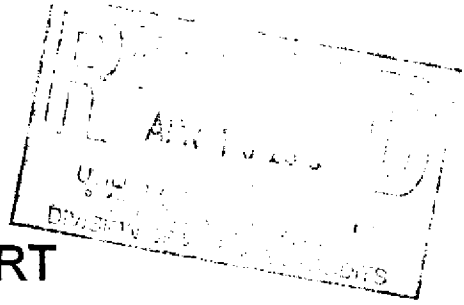


17A4

Received _____
Examined _____

**CLASS D  
WATER UTILITIES**

U# \_\_\_\_\_



**2009  
ANNUAL REPORT  
OF**

Vermo Water Company  
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

2205 N. WOODLAND BLVD Suite B

Deland, FL 32720  
(OFFICIAL MAILING ADDRESS) ZIP

**TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2010**

**CLASS D WATER UTILITIES**  
(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Vermo Water Company

(Name under which corporation, partnership or individual is doing business)

1205 N. Woodland Blvd Suite B Deland FL 32720

(Official mailing address)

Vermo. San Bernardino

(Service Area - Town and County)

Telephone Number: 386-738-5155 Fax Number: 386-738-5155 (call first)

Email Address: walkerent11c@yahoo.com

**GENERAL INFORMATION**

(Attach a supplementary statement, if necessary)  
RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:  
(A) Date of organization 11/1/07 incorporated in the State of Florida  
(B) Names, titles and addresses of principal officers:  
Donald Walker - President  
1205 N. Woodland Blvd Suite B Deland, FL 32720 - 386-738-5155
2. If unincorporated provide the name and address of the owner(s) or the partners:
3. Name, title, and telephone number of: Donald Walker - Owner - 386-561-0064  
(A) One person listed above to receive correspondence:  
(B) Person responsible for operations and services:
4. Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No)  
If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?
5. State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:

**PUBLIC HEALTH STATUS**

6. Has state or local health department inspection been made during the year?
7. Are routine laboratory tests of water being made?
8. Has state health department water supply permit been obtained? (Indicate date)
9. If no permit has been obtained, state whether application has been made and when.
10. Show expiration date if state permit is temporary.

Yes	No	Latest Date
✓		
✓		
✓		
	X	

11. List Name, Grade, and License Number of all Licensed Operators:  
Bandy Wallis - C57 515955, Cuel, Dal, 710733  
Coro-Monroe Flap-2641  
Bob Burke - D1

## Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each company's Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed goods and services provided in calendar year 2009:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter									
Row No.	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue Derived From Non-Tariffed Goods/Services (by account)	Total Expenses Incurred to Provide Non-Tariffed Goods/Services (by Account)	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/Services (by Account)	Gross Value of Regulated Assets Used in the Provision of a Non-Tariffed Goods/Services (by Account)	Regulated Asset Account Number	
	N/A								

**FOR ALL WATER COMPANIES  
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: N/A  
 Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_  
 Account Number: \_\_\_\_\_  
 Date Hired: \_\_\_\_\_

2. Total surcharge collected from customers during the 12 month reporting period:

\$ \_\_\_\_\_

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
5/8 3/4 inch	295	21.82
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch	4	547.34
6 inch		
Number of Flat Rate Customers		
<b>Total</b>	<b>299</b>	

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ 1204
Deposits during the year	<u>204704.30</u>
Interest earned for calendar year	
Withdrawals from this account	<u>190646.14</u>
Balance at end of year	<u>14756.83</u>

4. Reason or Purpose of Withdrawal from this bank account:

\_\_\_\_\_  
 \_\_\_\_\_

### SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2009)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	182320	201	Common Stock (Corporations only)	10000
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	329205
3	104	Water plant purchased or sold		215	Retained earnings	476908
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	(95,508)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	241246
7	124	Other investments		252	Advances for construction	
8	131	Cash	16607	253	Other deferred credits	
9	141	Accounts receivable - customers		255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - ACRS depreciation	
11	151	Materials and supplies				
12	174	Other current assets	125	283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		<b>Total Assets</b>	<b>103544</b>		<b>Total Equity and Liabilities</b>	<b>103344</b>

### SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Pit Additions During year	Pit Retirements During year	Other Debits or (Credits)*	Balance End of year
1	301	Intangible plant	2300				2300
2	303	Land	19730				19730
3	304	Structures	2900				2900
4	307	Wells	46490	46307			92797
5	317	Other water source plant					
6	311	Pumping equipment	8000				8000
7	320	Water treatment plant					
8	330	Reservoirs tanks and sandpipes	1000				1000
9	331	Water mains	10000				10000
10	333	Services and meter installations	19800				19800
11	334	Meters	1680	15080			16760
12	335	Hydrants	7600				7600
13	339	Other equipment	3000				3000
14	340	Office furniture and equipment		433			433
15	341	Transportation equipment					
16		<b>Total water plant in service</b>	<b>122500</b>	<b>61802</b>			<b>184320</b>

\* Debit or credit entries should be explained by footnotes or supplementary schedules

### SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
1	Balance in reserves at beginning of year	90329		A. Method used to compute depreciation
2	Add: Credits to reserves during year			expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272			Tax BASIS
4	(b) Charged to Account No. 403	6130		
5	(c) Charged to Account No. 407			B. Amount of depreciation expense claimed
6	(d) Salvage recovered			or to be claimed on utility property in
7	(e) All other credits			your federal income tax return for the year
8	Total credits			covered by this report \$ 5551
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			C. State method used to compute tax
12	(c) All other debits			depreciation. N/A
13	Total debits			
14	Balance in reserve at end of year	96450		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

**FOR ALL WATER COMPANIES**  
**SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)**

5. Plant amounts included in Schedule A-1a, Account No. 101—Water Plant in Service which were funded using SDWBA or SRF funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		<b>NON-DEPRECIABLE PLANT</b>					
2	301	Intangible plant	2300				2300
3	303	Land	197300				197300
4		Total non-depreciable plant	220300				220300
5		<b>DEPRECIABLE PLANT</b>					
6	304	Structures	2900				2900
7	307	Wells	46490	46307			92797
8	317	Other water source plant					
9	311	Pumping equipment	8000				8000
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes	1000				1000
12	331	Water mains	10000				10000
13	333	Services and meter installations	19800				19800
14	334	Meters	1680	15080			16780
15	335	Hydrants	7600				7600
16	339	Other equipment	3000				3000
17	340	Office furniture and equipment		433			433
18	341	Transportation equipment					
19		Total depreciable plant	100470	61820			162290
20		Total water plant in service	320770	61820			382590

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2009)				
Line	Common - (Shares	1000	\$ 100 par)	List persons owning more than 5% of outstanding stock
1	Preferred - (Shares		\$ par)	and number of shares owned by each:
2	Dividends - Common	Rate - \$		
3	- Preferred	Rate - \$		
4				

SCHEDULE E - LONG-TERM DEBTS								
Line	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
1	N/A							
2								
3								
4	Total							

SCHEDULE F - INCOME STATEMENT			
Line	Acct.	Operating revenues	
1	460	Unmetered water revenue	
2	462	Fire protection revenue	
3	465	Irrigation revenue	
4	470	Metered water revenue	106572
5	480	Other water revenue	
6		Total Operating Revenue	
7		Operating revenue deductions	
8		Operating expenses	
9	610	Purchased water	1049
10	615	Purchased power	21502
11	618	Other volume related expenses	8654
12	630	Employee labor	21029
13	640	Materials	5011
14	650	Contract work	3380
15	660	Transportation expenses	5923
16	664	Other plant maintenance expense	19862
17	670	Office salaries	18472
18	671	Management salaries	15000
19	674	Employee pensions and benefits	8825
20	676	Uncollectible accounts expense	14811
21	678	Office services and rentals	11800
22	681	Office supplies and expense	8379
23	682	Professional services	1200
24	684	Insurance	2489
25	688	Regulatory commission expense	14282
26	689	General expenses	12682
27		Total Operating Expenses	194350
28	403	Depreciation expense	6130
29	407	SDWBA loan amortization expense	
30	408	Taxes other than income taxes	17822
31	409	State income tax expense	
32	410	Federal income tax expense	
33		Total Operating Revenue Deductions	218302
34		Utility Operating Income	
35	421	Non-utility income	
36	426	Miscellaneous non-utility expense	
37	427	Interest expense	
38		Net Income	111750

**SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS**

Location	No.	Diam. Inch	Depth to Water Feet	Pumping Capacity (g.p.m.)	Annual Quantities Pumped
Helbro	1		350	90	NIA
Marine	1		300	225	NIA
Marine	2		300	135	NIA
Marine	3		300	130	NIA
<b>OTHER</b>					
Streams or Springs Location of Diversion Point	Flow in Priority Right		Diversions (Unit)		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
NIA					
Purchased water (unit)				Annual Quantity	
Supplier:					

**SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS**

(If figures are available) (specify unit)

Classification of Service	Month of Year		Annual Total
	Maximum	Minimum	
Residential	NIA		
Commercial			
Industrial			
Fire Protection			
Irrigation			
Other (specify)			
Total			

**SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION**

Line	Acct	Account	Number at End of Year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
1	630	Employee Labor	1.5	21502		
2	670	Office salaries	2	18472		
3	671	Management salaries	1	15000		
4		Total		54974		



SCHEDULE J - ADVANCES FOR CONSTRUCTION	
Balance beginning of year	
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	

SCHEDULE K - TOTAL METERS AND SERVICES (Active and Inactive)		
Size	Meters	Services
5/8 x 3/4-in	331	
3/4-in		
1-in	1	
6-in	4	
-in		
Total	336	

SCHEDULE L - METER-TESTING DATA	
Number of meters tested during year	
1	Used, before repair _____
2	Used, after repair _____
3	Fast, requiring refund _____
Numbers of meters in service requiring test per General Order No. 103 _____	

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR								
Classification	Active			Inactive			Total Connections*	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	302		302	34		34		336
Industrial/Commercial								
Irrigation								
Fire Protection (public)								
Fire Protection (private)								
Other (specify)								
Total	302		302	34		34		336

\* NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE N - STORAGE FACILITIES		
Description	No.	Combined Capacity in Gallons
Concrete		
Earth		
Wood		
Steel		
Other		
Total		

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)					
Description	2" and under	2 1/4 to 3 1/4	4"	Other Sizes (Specify)	Total
Cast Iron					
Welded steel					
Standard screw					
Cement-asbestos					
Plastic					
Other (specify)					
Total					

## FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2009, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name: Bank of America  
 Address: 1025 Int'l Speedway Blvd Daytona Beach Fl. 32114  
 Account Number: 0022 9345 6087  
 Date Opened: \_\_\_\_\_

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

NAME	AMOUNT
<u>N/A</u>	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential

NAME	AMOUNT
<u>N/A</u>	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

	AMOUNT
Balance at beginning of year	\$ <u>1204</u>
Deposits during the year	<u>204 704.36</u>
Interest earned for calendar year	<u>190 646.76</u>
Withdrawals from this account	<u>16 756.83</u>
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**DECLARATION**

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned (authorized officer, partner or owner) of Vermo Water Company (Name of utility), under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, documents, and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period of January 1, 2009 through December 31, 2009.

D. K. Walker

Signature

Owner / President

Title

3-31-10

Date