approving AFUDC rate:	

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

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT DECEMBER 31, 2005
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**SCHEDULE "B"**

**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS**

NO AFUDC WAS CHARGED THIS YEAR THUS N/A

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

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

--

# WATER OPERATING SECTION

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT DECEMBER 31 2005
------------------------------------

## WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ 1,000	\$		\$ 1,000
302	Franchises_____				0
303	Land and Land Rights_____	7,704			7,704
304	Structures and Improvements_	26,470			26,470
305	Collecting and Impounding Reservoirs_____				
306	Lake, River and Other Intakes_____				
307	Wells and Springs_____	19,657			19,657
308	Infiltration Galleries and Tunnels_____				
309	Supply Mains_____	6,379			6,379
310	Power Generation Equipment_	21,715			21,715
311	Pumping Equipment_____	34,221		4,500	29,721
320	Water Treatment Equipment_	1,984			1,984
330	Distribution Reservoirs and Standpipes_____	151,909			151,909
331	Transmission and Distribution Lines_____	566,401			566,401
333	Services_____	106,247			106,247
334	Meters and Meter Installations_____	73,012	18,921		91,933
335	Hydrants_____	21,220			21,220
336	Backflow Prevention Devices_				
339	Other Plant and Miscellaneous Equipment_	4,920			4,920
340	Office Furniture and Equipment_____	3,084			3,084
341	Transportation Equipment_				
342	Stores Equipment_____				
343	Tools, Shop and Garage Equipment_____				
344	Laboratory Equipment_____				
345	Power Operated Equipment_	22,926			22,926
346	Communication Equipment_				
347	Miscellaneous Equipment_				
348	Other Tangible Plant_____				
	Total Water Plant_____	\$ 1,068,849	\$ 18,921	\$ 4,500	\$ 1,083,270

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT  
DECEMBER 31, 2005

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements	28		3.57%	11,419		945	12,364
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
301	ORGANIZATION COSTS	40	%	2.50%	513		25	538
302	Franchises		%					0
307	Wells and Springs	27	%	3.70%	7,584		728	8,312
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains	32	%	3.13%	1,680		199	1,879
310	Power Generating Equipment	17	%	5.88%	(2,513)		1,277	(1,236)
311	Pumping Equipment	17	%	5.88%	4,633	4,500	1,881	2,014
320	Water Treatment Equipment	17	%	5.88%	1,005		117	1,122
330	Distribution Reservoirs & Standpipes	33	%	3.03%	13,226		4,603	17,829
331	Trans. & Dist. Mains	38	%	2.63%	140,092		14,905	154,997
333	Services	35	%	2.86%	29,510		3,036	32,546
334	Meter & Meter Installations	17	%	5.88%	1,349		4,851	6,200
335	Hydrants	40	%	2.50%	1,498		531	2,029
336	Backflow Prevention Devices							
339	Other Plant and Miscellaneous Equipment	20	%	5.00%	3,567		246	3,813
340	Office Furniture and Equipment	15	%	6.67%	3,084			3,084
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment		%					
344	Laboratory Equipment		%					
345	Power Operated Equipment	10	%	10.00%	5,692		2,253	7,945
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 222,339	\$ 4,500	\$ 35,597	\$ 253,436 *

\* This amount should tie to Sheet F-5



## WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ 32,400
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	62,400
604	Employee Pensions and Benefits_____	
610	Purchased Water_____	
615	Purchased Power_____	9,296
616	Fuel for Power Production_____	
618	Chemicals_____	1,109
620	Materials and Supplies_____	
630	Contractual Services:	
	Billing_____	33,507
	Professional_____	2,614
	Testing_____	150
	Other_____	5,500
640	Rents_____	2,907
650	Transportation Expense_____	
655	Insurance Expense_____	4,386
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	7,200
670	Bad Debt Expense_____	
675	Miscellaneous Expenses - REPAIRS & MAINTENANCE & AMORT. OF ACQ. ADJ_____	13,442
	Total Water Operation And Maintenance Expense_____	\$ 174,911 *
	* 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	535	535	535
3/4"	D	1.5			
1"	D	2.5	143	172	430
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers Other (Specify)					
** D = Displacement C = Compound T = Turbine			Total		
			678	707	965

	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [ (b)+(c)-(d) ]	Water Sold To Customers (Omit 000's)
(a)	(b)	(c)	(d)	(e)	(f)
January_____	NONE	6,286	0	6,286	6,286
February_____		6,816	17	6,799	6,799
March_____		5,756	21	5,735	5,735
April_____		7,293	19	7,274	7,274
May_____		9,301	19	9,282	9,282
June_____		7,150	12	7,138	7,138
July_____		5,696	48	5,648	5,648
August_____		10,181	569	9,612	9,612
September_____		9,472	616	8,856	8,856
October_____		7,596	16	7,580	7,580
November_____		8,920	172	8,748	8,748
December_____		5,776	178	5,598	5,598
Total for Year_____		90,243	1,687	88,556	88,556

Vendor	NA
--------	----

Point of delivery \_\_\_\_\_

MAINS (FEET)

[illegible]

## WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	1984	1984		
Types of Well Construction and Casing_____	STEEL GROUTED	STEEL GROUTED		
Depth of Wells_____	220	220		
Diameters of Wells_____	8"	8"		
Pump - GPM_____	800	800		
Motor - HP_____	50	50		
Motor Type *_____	TURBINE	TURBINE		
Yields of Wells in GPD_____	300000	300000		
Auxiliary Power_____	DIESEL			
* Submersible, centrifugal, etc.				

## RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	STEEL	STEEL	STEEL	
Capacity of Tank_____	20000	20000	20000	
Ground or Elevated_____	GROUND	GROUND	GROUND	

## HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer_____	NA			
Type_____				
Rated Horsepower_____				
<u>Pumps</u>				
Manufacturer_____				
Type_____				
Capacity in GPM_____				
Average Number of Hours Operated Per Day_____				
Auxiliary Power_____				

UTILITY NAME: RESIDENTIAL WATER SYSTEMS, INC.

YEAR OF REPORT  
DECEMBER 31, 2005

### SOURCE OF SUPPLY

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Permitted Gals. per day_____	300,000		
Type of Source_____	WELL		

### WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	LIQUID CHLORINATED		
Make_____	VT 100		
Permitted Capacity (GPD)___	1,500,000		
High service pumping			
Gallons per minute_____	NA		
Reverse Osmosis_____	NA		
Lime Treatment			
Unit Rating_____	NA		
Filtration			
Pressure Sq. Ft._____	NA		
Gravity GPD/Sq.Ft._____			
Disinfection			
Chlorinator_____	NA		
Ozone_____			
Other_____			
Auxiliary Power_____	YES		

GENERAL WATER SYSTEM INFORMATION

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

1. Present ERC's \* the system can efficiently serve. 693
2. Maximum number of ERCs \* which can be served. 4286
3. Present system connection capacity (in ERCs \*) using existing lines. 4286
4. Future connection capacity (in ERCs \*) upon service area buildout. 150
5. Estimated annual increase in ERCs \*. 10
6. Is the utility required to have fire flow capacity? NO  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities. NA
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
NA  
\_\_\_\_\_  
\_\_\_\_\_
9. When did the company last file a capacity analysis report with the DEP? NA
10. If the present system does not meet the requirements of DEP rules, submit the following:  
NA
  - 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 # 3424625
12. Water Management District Consumptive Use Permit # 2-83-0023ANFM
  - a. Is the system in compliance with the requirements of the CUP? YES
  - b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- \* An ERC is determined based on one of the following methods:
- (a) If actual flow data are available from the preceding 12 months:  
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (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 = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).

# WASTEWATER OPERATING SECTION

NONE - WATER ONLY

# CERTIFICATION OF ANNUAL REPORT

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

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

**s Certified**

1. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>
---	---	---	---

  
(signature of chief executive officer of the utility) \*

1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>	4. <input type="checkbox"/>
--------------------------------	--------------------------------	--------------------------------	--------------------------------

N/A

(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:** RESIDENTIAL WATER 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	\$ <u>198,835</u>	\$ _____	\$ _____
Commercial	_____	_____	_____
Industrial	_____	_____	_____
Multiple Family	_____	_____	_____
Guaranteed Revenues	_____	_____	_____
Other	<u>608</u>	_____	_____
<b>Total Water Operating Revenue</b>	\$ <u>198,843</u>	\$ _____	\$ _____
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Water Operating Revenues</b>	\$ <u>198,843</u>	\$ _____	\$ _____

Explanations:

**Instructions:**

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).