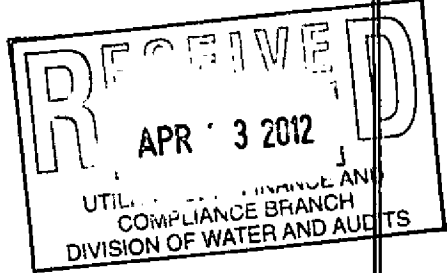


J 4

Received _____
Examined _____

**CLASS D
WATER UTILITIES**

U# _____



**2011
ANNUAL REPORT
OF**

YERMO WATER CO

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

3521 RED BARN

ORMOND BEACH, FL 32174

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2011**

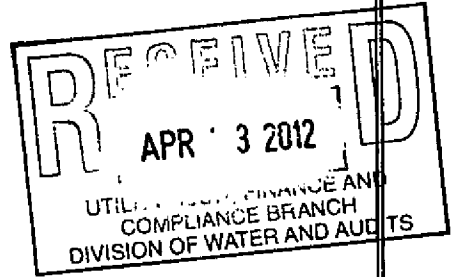
REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2012

A4

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____



2011
ANNUAL REPORT
OF

YERMO WATER CO
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

3521 RED BARN

ORMOND BEACH, FL 32174
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2011

REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2012

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INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN APRIL 2, 2012**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298
kok@cpuc.ca.gov**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath on Page12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts flow to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2011, through December 31, 2011. Fiscal year reports will not be accepted.

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

YERMO WATER COMPANY

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

3521 RED BARN ORMOND BEACH, FL 32174

(Official mailing address)

YERMO SAN BERNARDINO

(Service Area - Town and County)

Telephone Number: 760-254-2130 Fax Number: _____

Email Address: lardonaalso@aol.com

GENERAL INFORMATION

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

1. If a corporation show:
(A) Date of organization 1/1/2006 incorporated in the State of FLORIDA

(B) Names, titles and addresses of principal officers: DONALD R WALKER

2. If unincorporated provide the name and address of the owner(s) or the partners: 3521 RED BARN ORMOND BEACH FL

N/A

3. Name, title, and telephone number of: DONALD L WALKER
(A) One person listed above to receive correspondence: 3521 RED BARN

(B) Person responsible for operations and services: ORMOND BEACH, FL 32174
386-561-0064

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
/		
/		
	/	
	/	
	/	

11. List Name, Grade, and License Number of all Licensed Operators:

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 2011:

Row No.	Description of Non-Tariffed Good/Service	Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter									
		Active or Passive	Total Revenue Derived From Non-Tariffed Goods/Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/Services (by Account)	Income Tax Liability Account Number	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: DONALD R. WALKER
 Address: 3521 RED BARN ORMOND BEACH, FL
 Phone Number: 386-561-0664
 Account Number: _____
 Date Hired: _____

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

\$ 136,209.76

S/B

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch	242	21.89
1 inch		54.74
1 1/2 inch		109.47
2 inch		175.16
3 inch		328.42
4 inch	4	547.36
6 inch		
Number of Flat Rate Customers		
Total	246	

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

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

N/A

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		NON-DEPRECIABLE PLANT					
2	301	Intangible plant	2300				2300
3	303	Land	19730				19700
4		Total non-depreciable plant	22030				22030
5		DEPRECIABLE PLANT					
6	304	Structures	2900				2900
7	307	Wells	111547	70000			181547
8	317	Other water source plant					
9	311	Pumping equipment	8400			(400)	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	16760				16760
15	335	Hydrants	7600				7600
16	339	Other equipment	1000				1000
17	340	Office furniture and equipment	2000				2000
18	341	Transportation equipment					
19		Total depreciable plant	142907				250607
20		Total water plant in service	202037	70000		(400)	272637

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2011)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	272637	201	Common Stock (Corporations only)	101000
2	101.1	SDWA Plant		211	Other paid-in capital (Corporations only)	229205
3	103	Water plant held for future use		215	Retained earnings	2746850
4	104	Water plant purchased or sold		218	Proprietary capital	
5	105	Water plant construction work in progress		224	Long term debt	
6	108	Accumulated depreciation of water plant	206496		Current Liabilities	584334
7	114	Water plant acquisition adjustments		252	Advances for construction	
8	124	Other investments		253	Other deferred credits	
9	131	Cash	10928	255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers		282	Accumulated deferred income taxes - ACRS	
11	142	Receivables from associated companies			depreciation	
12	151	Materials and supplies		283	Accumulated deferred income taxes - other	
13	174	Other current assets		271	Contributions in aid of construction	
14	180	Deferred charges		272	Accumulated amortization of contributions	
15		Total Assets	77069		Total Equity and Liabilities	77069

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
1	301	Intangible plant	2300				2300
2	303	Land	19730				19700
3	304	Structures	2900				2900
4	307	Wells	111547	70000			181547
5	317	Other water source plant					
6	311	Pumping equipment	8400			(400)	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	16760				16760
12	335	Hydrants	7600				7600
13	339	Other equipment	1000				1000
14	340	Office furniture and equipment	2000				2000
15	341	Transportation equipment					
16		Total water plant in service	203037	70000		(400)	273637

* 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 108.1 SDWBA Loans	
1	Balance in reserves at beginning of year	138280		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	68216		
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 \$ 86,966
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	206,496		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2011)

Line				
1	Common - (Shares	100	\$ 1000	par)
2	Preferred - (Shares		\$	par)
3	Dividends - Common	Rate - \$		
4	- Preferred	Rate - \$		

List persons owning more than 5% of outstanding stock and number of shares owned by each:
 DONALD WALKER - 90
 CHARLENE WALKER - 50

SCHEDULE E - LONG-TERM DEBTS

	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								
2	N/A							
3								
4	Total							

SCHEDULE F - INCOME STATEMENT

1	Acct.	Operating revenues	
2	460	Unmetered water revenue	
3	462	Fire protection revenue	
4	465	Irrigation revenue	
5	470	Metered water revenue	136,210
6	475	Approved Total Surcharge Revenue(s)	
7	480	Other water revenue	
8		Total Revenue Received	
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	
11		Total Operating Revenue	136,210
12		Operating expenses	
13	610	Purchased water	0
14	615	Purchased power	25,726
15	618	Other volume related expenses	0
16	630	Employee labor	0
17	640	Materials	3,900
18	650	Contract work	294,985
19	660	Transportation expenses	14,309
20	664	Other plant maintenance expense	32,063
21	670	Office salaries	0
22	671	Management salaries	0
23	674	Employee pensions and benefits	0
24	676	Uncollectible accounts expense	0
25	678	Office services and rentals	30,952
26	681	Office supplies and expense	5,954
27	682	Professional services	5,943
28	684	Insurance	2,984
29	688	Regulatory commission expense	6,218
30	689	General expenses	12,327
31		Total Operating Expenses	11,9853
32	403	Depreciation expense	86,966
33	407	SDWBA loan amortization expense	
34	408	Taxes other than income taxes	5,517
35	409	State income tax expense	
36	410	Federal income tax expense	
37		Total Operating Revenue Deductions	262,335
38		Utility Operating Income	
39	421	Non-utility income	
40	426	Miscellaneous non-utility expense	
41	427	Interest expense	
42		Net Income	126,125

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
MARINE	01		300	225	
MARINE	02		300	13.5	
HELBRO (STANBY)	01		300	90	
HELBRO	04				

OTHER

Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
N/A					
Purchased water (unit)			Annual Quantity		
Supplier: N/A					

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit) N/A

Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential			
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				
2	670	Office salaries	N/A			
3	671	Management salaries				
4		Total				

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	
Additions during year	
Subtotal - Beginning balance plus additions during year	N/A
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	242	2689
3/4-in		
1-in		
-in		
-in	4	547.36
Total	246	

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair	N/A
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	242		242	61		61	303	
Industrial/Commercial	4		4	0		0	4	
Irrigation								
Fire Protection (public)								
Fire Protection (private)								
Other (specify)								
Total								

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

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	2" and	2 1/4 to	4"	Other sizes (specify)	Totals
				under	3 1/4			
Concrete			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel	N/A		Cement-asbestos					
Other			Plastic					
			Other (specify)					
Total			Total					

FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2011, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name: BANK of America
 Address: 1025 INTERNATIONAL SPEEDWAY
 Account Number: Daytona Beach -
 Date Opened: 0022-9345-6087

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

A. Commercial

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

B. Residential

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

3. Summary of the bank account activities showing:

	AMOUNT
Balance at beginning of year	<u>\$ 4868.71</u>
Deposits during the year	<u>136210.00</u>
Interest earned for calendar year	
Withdrawals from this account	<u>130150.71</u>
Balance at end of year	<u>10928</u>

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

TO MAINTAIN DAILY OPERATIONS

DECLARATION

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

I, the undersigned DONALD R WALKER
Officer, Partner, or Owner (Please Print)

of YERMO, CA
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers 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, 2011, through December 31, 2011.

PRESIDENT
Title (Please Print)

DR Walker
Signature

386-561-0064
Telephone Number

3/26/2012
Date

~~Year 2010 - Yermo Water~~

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INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2011**, with:

CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298
kok@cpuc.ca.gov

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath on Page 12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
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7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2010, through December 31, 2010. Fiscal year reports will not be accepted.

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 Ste B Deland FL 32720

(Official mailing address)

Vermo San Bernardino

(Service Area - Town and County)

Telephone Number: 760-254-2130 Fax Number: _____

Email Address: walkerentllc@yahoo.com

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

- If a corporation show:
 - (A) Date of organization 1/1/2004 incorporated in the State of Florida
 - (B) Names, titles and addresses of principal officers: Donald Walker
1205 N. Woodland Ste B Deland FL
32720
- If unincorporated provide the name and address of the owner(s) or the partners:

- Name, title, and telephone number of: Donald Walker
 - (A) One person listed above to receive correspondence: 1205 N. Woodland Ste B
Deland FL 32720
 - (B) Person responsible for operations and services: 386-561-0064
- 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?
- 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

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

Yes	No	Latest Date
<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	

- List Name, Grade, and License Number of all Licensed Operators:
Bob Burke - DI #34137
Randy Walker

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 2010:

Row No.	Description of Non-Tariffed Good/Service	Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter									
		Active or Passive	Total Revenue Derived From Non-Tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/ Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/ Services (by Account)	Income Tax Liability Account Number	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: Donald Walker
 Address: 1205 N. Woodland Blvd Ste B Deland FL 32720
 Phone Number: 386-738-5155 OR 386-561-0064
 Account Number: _____
 Date Hired: _____

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

\$ 127,298.94

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch	299	21.89
1 inch		54.74
1 1/2 inch		109.47
2 inch		175.16
3 inch		328.42
4 inch	4	547.36
6 inch		0
Number of Flat Rate Customers		
Total	303	

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

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

N/A

**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		NON-DEPRECIABLE PLANT					
2	301	Intangible plant	2300				2300
3	303	Land	19730				19730
4		Total non-depreciable plant	22030				22030
5		DEPRECIABLE PLANT					
6	304	Structures	2900				2900
7	307	Wells	192797	18750			111547
8	317	Other water source plant					
9	311	Pumping equipment	8400				8400
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	6760				6760
15	335	Hydrants	7600				7600
16	339	Other equipment	1000				1000
17	340	Office furniture and equipment	2000				2000
18	341	Transportation equipment					
19		Total depreciable plant	162257				181007
20		Total water plant in service	184287				223037

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2010)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	203,937	201	Common Stock (Corporations only)	10,000
2	101.1	SDWA Plant		211	Other paid-in capital (Corporations only)	329,205
3	103	Water plant held for future use		215	Retained earnings	< 501,743 >
4	104	Water plant purchased or sold		218	Proprietary capital	
5	105	Water plant construction work in progress		224	Long term debt	262,318
6	108	Accumulated depreciation of water plant	< 138,280 >		Current Liabilities	26,517
7	114	Water plant equalization adjustments		252	Advances for construction	
8	124	Other Investments		253	Other deferred credits	
9	131	Cash	145	255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers		282	Accumulated deferred income taxes - ACRS depreciation	
11	142	Receivables from associated companies		283	Accumulated deferred income taxes - other	
12	151	Materials and supplies		271	Contributions in aid of construction	
13	174	Other current assets	125	272	Accumulated amortization of contributions	
14	180	Deferred charges				
15		Total Assets	666,297		Total Equity and Liabilities	666,297

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	92797	18750			111547
5	317	Other water source plant					
6	311	Pumping equipment	8400				8400
7	320	Water treatment plant					
8	330	Reservoir tanks and sandpipes	1000				1000
9	331	Water mains	10000				10000
10	333	Services and meter installations	19800				19800
11	334	Meters	16760				16760
12	335	Hydrants	7600				7600
13	339	Other equipment	1000				1000
14	340	Office furniture and equipment	2000				2000
15	341	Transportation equipment					
16		Total water plant in service	184287				184287

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 105 Water Plant	Account 105.1 SDWBA Loans	
1	Balance in reserves at beginning of year	102,247		A. Method used to compute depreciation expense (Acct. 403) and rate.
2	Add: Credits to reserves during year			
3	(a) Charged to Account No. 272			
4	(b) Charged to Account No. 403	36,033		
5	(c) Charged to Account No. 407			B. Amount of depreciation expense claimed or to be claimed on utility property in your federal income tax return for the year covered by this report \$
6	(d) Salvage recovered			
7	(e) All other credits			
8	Total credits			
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 depreciation.
12	(c) All other debits			
13	Total debits			
14	Balance in reserve at end of year	138,280		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2010)

Line				List persons owning more than 5% of outstanding stock and number of shares owned by each:
1	Common - (Shares	100	\$ 10,000 par)	DONALD WALKER CHARLES WALKER
2	Preferred - (Shares		\$ par)	
3	Dividends - Common	Rate - \$		
4	- Preferred	Rate - \$		

SCHEDULE E - LONG-TERM DEBTS

	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

1	Acct	Operating revenues	
2	480	Unmetered water revenue	
3	462	Fire protection revenue	
4	485	Irrigation revenue	
5	470	Metered water revenue	127298.99
6	475	Approved Total Surcharge Revenue(s)	
7	480	Other water revenue	
8		Total Revenue Received	127298.99
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	
11		Total Operating Revenue	0
12		Operating expenses	
13	610	Purchased water	
14	615	Purchased power	29335.00
15	618	Other volume related expenses	
16	630	Employee labor	
17	640	Materials	4,426.40
18	650	Contract work	29540.37
19	660	Transportation expenses	11265.00
20	664	Other plant maintenance expense	34165.78
21	670	Office salaries	
22	671	Management salaries	26635.83
23	674	Employee pensions and benefits	
24	676	Uncollectible accounts expense	- 14811.47
25	678	Office services and rentals	11218.48
26	681	Office supplies and expense	7934.16
27	682	Professional services	7943.00
28	684	Insurance	1909.81
29	688	Regulatory commission expense	7,722.24
30	689	General expenses	
31		Total Operating Expenses	1102096.07
32	403	Depreciation expense	
33	407	SDWBA loan amortization expense	36033.00
34	408	Taxes other than income taxes	3013.80
35	409	State income tax expense	
36	410	Federal income tax expense	
37		Total Operating Revenue Deductions	401149.87
38		Utility Operating Income	
39	421	Non-utility Income	
40	426	Miscellaneous non-utility expense	
41	427	Interest expense	
42		Net Income	73,843.93

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
Marine	01		300	225	
Marine	02		300	35	
Helbro (Standby)	01		300	90	
Helbro	04				

OTHER

Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
Purchased water (unit)				Annual Quantity	
Supplier:					

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit) *N/A*

Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential			
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				
2	670	Office salaries				
3	671	Management salaries	1.5	26,635.83		26,635.83
4		Total				

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	N/A
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	299	21.89
3/4-in		
1-in		
-in		
1-in	4	547.36
Total	303	

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	299		299	40		40	303	
Industrial/Commercial	4		4				4	
Irrigation								
Fire Protection (public)								
Fire Protection (private)								
Other (specify)								
Total	303		303	40		40	307	

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

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	Totals
Concrete	N/A		Cast iron					
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos					
Other			Plastic					
			Other (specify)					
Total			Total					

FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2010, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name: Bank of America
 Address: P.O. Box 25118 Tampa FL 33622
 Account Number: 0022 9345 6087
 Date Opened: 7/2006

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

A. Commercial

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

B. Residential

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

3. Summary of the bank account activities showing:

	AMOUNT
Balance at beginning of year	<u>\$18,535.36</u>
Deposits during the year	<u>127,298.94</u>
Interest earned for calendar year	<u>0</u>
Withdrawals from this account	<u>141,195.71</u>
Balance at end of year	<u>48,68.14</u>

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

To maintain daily operations.

DECLARATION

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

I, the undersigned Donald R. Walker
Officer, Partner, or Owner (Please Print)

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, papers 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, 2010, through December 31, 2010.

President
Title (Please Print)

DR Walker
Signature

386-561-0064
386-738-5155
Telephone Number

7/26/11
Date