FILED AUG 26, 2016 DOCUMENT NO. 07021-16 FPSC - COMMISSION CLERK

Pine Harbour Waterworks, Inc.

August 23, 2016

Office of Commission Clerk Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399

REDACTED

Re: Docket No. 160169-WU -Pine Harbour Waterworks, Inc, application for approval of transfer of Pine Harbour Water Utilities, LLC in Lake County, Florida – Deficiency Letter Response

Dear Commission Clerk,

Pine Harbour Waterworks, Inc. (Pine Harbour) hereby submits its response to staff's Deficiency Letter dated August 17, 2016 in the above referenced docket.

1. Assets and Liabilities. Rule 25-30.037(2)(j)(3), Florida Administrative Code (F.A.C.), requires a list of and the dollar amount of the assets and liabilities assumed or not assumed, including those of non-regulated operations or entities. Please provide a list of the specific assets assumed including the dollar amounts allocated to each.

Response: This was previously submitted in Pine Harbour's application. See Exhibit N of the Application. Also see Exhibit O – the 2015 Tax Return – Assets by Classification. Attached is the Depreciation Schedule that Pine Harbour compiled utilizing the 2015 Annual Report. As demonstrated by the current depreciation schedule, several assets were overdepreciated by the previous owner (seller). Pine Harbour requests that adjustments be made to remove the over-depreciated amount.

2. Records and Reports. Rule 25.30.037(2)(p), F.A.C., requires a statement from the buyer that it has obtained or will obtain copies of all of the federal income tax returns of the seller from the date the Utility was first established or the rate base was last established by the Commission, whichever is later. Although the applicant provided that the Buyer has obtained the federal tax returns from 2011 to 2015, please provide a statement that the buyer has, or will obtain copies, of all of the federal income tax returns from the date the Utility was first established or the rate base was last established by the Commission, whichever is later.

Response: Pine Harbour Water Utilities, LLC obtained Certificate No. 450-W by PSC Order No. PSC-08-0645-FOF-WU, issued October 6, 2008. Please find attached, the federal income tax returns for the years 2008 – 2011. According to the Seller, prior to that date, no income tax records exist. The previous owner prior to Pine Harbour Utilities, LLC is deceased and the records were destroyed. These records were shredded after seven years.

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Pine Harbour Waterworks, Inc. Deficiency Letter Response August 23, 2016

3. Contact Information for Utility/Seller. Rule 25-30.037(2)(d), F.A.C., requires the seller's complete name, address, telephone number, authorized representative, and, if available, email address and fax number. Part 1 (A) of the Application is incorrect. It should have the seller's contact information listed.

Response: Please find attached the revised Part 1 (A) of the application. This error has been corrected.

Respectfully Submitted

Troy Rendell

Manager of Regulated Utilities

//For Pine Harbour Waterworks, Inc.

	Plant In Service Balances				January-16			February-1	6		March-16			April-16			May-16			June-16	
Accoun	t Account	Depreciation Rate	Balance 12/31/2015	Additions	Retirements	Balance	Additions	Retirements	Balance	Additions	Retirements	Belance	Additions	Retirements	Balance		Retirements	Balance	A 4456	Retirements	Test Year Balance
	Organization	2.50%	\$ 500.00	Additions	Kentenents	\$ 500.00	Additions	Redicinents	\$ 500.00	Additions	Retirements	\$ 500.00	Additions	Actioners	\$ 500.00	 	Keurements	S 500.00	Additions	Regieniens	00.00
	4 Structures and Improvements	3.70%	\$ 5,794.00			\$ 5,794.00			\$ 5,794.00			\$ 5,794.00			\$ 5.794.00			\$ 5,794,00			\$ 5.794.00
	5 Collecting and Impounding Reservoirs	2.50%	3 3,174.00			\$			\$ 3,774.00			\$ 3,754,00			\$ 3,734.00	 		\$ 3,734,00			\$ 3,754.00
	Lake, River and Other Intakes	2.50%				. 2			\$.			\$.			\$	t		\$.			. 2
	7 Wells and Springs	3.70%	\$ 7,763.00		1	\$ 7,763.00			\$ 7,763.00			\$ 7,763.00			\$ 7,763.00	1		\$ 7,763.00			\$ 7,763.00
30	B Infiltration Galleries & Tunnels	2.50%				S -			\$.			\$			\$	 		\$ 7,705.00			\$
	9 Supply Mains	3.13%	\$ 6,188.00			\$ 6,188.00			\$ 6,188.00			\$ 6,188.00			\$ 6.188.00	· · · · ·		\$ 6,188.00			\$ 6,188.00
310	Power Generating Equipment	5.88%				s .			\$.			\$.			S			\$.			<u>s</u> ·
	Pumping Equipment	5.88%	\$ 16,314.00			\$ 16,314.00			\$ 16,314,00			\$ 16,314.00			\$ 16,314.00	1		\$ 16,314,00			\$ 16,314.00
320	Water Treatment Equipment	5.88%	\$ 350.00			\$ 350.00			\$ 350,00			\$ 350.00			\$ 350.00	1	1	\$ 350.00			S 350.00
	Distribution Reservoirs & Standpipes	3.03%	\$ 15,811.00			\$ 15,811.00			\$ 15,811.00			\$ 15,811.00			\$ 15,811.00			\$ 15,811.00			\$ 15,811.00
	Trans. & Dist. Mains	2.63%	\$ 22,468.00			\$ 22,468.00			\$ 22,468.00			\$ 22,468.00	s -		\$ 22,468.00			\$ 22,468.00			\$ 22,468.00
	3 Services	2.86%	\$ 5,692.00			\$ 5,692.00			\$ 5,692.00			\$ 5,692.00			\$ 5,692.00			\$ 5,692.00			\$ 5,692.00
	Meter & Meter Installations	5.88%	\$ 4,018.00			\$ 4,018.00			\$ 4,018.00			\$ 4,018.00		L	\$ 4,018.00			\$ 4,018.00			\$ 4,018.00
	Hydrants	2.50%	S 4,547.00			\$ 4,547.00			\$ 4,547.00			\$ 4,547.00			\$ 4,547.00			\$ 4,547.00			\$ 4,547.00
	Backflow Prevention Devices	10.00%				\$.			s .			s .			S -	1		\$ -			s .
	Other Plant and Miscellaneous Equipment	5.00%				\$ -			\$						\$ -			\$ -			S -
	Office Furniture and Equipment	6.67%	s .			s -			. 2						s .			\$ -			\$ -
	2 Stores Equipment	7.14%				s -			s -			\$ -			\$ -	T		\$ -			s .
	Tools, Shop and Garage Equipment	6.67%				s .			\$ -			\$ -			\$ -			\$ -			s -
	Laboratory Equipment	6.67%				s -			\$ -			\$			\$ ·	I		S			\$ -
	Power Operated Equipment	10.00%				s .			s .			\$ ·			\$ -			\$ -			\$ -
	Communication Equipment	10.00%				ş .			S -			\$ ·			S -	I		S			S -
	Miscellaneous Equipment	6.67%				s ·			s .			\$ -			\$.			S -			\$ -
30	Intangible Plant	2.50%				S -			- 2			s ·			s .			s -			\$ -
L	Total		\$ 89,445.00	s .	\$.	\$ 89,445.00	S	s -	\$ 89,445.00	\$ -	\$ -	\$ 89,445.00	S -	\$ -	\$ 89,445.00	\$ -	S .	\$ 89,445.00	\$ -	\$ -	\$ 89,445.00
	Land		\$ 5,000.00																		

	Accumulated Depreciation - Depreciation Expense		1		January-16			February-1	6		March-16			April-16			May-16			June-16	
Accoun		Depreciation Rate	Balance 12/31/2015	Additions	Retirements	Balance	Additions	Retirements	Balance	Additions	Retirements	Balance	Additions	Retirements	Balance	Additions	Retirements	Balance	Additions	Retirements	Balance
	Account		1431/2015	\$ 1.04		S 104	\$ 1.04	Keurements !	\$ 2.08	\$ 1.04	S .	\$ 3.13		S.	\$ 4.17		\$.	\$ 5.21	S 1.04		\$ 6.25
	Organization	2.50%		4.01	-	\$ 4.998.86	\$ 17.86	3	\$ 5.016.73	\$ 17.86	· ·	\$ 5,034.59		6	\$ 5,052.46	\$ 17.86	•	\$ 5.070.32	S 17.86		\$ 5,088.19
	Structures and improvements	3.70%	\$ 4,981.00	\$ 17.86	\$	\$ 4,998.86	\$ 17.86	3	\$ 5,086.73	\$ 17.80	3	\$ 5,034,39	\$ 17.00	•	\$ 3,032.40	\$ 17,00		\$ 3,070.32	\$ 17.00	•	\$ 2,000.17
	Collecting and Impounding Reservoirs	2.50%		2 -	\$ -	\$.	3	5 .	<u> </u>	3 -	3	3 .	3	3 .	3 :	-	· ·	•	-	•	-
	Lake, River and Other Intakes	2.50%		<u>s</u> .	\$ -	<u>s</u> -	5	2	<u>s</u>	<u> </u>	<u> </u>	3 -	3 -	3 .	\$ 7930.00	3 -	3 .	\$ 7,930,00	-	•	\$ 7,930.00
	Wells and Springs	3.70%	\$ 7,930.00	\$	\$.	\$ 7,930.00	\$ -	2 .	\$ 7,930.00	\$ -	\$ -	\$ 7,930.00	3 -	<u> </u>	\$ 7,930.00	<u>. </u>	<u> </u>	\$ 7,930.00	3	<u> </u>	3 7,330.00
	Infiltration Galleries & Tunnels	2.50%		s -	S -	<u> </u>	S -	s -	<u>s</u> -	\$ -	\$ ·	s -	3 .	2	\$ ·	3 .	\$	\$	3 -	3 .	\$ 10,269.00
30	Supply Mains	3.13%	\$ 10,269,00	S -	. 2	\$ 10,269.00	S -	s -	S 10,269.00	<u>s</u> .	s -	\$ 10,269.00	\$	\$.	\$ 10,269.00	<u> </u>	3 .	\$ 10,269.00	2 -	3 -	\$ 10,269.00
310	Power Generating Equipment	5.88%	s -	s -	\$ -	\$.	S -	\$ -	\$ -	s -	S -	s -	S :	2 .	\$ -	S -	2 -	3 .	S	3	3
31	Pumping Equipment	5.88%	\$ 25,506.00	\$	\$ -	\$ 25,506.00	S -	\$ -	\$ 25,506.00	s -	s -	\$ 25,506.00	<u> </u>	\$ -	\$ 25,506.00		S -	\$ 25,506.00	S -	3 .	\$ 25,506.00
	Water Treatment Equipment	5.88%	\$ 584.00	S -	S -	\$ 584.00	s -	s .	\$ 584.00	s -	S .	\$ 584.00		s -	\$ 584.00		s -	\$ 584,00	s -	\$	\$ 584.00
339	Distribution Reservoirs & Standpipes	3.03%	\$ 13,981.00	\$ 39.92	\$ -	\$ 14,020.92	\$ 39.92	s .	\$ 14,060.85	\$ 39.92	s .	\$ 14,100.77	\$ 39.92	s .	\$ 14,140.69		<u>s</u> -	\$ 14,180.61	\$ 39.92	<u>s -</u>	\$ 14,220.54
	Trans. & Dist. Mains	2.63%	\$ 17,537.00	\$ 49,27	Š -	\$ 17,586.27	\$ 49.27	s -	\$ 17,635.54	\$ 49.27	s -	S 17,684.82	\$ 49.27	\$	\$ 17,734.09	\$ 49.27	S -	\$ 17,783.36	\$ 49.27	<u>s</u> -	\$ 17,832.63
33	Services	2.86%	\$ 4,468,00	\$ 13.55	S -	\$ 4,481.55	\$ 13.55	s .	\$ 4,495.10	S 13.55	s -	\$ 4,508.66	\$ 13.55	s .	s 4,522.21	\$ 13.55	<u>s</u> .	\$ 4,535,76	\$ 13.55 \$ 0.22	s	\$ 4,549.31 \$ 5,214.44
33	Meter & Meter Installations	5.88%	S 5,214.00	\$ -	s -	\$ 5,214.00	S -	s -	\$ 5,214.00	S -	s -	S 5,214.00		5 -	\$ 5,214.00		2 .	\$ 5,214.22		<u> </u>	
33	Hydrants	2.50%	\$ 3,916.00	S 9.47	\$.	\$ 3,925.47	\$ 9.47	\$ -	\$ 3,934.95	\$ 9.47	\$ -	\$ 3,944.42	S 9.47	<u>s</u> .	\$ 3,953.89	\$ 9.47	<u>s</u> -	\$ 3,963.36	\$ 9.47	\$ -	\$ 3,972.84
33	Backflow Prevention Devices	10.00%		\$ -	\$	s -	s .	S -	s -	s -	s -	S -	s -	\$ -	S	<u>s</u> .	<u>s</u> -	s -	\$ -	s -	<u>s</u> -
	Other Plant and Miscellaneous Equipment	5.00%		\$ -	s .	s -	s -	s .	s -	s .	s -	\$	s -	S -	s -	s -	s -	<u>s</u> -	\$	<u>s</u> .	<u>s</u> .
	Office Furniture and Equipment	6.67%	s -	s -	s .	\$ -	S -	\$ -	\$ -	ş -	S -	s .	S -	S -	s -	\$	s -	S -	S -	s -	<u>s</u> .
	Stores Equipment	7.14%	\$ -	s -	S -	ş .	\$.	\$ ·	s -	S -	s ·	s -	\$.	s .	S -	s .	<u>s</u> -	S -	\$ -	s -	5
	Tools, Shop and Garage Equipment	6.67%	s ·	\$ -	s .	s -	\$ -	s -		\$ -	s -	s -	\$ -	\$ -	s .	s .	s -	s -	\$ -	<u>s</u> .	<u>s</u>
	Laboratory Equipment	6.67%	s -	s -	s -	s -	s .	s .	s -	s .	s -	\$ -	\$.	S -	\$ -	\$	S .	s .	s -	\$ -	<u>s</u> -
	Power Operated Equipment	10.00%	s .	S -	S -	s .	\$.	\$	s -	\$ -	\$ -	s -	s .	S	\$	s -	s -	s -	s -	<u>s</u> .	<u>s</u> -
34	Communication Equipment	10.00%	s -	s -	s .	s ·	S .	s -	s -	S -	\$ -	. 2	S -	S	<u>s</u> .	Z .	5 -	3 -	\$ ·	2 .	13
	Miscellaneous Equipment	6.67%	s -	S -	s .	S -	ş .	s -	\$ -	s -	\$ -	s .	\$ -	S -	s -	S -	<u>s</u> -	<u> </u>	S .	\$ -	<u> </u>
	Intangible Plant	2.50%	\$ -	\$	s -	S	\$ -	\$.	s .	s -	s -	s -	\$	s -	s -	<u>s</u> .	<u> </u>	\$ -	S -	<u></u>	\$.
	Total		\$ 94,386.00	S 131.13	s -	\$ 94,517.13	\$ 131.13	\$ -	\$ 94,648.25	\$ 131.13	s -	\$ 94,779.38	\$ 131.13	s .	\$ 94,910.5L	\$ 131.35	S -	\$ 95,041.85	\$ 131.35	S -	\$ 95,173.20

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Preparer's SSN or PTIN employed P00744395 Astutant Firm's name (or yours Leesburg, EIN ▶20-5288749 if self-employed), 1035 W Dixie Avenue Phone no. address, & ZIP code Leesburg, FL34748 (352) 728-0980

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. 08 106512 TWF 27780 Copyright Forms (Software Only) - 2008 TW

Form 1065 (2008)

For	m 1065 (2008) Pine I	Harbour Water Ut:	iliti 2	6-3839121	C
S	chedule A Cost of Goods Sold (see	e the instructions)		0 0000121	Page 2
1	Inventory at beginning of year				
2	Purchases less cost of items withdrawn for pers	onal use		2	
3	Cost of labor			3	
4	Additional section 263A costs (attach statement)	1		4	
5	Other costs (attach statement)			5	
6	Total. Add lines 1 through 5			6	
7	Inventory at end of year				
8	Cost of goods sold. Subtract line 7 from line 6.	Enter here and on page 1, line 2	2	8	
9a	Check all methods used for valuing closing inve	ntory:			
	(I) Cost as described in Regulations section	on 1.4 7 1–3			
	(II) Lower of cost or market as described in (III) Other (specify method used and arech	Regulations section 1471-4.4.	Dia		
	(III) Other (specity method used and attach	explanation / IVI	IIIC		
b	Check this box if there was a writedown of "sub	normal" goods as described in R	egulations secti	on 1.471-2(c)	
С	Check this box if the LIFO inventory method was	s adopted this tax year for any go	ods (if checked	attach Form 970)	_
d	Do the rules of section 263A (for property produc	ced or acquired for resale) apply	to the partners!	nin?	UVan UNA
е	was there any change in determining quantities,	cost, or valuations between ope	ning and closing	g inventory?	Yes No
	ii res, attach explanation.				
	nedule B Other Information				
1	What type of entity is filing this return? Check the	applicable box:			Yes No
а	Domestic general partnership b	Domestic limited partnershi	р		
C	Domestic limited liability company d	Domestic limited liability par	rtnership		
е	Foreign partnership	Other ►			
2	At any time during the tax year, was any partner in	n the partnership a disregarded	entity, a partner	ship (including an enti	ty
	treated as a partnership), a trust, an S corporatio	n, an estate (other than an estate	of a deceased	partner), or a nomine	e
_	or similar person?				X
3	At the end of the tax year:				
а	Did any foreign or domestic corporation, partners	hip (including any entity treated	as a partnership), or trust own, directly	/ or
	indirectly, an interest of 50% or more in the profit,	loss, or capital of the partnershi	p? For rules of a	constructive ownership),
	see instructions. If "Yes," complete (i) through (v)	below		<u></u>	X
	(I) Name of Entity	(II) Employer Identification	(iii) Type of	(iv) Country of	(V) Maximum Percentage
		Number (if any)	Entity	Organization	Owned in Profit, Loss, or Capital
	Did on in dividual				
b	Did any individual or estate own, directly or indirect	ctly, an interest of 50% or more in	n the profit, loss	, or capital of the	
	partnership? For rules of constructive ownership,	see instructions. If "Yes," comple	te (i) through (i	/) below	X
	(i) Name of Individual or Estate	(II) Social Security Number or		try of Citizenship	(Iv) Maximum
		Employer Identification Numbe	r (see	instructions)	Percentage Owned in
		(if any)			Profit, Loss, or Capital
	17468				
	- ('lient ('anv	l Da Nat	Mila_		
	——————————————————————————————————————	AZU I NUL	1 11V		
	At the end of the Assessment Column				
	At the end of the tax year, did the partnership:				
a (Own directly 20% or more, or own, directly or indir	ectly, 50% or more of the total vo	oting power of a	III classes of stock enti-	tled
Ţ	o vote of any foreign or domestic corporation? For	r rules of constructive ownership	, see instruction	s. If "Yes," complete (i)
<u>t</u>	hrough (iv) below		<u></u>	<u> </u>	X
	(i) Name of Corporation	(ii) Employer Identification	(III) C	country of (iv) Percentage Owned
		Number (if any)	Incor	poration	in Voting Stock
		120			
					1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984 - 1984

Form	1065 (200	8)				Utiliti	26-3839121		Pa	age 3
b	Own dire	ctly an interest of 20% o	r more, or own, o	directly or in	ndirectly, an	interest of 50% or m	ore in the profit, loss, or cap	ital	Yes	No
	in any for	eign or domestic partner	rship (including a	n entity tre	ated as a pa	artnership) or in the l	peneficial interest of a trust?			
	For rules	of constructive ownersh	ip, see instructio	ns. If "Yes,"	complete (i) through (v) below				X
		(i) Name of Entity			nployer	(III) Type of	(iv) Country of	(v) Ma	aximum	1
		,		Identi	ification	Entity	Organization	Percentage	e Owne	ed in
				Numbe	er (if any)			Profit, Loss	s, or Ca	apital
				-						
										
5	Did the p	artnersfilp file Form 8893	, Election of Par	tnership Le t, that isan	vel Tax Trea	iment or an election tax year? See For	n statement under section n 8893 for more details			Х
6	Does the	partnership satisfy all fo	ur of the following	ng condition	ns?					
a		ership's total receipts fo								
b		ership's total assets at the				million.				
c	Schedule	s K-1 are filed with the i	return and furnis	hed to the r	partners on	or before the due da	ate (including extensions) for			
·		ership return.					, -			
d			s not required to	file Schedu	ıle M-3	*			X	
u	If "Voo" +	he narthership is not rec	uired to complet	e Schedule	esl M-1.a	nd M-2: Item F on p	age 1 of Form 1065; or Item	ı L		
			duited to complet	C Corrodan	20 - , 111 1, 41					
	on Sched		nd nartharchin as	defined in	section 460	(k)(2)?				Х
7_	is this pai	thership a publicly trade	erobin have any	dobt that w	ac canceller	was forgiven or h	ad the terms modified so as			
8	_									X
	to reduce	the principal amount of	the debt?		Material Adv	icar Dicolocura State	ement, to provide information	n		
9										Х
	on any re	portable transaction?					or other outhority over			
10	At any tin	ne during calendar year	2008, did the pa	nnership na	ave an intere	est in or a signature	or other authority over			
	a financia	d account in a foreign co	ountry (such as a	bank acco	unt, secunti	es account, or other	financial account)? See			
				ents for For	m TD F 90-	22.1, Report of Fore	ign Bank and Financial Acco	ounts.		- V
	If "Yes," e	enter the name of the for	eign country. 🕨							X
11	At any tin	ne during the tax year, d	id the partnershi	p receive a	distribution	from, or was it the g	rantor of, or transferor to,			
	a foreign	trust? If "Yes," the partn	ership may have	to file Forn	n 3520, Ann	ual Return To Repo	t Transactions With Foreign			
	Trusts an	d Receipt of Certain For	eign Gifts. See ir	structions						X
12a	Is the par	tnership making, or had	it previously ma	de (and no	t revoked), a	a section 754 electio	n?			Χ
	See instru	uctions for details regard	ling a section 75	4 election.						
b	Did the p	artnership make for this	tax year an option	nal basis a	ıdjustment u	nder section 743(b)	or 734(b)? If "Yes," attach			
	a stateme	ent showing the compute	ation and allocati	on of the b	asis adjustm	nent. See instruction	s			X
С	is the par	tnership required to adj	ust the basis of p	artnership	assets unde	er section 743(b) or	734(b) because of a substan	ıtial		
	built-in lo	ss (as defined under se	ction 743(d)) or :	substantial	basis reduct	tion (as defined und	er section 734(d))? If "Yes,"			
	attach a s	statement showing the c	omputation and	allocation o	of the basis a	adjustment. See inst	ructions			X
13	Check th	is box if, during the curre	ent or prior tax y	ear, the par	tnership dis	tributed any propert	y received in a like-kind exc	hange		
							· · · · · · · · · · · · · · · · · · ·			
14	At any tin	ne during the tax year, d	id the partnershi	p distribute	to any part	ner a tenancy-in-co	mmon or other undivided			
17										X
15	If the ner	tnershings required to fil	€ Form 8858 Inf	ormation R	eturn of US	Persons With Res	pect To Foreign Disregarded			
15	Entitios e	enter the number of Form	ns 8858 attached	l Šee instru	wcfloris	VOLFII				
10	Dece the	northership have any fe	roign partners?	f "Yes" ent	ter the numb	per of Forms 8805. F	oreign Partner's Information			
16		nt of Section 1446 Withh					5. 5.g., - 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.		500000000000	X
	Statemer	t of Section 1446 Within	Deturn of U.S.	Porsone Mit	th Posport t	o Certain Foreign Pa	artnershins attached			
17		number of Forms 8865,	neturn of U.S. I	G120119, AA11	m nespect t	o oortaan i oleigii Fe	a a loror apo, attaorios			
	to this ret								1::::::	4000000
		Tax Matters Partner (s					. voturni			
Ente	r below the	e general partner design	ated as the tax n	natters part	ner (IMP) to	or the tax year of this	s return:			
Name							Identifying number			
TMP	nated	7					of TMP			
	ess of	\								
desig	nated	7	****					•		

		(2008) Pine Harbour Water Utiliti 26-38391	21	Pag
		rathers distributive share items		Total amount
		- and a defines moone (loss) (page 1, line 22)	. 1	-9,55
		2 Not remained estate income (loss) (attach Form 8825)	. 2	- 733
		Surface gross remain income (loss)		
		b Expenses from other rental activities (attach statement) 3b		
		c Other net rental income (loss). Subtract line 3b from line 3a	. 3c	
		- Guaranteed payments		
Incom		merest income	_	
(Loss)		ordinary dividends	6a	
(E033)		b Qualified dividends 6b		
		7 Royalties		
		8 Net Snan-term capital gain (loss) (attach Schedule D (Form 1065))	8	
		8 Net Shart-term capital gain (loss) (attach Schedille D (Form 1065)) 9a Net lorig tierm capital gain (loss) (attach Schedille D (Form 1065))	9a	
		9h		
	١,	Confecaptured section 1250 gain (attach statement)		
	1	ter section (Lest gain (loss) (attach Form 4/9/)	10	
	1	. Cutof income (loss) (see instructions) Type		
		- Socion 175 deduction (attach Form 4562)	- 	
Deduc-	. 1		40	
tions		and the content of th	13b	
		(1) Type >	13c(2)	
Self-	+	d Other deductions (see instructions) Type ▶	1. 1	
Employ	. ''	As Net earning (loss) from self-employment	14a	-9,558
ment		2 Gross larriing of lishing income		
mem	46	a dress noman income	14c	
		me and meaning cream (section 42(1)(5))	15a	
	- 1	- 24 moonic housing credit (other)	15b	
Credits	- 1	- addition renabilitation experiotitures (rental real estate) (attach Form 3468)	15c	
	- 1	Type	15d	
	}	(VDe	15e	
-		Other credits (see instructions) Type	15f	
	ם ו	Name of country or U.S. possession ▶ Gross income from all sources		
			16b	
	'	and the sourced at partner level	16c	
	1	Policy gloss income sourced at partnership level		
Foreign	1 '	Passive category e General category f Other	16f	
Trans-		Deductions allocated and apportioned at partner level		
actions	'	Interest expense ► h Other	16h	
	١,	Beautiful and apportioned at partnership level to foreign source income		
	:	Passive category ► General category ► k Other ►	16k	
	;	Total foreign taxes (check one): ▶ Paid Accrued Accrued Accrued	16!	
	"	Treaddon in taxes available for credit (affach statement)	16m	
	17a	Other foreign tax information (attach statement) Post-1986 depreciation adjustment		
Altern-		The state making and an indicate the state of the state o	17a	3,451
ative	c	Adjusted gain or loss Depletion (ather than on and gas) Oil gas, and goothormal and gas)	17b	
Min. Tax	d	Oil day and deothormal property	17c	
(AMT)	e	Oil, gas, and geothermal properties gross income	17d	
Items	f	Oil, gas, and geothermal properties deductions Other AMT items (attach statement)	17e	
	18a	Other AMT items (attach statement)	17f	
1		- A SAMPLINGIEST INCOME	18a	
	~	order tax-exempt income	18b	
Other		Transcadelible experises	18c	
Infor-		combanions of cash and marketable securities	19a	
mation	20a	Distributions of other property	19b	
	ь	Investment income	20a	
	c	Investment expenses	20b	
		and amounts (attach statement)		

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	Net income (loss). Cor		od through 44. Francis	- 41						
		and 16	ss i through 11. From	n the re	esult, subtrac	t the sum	of Schedule	eK,		
2	lines 12 through 13d, a 2 Analysis by	and 161		• • • • •	• • • • • • • • • •	<u> </u>			1	-9,558
	partner type:	(i) Corporate	(ii) Individual		Individual	(iv) Par	tnership	(v)	Exempt	(tell) Nameira - (Ott
	a General partners		(active)	()	assive)	(,		org	anization	(vi) Nominee/Oth
	b Limited partners									
_	**************************************	01-1-5			9,558					
888		e Sheets per Books		nning c	f tax year				nd of ta	year .
1	Assets		(a)		(b)			(c)		(d)
										3,782
2		Ints receivable						4,85	55	
	b Less allowarice for bac Inventories.	debts	T DA	N	Int I	Iil				4,855
3			'	<u> </u>	<u>uju</u>	. IIV				, , , , , , , , , , , , , , , , , , , ,
4	U.S. government obliga			L						
5	Tax-exempt securities			L						
6	Other current assets (at	ttach statement)		- L						
7	Mortgage and real esta									
8	Other investments (atta	ch statement)								
98							12	7,19	7	
t 40a							1	4,53	3	112,664
10a	1									
, t	== =									
11	Land (net of any amortiz									5,000
12a							***************************************	50	0	
. b								3	3	467
13	Other assets (attach stat	tement)		<u></u>						
14	Total assets									126,768
4-	Liabilities and									
15	Accounts payable			<u> </u>						
16	Mortgages, notes, bonds pay									
17	Other current liabilities (a									
18	All nonrecourse loans									
19	Mortgages, notes, bonds pay			<u></u>						
20	Other liabilities (attach st	atement)								
21	Partners' capital account	s								126,768
22	Total liabilities and capita	al								126,768
ာင	hedule M-1 Reco	nciliation of Inco	ome (Loss) per l	Book	s With Ind	come (L	oss) per	Retur	'n	-207700
	Note.	Schedule M-3 may be	required instead of S	Sched	ule M-1 (see	instruction	ns).			
1	Net income (loss) per bo		-9,558	3 6	income re	corded or	books this	year no	t	
2	Income included on Sche						lines 1-11			
	5, 6a, 7, 8, 9a, 10, and 11			а	_			,		
_	books this year (itemize):			_						
3	Guaranteed pymts. (other			7	Deduction	s included	on Sch. K.	lines		
4	Expenses recorded on bo				1 through against bo	ok inc. thi	s year (item	iiyea iize):		
	included on Schedule K		7 <u> </u>	N.	∠Depr. S			•		
_	13d, and 16k (itemize)	u vyj	/ - 1/U	1 4	<u>Ull'</u>	11V				
a	Depreciation \$ Travel and entertainment \$									
b	entertainment \$			8	Add lines 6	and 7				
_			78-11 - July 2	9	Income (lo					
5 	Add lines 1 through 4		-9,558		(Loss), line				ł	-9,558
4	nedule M-2 Analy	sis of Partners'	Capital Accounts	s						2,330
1	Balance at beginning of ye			6	Distribution	s: a Casl	1 . , . ,			
2	Capital contributed: a Cas			7			erty			
_		perty	136,326		Other decreases (itemize):					
3	Net income (loss) per boo	ks [-9,558						\dashv	
4	Other increases (itemize):								_	
_				8	Add lines 6	and 7,			+	
	Add lines 1 through 4		126,768	9	Balance at en					126,768
JVA		Copyright Forms (So	f*				2			120,700

Form **4562**

Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

2008

Department of the Treasury Internal Revenue Service (99)

See separate instructions.

Attachment Sequence No. 67

► Attach to your tax return. Business or activity to which this form relates Identifying number Name(s) shown on return 26-3839121 Pine Harbour Water Utilities LFOR FORM 1065 Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I. 250,000 2 Total cost of section 179 property placed in service (see instructions) 2 3 800,000 4 5 Dollar limitation for fax year, Subtractine 4 from line 1. If the conjugation limitation for fax year, Subtractine 4 from line 1. If the conjugation is a subtraction of the conjugation of the conjugati 250,000 (a) Description of property (b) Cost (busn. use only) 6 7 Listed property. Enter the amount from line 29 8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7..... 8 9 Tentative deduction. Enter the smaller of line 5 or line 8 10 11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions) 11 250,000 13 Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12... Note: Do not use Part II or Part III below for listed property. Instead, use Part V. Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.) 14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) 15 Property subject to section 168(f)(1) election 16 Other depreciation (including ACRS) ... MACRS Depreciation (Do not include listed property.) (See instructions.) Section A 18 If you are electing to group any assets placed in service during the tax year into one or more Section B -- Assets Placed in Service During 2008 Tax Year Using the General Depreciation System (b) Month and (c) Basis for depr. (f) Method (d) Recovery (e) (g) Depreciation year placed in (a) Classification of property (business/investment use perio d Convention deduction service only -- see instructions) 19a 3-year property 5-year property Statement 13,775 7-year propertySee d 10-year property 15-year property f 20-year property 25-year property 25 yrs S/L 2745 yr̈́§ MM, S/L Residential rental property § 2ੌ7ੈ\$5 γråੈ ...MM S/L 000 01-2008 S/L 615 39 yrs. MM Nonresidential real 794 01-2008 property S/L Section C -- Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System 20a Class life S/L b 12-year 12 yrs. 40-year 40 yrs. S/L Summary (See instructions.) 22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations -- see instructions ... 14,533 23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.

Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for Part V entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A. all of Section B. and Section C if applicable

		ns (a) through (c) of S													
		eciation and Other In						r limits							
24a	Do you have e	evidence to support b	ousiness/inv	estment	use clai	med?	Yes	No	24b If	"Yes," i	s the ev	idence v	written?	Yes	
Ty	(a) pe of property t vehicles first)	Date placed in	(c) Busn./ investment use	C	(d) ost or er basis		(e) Basis for usn./inve	estment	(f) Recover period	y Me	(g) thod/ ention	Depr	(h) eciation luction	Ele section	(i) cted on 179 ost
			percentage	<u> </u>			use or		<u> </u>					C	JSI
25		ciation allowance for									0.5	[
		e than 50% in a quali				uctions)					25	L			
26	Property used	mare than 50% in a	qualitied bu	isiness u	ise:	<u>a</u>	$N\alpha$	† 	410			1		1	
		/IIVIIL \		<u>y</u>	1/	<u> </u>	LYV	<u>la</u>		_				-	
			%												
			%												
27	Property used	50% or less in a qua	lified busine	ess use:								,			
			%							S/L-				_	
			%							S/L-				_	
			%							S/L-				_	
28	Add amounts	in column (h), lines 2	5 through 2	7 . Enter	here an	d on lin	e 21, pa	ge 1			28				
29	Add amounts	in column (i), line 26.	Enter here	and on	line 7, p	age 1 .						<u></u>	29		
							n on Us								
Com	nlote this sectio	on for vehicles used b								or relate	ed perso	n. If you	provide	d vehicle	es to
vour	emplovees, firs	t answer the question	ns in Section	n C to se	e if you	meet a	n except	on to co	ompleting	this sec	ction for	those v	ehicles.		
30		s/investment miles dri		T	a)	1	(b)		(c)		d)	1.	e)	(1)
	during the vea	ar (do not include			icle 1		icle 2	Veh	icle 3	Vehi	cle 4	Veh	icle 5	Vehic	cle 6
	-	iles)													
31	•	ing miles driven durin													
32		rsonal (noncommutin	_												
٠	•		9/												
33		ven during the year.	Δdd 												
55		gh 32										1			
34	-	cle available for perso		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34		ty hours?		103	110	100	1.0	1.00	- 110		<u> </u>				
25	-	the used primarily by a			-			-	-			 			
35		er or related person?.		1											
26		nicle available for pers			-		_								
36		•													
	user	Section C	Questions	for Emr	olovers	Who Pr	ovide V	ehicles	for Use b	v Their	Emplo	vees			
Ansv	wer these questi	ions to determine if yo	ou meet an	exception	n to cor	npleting	Section	B for v	ehicles us	ed by e	mploye	ės who a	are not n	nore tha	n 5%
	ers or related pe	ersons (see instruction ain a written policy sta	ns).	t nrohibi	to all no	roonalu	on of vol	nioloc ir	ocluding o	ommut	ing by y	our.		Yes	No
37												oui		100	
		ain a written policy sta										mnlove	987		
38															
		ctions for vehicles us													
39	Do you tream a	illuse of vehicles by	employees a	35.perso	naiguses.		NO	Í.		ooo obe	out thou	oo of th			
40		le mote than live veh													
		retain the information													
41		the requirements con												*********	
72220000		answer to 37, 38, 39,	40, or 41 is	"Yes," C	o not co	mpiete	Section	B for th	e covered	venicie	es.				
Pa	rt VI Amor	rtizatio <u>n</u>											War -11		
		(a)	(1	5)			(c)		_(d)		(e Amorti:			(f)	
		(a) ion of costs	Date am		n		rtizable nount		Cod section		perio	d or		ortizatio this yea	
				gins					36011		percer	ntage		,	-
42		of costs that begins de				e instru		00			12.00				
Or	ganizati	on Costs	01-01	-200	8		5	00	L97		180				33
			<u></u>								L	 			
43		of costs that began be										43			
44	Total. Add an	nounts in column (f).	See the inst	tructions	for whe	re to re	port					44			33

2008 SELF-EMPLOYMENT WORKSHEET

Pine Harbour Water Utilities LLC 26-3839121

		·	· · · · · · · · · · · · · · · · · · ·	,	
1a	Ordinary income (loss) (Schedule K, line 1)	1a	-9,558		
b	Net income (loss) from CERTAIN rental real estate activities (see instr)	1b		1	
C	Net income (loss) from other rental activities (Schedule K, line 3c)	1c		1	
d	Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount	1d			
е	Combine lines 1a through 1d	1e	-9,558		
2	Net gain from Form 4797, Part II, line 17, included on line 1a above	2			
3a	Subtract line 2 from line 1e. If line 1e is a loss, increase the loss on line 1e by the amount on line 2	₄.3a ັັຶ້	-9,558		
b	Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs	3 b		,	
C	Subtract line 3b from line 3a. If line 3a is a loss, reduce the loss on line 3a by each individual general partner's share on line 14a of Schedule K-1	the an	nount on line 3b. Include	3с	-9,558
4a	Guaranteed payments to partners (Schedule K, line 4) derived from a trade or business as defined in section 1402(c) (see instructions)	4a			
b	Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs	4b			
C	Subtract line 4b from line 4a. Include each individual general partner's share a partner's share on line 14a of Schedule K-1			4c	
5	Net earning (loss) from self-employment. Combine line 3c and 4c. Enter here	and o	n Schedule K, line 14a .	5	-9,558

Client Copy - Do Not File

2008 PARTNERS CAPITAL ACCOUNT SUMMARY

Pine Harbour Water Utiliti 26-3839121

Partner Number	Profit Sharing Percentage	Capital at Beginning of Year	Capital Contributed	Partners' Share of Lines 3, 4 & 7, Sch M-2	Withdrawals & Distribution	Capital at End of Year
#1	33.33	0	,	-3,186		42,256
#2	33.33	0				42,256
#3	33.33	١	45,442	-3,186	0	42,256
TOTALS	100.00	0	136,326	-9,558	0	126,768
C	lent (Copy - I	o Not	Fig.		
		i				
	8 9	······································		Sur 4 4		
	llent (Copy - D	o Not	rile		

# 1		П	Final K-1	X Amende	od 141	
Schedule K-1 (Form 1065)	2008 For calendar year 2008, or tax	P	ort III	^p artner's Shar	e of	OMB No. 1545-009 Current Year Income, s, and Other Items
Department of the Treasury Internal Revenue Service	year beginning , 2008 ending , 20	1		siness inc. (loss)	1	Credits
Partner's Share of Inc	come, Deductions,	2	Net rental re	al estate inc. (loss)	-	
Credits, etc. ▶ s	ee page 2 and separate instructions.	3	Other net re	ntal income (loss)	16	Foreign transactions
	About the Partnership	<u> </u>				
A Partnership's employer ident 26-3839121	itication number	4	Guaranteed	payments		
B Partnership name address	city state, and ZIP, code	5	Interest inco	në C		
Pine Harbour Wate: P O BOX 447	r Utilities LLC	6a	Ordinary divi	idends		
Fruitland Park FL		6b	Qualified div	idends		
C IRS Center where partnership	o filed return	-	Dovaltion		-	
OGDEN		7	Royalties			
D Check if this is a publicly	traded partnership (PTP)	8	Net short-ter	m cap. gain (loss)		
		9a	Net long-terr	n cap. gain (loss)	17	Alternative min tax (AMT) items
Part II Information / E Partner's identifying number	About the Partner	9b	Collectibles (28%) gain (loss)	A.	1,150
288-56-3387		"	Collectibles (2076) gaili (1033)		
F Partner's name, address, city	, state, and ZIP code	9c	Unrecapture	d sec. 1250 gain		
ROBERT STEWART P O BOX 447		10	Net section 1	231 gain (loss)	18	Tax-exempt income and nondeductible expenses
Fruitland Park FL	34731	11	Other income	e (loss)	}	nondeductible expenses
G General partner or LLC member-manager	X Limited partner or other LLC member					
H 🗓 Domestic partner	Foreign partner				10	Dietzilautiana
I What type of entity is this part J Partner's share of profit, loss,	ner? INDIVIDUAL PASSIV	12	Section 179 o	deduction	19	Distributions
Beginning	Ending	13	Other deduct	ions		
Profit 33.3333					20	Other information
Loss 33.3333 Capital 33.3333						
K Partner's share of liabilities at	year and:					
Nonrecourse	•	14	Self-employmen	nt earnings (loss)		
Qualified ngnrecourse financi	ag (State Too	AT		[-3,186		
Recourse 📜 🕹 🎎 🕹 🛝 👢	··/**\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	T.A.	VL L'I	IV		
L Partner's capital account analy	vsis:	*Se	e attached	statement for	add	itional information.
Beginning capital account			0 411401104	Ctatomork for	uuu	itional information.
Capital contributed during the	manufacture and the second sec	F U				
Current year increase (decrea Withdrawals & distributions		O S				
Ending capital account		1 0				
		R N S L				
Tax basis GA Other (explain)	AAP Section 704(b) book	Ÿ				

C

Page 2



651108

# 2	<u>}</u>			Final K-1	X Amende	1 K-1	OMB No. 1545-0099
	edule K-1	2008		Pai	rtner's Share	of (Current Year Income,
_	m 1065)	For calendar year 2008, or tax	Pa	rt III De	ductions, Cr	edits	, and Other Items
•	•	year beginning , 2008	1	Ordinary busing	ess inc. (loss)	15	Credits
	tment of the Treasury al Revenue Service	ending , 20		, -	-3,186		
			2	Net rental real	estate inc. (loss)		•
Par	tner's Share of Inc	come, Deductions,	~	not roma roar	cotato inter (1000)		
Cre	dits, etc. ▶ s	ee page 2 and separate instructions.	3	Other net renta	l income (loss)	16	Foreign transactions
		Alband Man Davidsonable] `	Other het renta	i income (ioss)	10	7 oreign transactions
		About the Partnership	-	O			
1	Partnership's employer ident	itication number	4	Guaranteed pa	yments		
	3839121	agains, ag		angeres de la			
В	Partnership name address		5	Interest income	e		
Pir	ne Harbour Wate	r Utilities LLC	6a	Ordinary divide	ends		
P C	BOX 447						
	itland Park FL	34731	6b	Qualified divide	ends		
	IRS Center where partnershi		1				
-	mie demon miere parmierani		7	Royalties			
bGI	EN			,			į
002	/ 111		8	Net short-term	cap. gain (loss)		
D	Chock if this is a publicly	traded partnership (PTP)	"	rect offert term	oup. gum (1000)		·
יי	Check if this is a publicly	traded partitership (111)	9a	Net long-term	can gain (loss)	17	Alternative min tax (AMT) items
		Ata data Destar	Ja	Net long-term		Α'	1,150
****		About the Partner		0-11			1,130
	Partner's identifying number		9b	Collectibles (28	%) gain (loss)		
	-50-8852		 				
F	Partner's name, address, city	, state, and ZIP code	9c	Unrecaptured s	sec. 1250 gain		
l							
1	ELINE LIPSKY		10	Net section 123	31 gain (loss)	18	Tax-exempt income and
	BOX 447		<u> </u>				nondeductible expenses
Fru	<u>iitland Park FL</u>	34731	11	Other income (loss)		
G	General partner or LLC	X Limited partner or other LLC					j
	member-manager	member					
	_						
н	X Domestic partner	Foreign partner					
''						19	Distributions
۱,	What type of entity is this par	tner?INDIVIDUAL PASSIV	12	Section 179 de	duction		
١,		, and capital (see instructions):					
١	Beginning	Ending	13	Other deductio	ns		
	• •	_	"	Other deductio	110	20	Other information
	Profit 33.333					20	Other information
	Loss 33.333		ł				
	<u>Capital</u> 33.333	3 % 33.3333 %					
[
K	Partner's share of liabilities a	t year end:	<u> </u>				
	Nonrecourse	\$	14	Self-employment			
	Qualified ngirrecquise financ	ing (\$ 40 x 7	M	at Eil	$\bar{a}^{3,186}$		
	Recourse \	LV\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	L. W	VLLI	L		
1		2. W					
L	Partner's capital account ana	ılysis:	*Se	e attached s	statement for	r add	litional information.
	Beginning capital account						
1	Capital contributed during th		l				
	Current year increase (decre	,	F L				
	Withdrawals & distributions.		R				
		40.056	li d	1			
	Ending capital account	\$ 42,256	RN				
	n		_	-			
	<u> </u>	SAAP Section 704(b) book	Y	•			
	Other (explain)		1				
l			1				

Pine Harbour Water Utiliti 26-3839121 C MADELINE LIPSKY Schedule K-1 (Form 1065) 2008 This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions Report on for your income tax return. Code Work opportunity credit Form 5884, line 3 Disabled access credit See the Partner's Instructions 1. Ordinary business income (loss). Determine whether the income (loss) is Empowerment zone and renewal L passive or nonpassive and enter on your return as follows. community employment credit Form 8844, line 3 Credit for increasing research See the Partner's Instructions See the Partner's Instructions Passive loss Credit for employer social security Schedule E, line 28, column (g) Passive income and Medicare taxes Form 8846, line 5 Schedule E, line 28, column (h) Nonpassive loss Backup withholding Form 1040, line 62 Schedule E, line 28, column (j) Nonnassive income See the Partner's Instructions Other credits Net rental real estate income (loss) See the Partner's Instructions 16. Foreign transactions Other net rental income (loss) Name of country or U.S. Schedule E, line 28, column (g) Net income See the Partner's Instructions possession Net loss Gross Income from all sources Form 1116, Part I Guaranteed payments Schedule E, line 28, cotyms (j) Gross hoo feesourced at partner Interest ingome§ orn 1845 Ine 8a. Forn 1840 line 9a Ordinary dividends Foreign gross income sourced at partnership level Form 1040, line 9b 6b. Qualified dividends D Passive category Schedule E, line 4 Royalties 7. Ε General category Form 1116, Parti Net short-term capital gain (loss) Schedule D, line 5, column (f) 8. Other 9a. Net long-term capital gain (loss) Schedule O, line 12, column (f) Deductions allocated and apportioned at partner level 9b. Collectibles (28%) gain (loss) 28% Rate Gain Worksheet, line 4 Form 1116, Part I G Interest expense (Schedule Dinstructions) Form 1116, Part I Other 9c. Unrecaptured section 1250 gain See the Partner's Instructions Deductions allocated and apportioned at partnership level Net section 1231 gain (loss) See the Partner's Instructions to foreign source income Other income (loss) Passive category Code General category Form 1116, Part I See the Partner's Instructions Α Other portfolio income (loss) κ Other В Involuntary conversions See the Partner's Instructions Other information C Sec. 1256 contracts & straddles Form 6781, line 1 Form 1116, Part II Total foreign taxes paid D See Pub. 535 Mining exploration costs recapture Total foreign taxes accrued Form 1116, Part II Form 1040, line 21 or Form 982 Cancellation of debt Reduction in taxes available for See the Partner's Instructions Other income (loss) Form 1116, line 12 credit See the Partner's Instructions Section 179 deduction O Foreign trading gross receipts Form 8873 Other deductions Extraterritorial income exclusion Form 8873 Cash contributions (50%) Other foreign transactions See the Partner's Instructions R Cash contributions (30%) 17. Alternative minimum tax (AMT) items Noncash contributions (50%) Post-1986 depreciation adjustment See the Partner's Noncash contributions (30%) Instructions See the Partner's Adjusted gain or loss Ε Capital gain property to a 50% Instructions and Depletion (other than oil & gas) organization (30%) Oil, gas, & geothermal -- gross income the Instructions for Capital gain property (20%) Oil, gas, & geothermal -- deductions Form 6251 G Contributions (100%) Other AMT items Н Investment interest expense Form 4952, line 1 Tax-exempt income and nondeductible expenses Deductions--royalty income Schedule E, line 18 Form 1040, line 8b J Section 59(e)(2) expenditures See the Partner's Instructions Tax-exempt interest income Κ Deductions--portfolio (2% floor) Schedule A, line 23 Other tax-exempt income See the Partner's instructions See the Partner's Instructions Nondeductible expenses Schedule A. line 28 Deductions--portfolio (other) 19. Distributions Schedule A, line 1 or Form 1040, line 29 М Amounts paid for medical insurance Cash and marketable securities See the Partner's Instructions See the Partner's Instructions Educational assistance benefits Other property Distribution subject to Section 737 0 Form 2441, line 14 Dependent care benefits See the Partner's Instructions 20. Other information Preproductive period expenses Commercial revitalization deduction Q Form 4952, line 4a Investmentincome See Form 8582 Instructions from rental real estate activities Form 4952, line 5 investment expenses R See the Partner's Instructions Pensions and IRAs Form 4136 Fuel tax credit information See the Partner's Instructions Reforestation expense deduction S D Qualified rehabilitation expenditures Domestic production activities T (other than rental real estate) See the Partner's Instructions See Form 8903 instructions information F Basis of energy property See the Partner's Instructions Form 8903, line 7 Qualified production activities income Recapture of low-income housing Form 8903, line 15 Employer's Form W-2 wages credit (section 42(j)(5)) Form 8611, line 8 See the Partner's Instructions G Recapture of low-income housing Other deductions specit (other) Recapture of investment credit Recapture of other credits Form 8611, line 8 14. Self-employment earnings (loss)

Note. If you have a section 179 geduction of any partner-level deductions see the Partner Institutions before completing Schiedule SE See Form 4255 See the Partner's Instructions Look-back interest -- completed Net earnings (loss) from self-employment See Form 8697 Α long-term contracts Schedule SE, Section A or B Look-back interest -- income forecast Gross farming or fishing income See the Partner's Instructions See Form 8866 See the Partner's Instructions Gross non-farm income Dispositions of property with 15. Credits section 179 deductions Recapture of section 179 deduction Α Low-income housing credit (section 42(j)(5)) from pre-2008 buildings N Interest expense for corporate See the Partner's Instructions a Section 453(I)(3) information R Low-income housing credit (other) See the Partner's Instructions from pre-2008 buildings Section 453A(c) information Low-income housing credit (section 42(j)(5)) from post-2007 buildings С Q Section 1260(b) information Form 8586, line 11 See the Partner's R Interest allocable to production expenditures Low-income housing credit (other) from post-2007 buildings D Instructions Form 8586, line 11 S CCF nonqualified withdrawals Ε Qualified rehabilitation expenditures

(rental real estate)

Other rental credits

Other rental real estate credits

Undistributed capital gains credit

Alcohol and cellulosic biofuel fuels

Form 1040, line 68; check box a

Form 6478, line 9

See the Partner's Instructions

Depletion information -- oil and gas

Amortization of reforestation costs

Unrelated business taxable income

Precontribution gain (loss)

Other information

W

# 3	☐ Fin	al K-1 X	mended K-	1 OMB No. 1545-009
Schedule K-1 2008		Partner's	Share of	Current Year Income.
(Form 1065) For calendar year 2008, or tax	Part	III Deduction	ns, Credi	ts, and Other Items
Department of the Treasury year beginning , 2008 Internal Revenue Service ending , 20	1 0	rdinary business inc. (loss) 15	Credits
Partner's Share of Income, Deductions, Credits, etc. ▶ See page 2 and separate instructions.	2 N	et rental real estate inc		
	3 0	ther net rental income	(loss) 16	Foreign transactions
Part I Information About the Partnership				-
A Partnership's employer identification number 26-3839121	4 G	uaranteed payments		
B Partnership name address city state and ZIP code	NO	terest income		
Pine Harbour Water Utilities LLC P O BOX 447	6a Oi	rdinary dividends		*
Fruitland Park FL 34731	6b Qı	ualified dividends		
C IRS Center where partnership filed return				
OGDEN	7 Ro	oyalties		
D Check if this is a publicly traded partnership (PTP)	8 Ne	et short-term cap. gair	(loss)	
Part II Information About the Partner	9a Ne	et long-term cap. gain	(loss) 17 A	Alternative min tax (AMT) items 1,151
E Partner's identifying number 056-44-2710	9b Co	llectibles (28%) gain (loss)	1,131
F Partner's name, address, city, state, and ZIP code	9c Un	recaptured sec. 1250	gain	
SANDRA WESSON P O BOX 447	10 Ne	t section 1231 gain (lo	ss) 18	Tax-exempt income and
Fruitland Park FL 34731	11 Ot	ner income (loss)		nondeductible expenses
G General partner or LLC X Limited partner or other LLC		(1000)		
member-manager member	İ			
H X Domestic partner				
I What type of entity is this partner? INDIVIDUAL PASSIV	V 12 Sec	ction 179 deduction	19	Distributions
J Partner's share of profit, loss, and capital (see instructions):				
Beginning Ending	13 Oth	er deductions		
Profit 33.3333 <th< td=""><td></td><td></td><td>20</td><td>Other information</td></th<>			20	Other information
Loss 33.3333 % 33.3333 % Capital 33.3333 % 33.3333 %				
K Partner's share of liabilities at year end:				
Nonrecourse \$	14 Self	-employment earnings (los	· 1	
Qualified nonrecourse financing (\$	Mo	f Γ_i $\bar{a}^{3,1}$	86	
necodise	L VV	L A AAW		
L Partner's capital account analysis:	*See a	ttached statemer	nt for add	litional information.
Beginning capital account \$				
Capital contributed during the year \$ 45,442	F U			
Current year increase (decrease) \$ -3,186 Withdrawals & distributions \$ (O S R E			
Withdrawais & distributions \$ () Ending capital account	1 0			
12,250	ΒN			
Tax basis GAAP Section 704(b) book Other (explain)	A Y			

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file

08 1065K112

TWF 27089

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JVA

Page 2

C

Form 1040. For detailed reporting and filing Information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return. Code Report on Work opportunity credit Disabled access credit Form 5884, line 3 1. Ordinary business income (loss). Determine whether the income (loss) is See the Partner's Instructions Empowerment zone and renewal passive or nonpassive and enter on your return as follows. community employment credit Form 8844, line 3 Report on Credit for increasing research See the Partner's Instructions Passive loss See the Partner's Instructions Credit for employer social security Passive income Schedule E, line 28, column (g) and Medicare taxes Nonpassive loss Form 8846, line 5 Schedule E, line 28, column (h) Backup with holding Form 1040, line 62 Nonpassive income Schedule E, line 28, column (j) Net rental real estate income (loss) See the Partner's instructions Other credits See the Partner's Instructions 16. Foreign transactions Other net rental income (loss) Netincome Schedule E, line 28, column (g) Α Name of country or U.S. Net loss See the Partner's Instructions possession Guaranteed payments Interest Income 1000 Ordinary dividends Schedule E. line 28, column (i) Ggross magome from all sources Form 1116, Part I Form 1849, line 8a Form 1840, line 9a Gos sind fie sourced at partner 6b. Qualified dividends Form 1040, line 9b Foreign gross income sourced at partnership level D Royalties Passive category 7. Schedule E. line 4 Net short-term capital gain (loss) E General category 8. Schedule D, line 5, column (f) Form 1116, Part I 9a. Net long-term capital gain (loss) Schedule D, line 12, column (f) Other 9b. Collectibles (28%) gain (loss) 28% Rate Gain Worksheet, line 4 Deductions allocated and apportioned at partner level G (Schedule Dinstructions) Interest expense Form 1116, Part I 9c. Unrecaptured section 1250 gain Other Form 1116, Part I See the Partner's Instructions Deductions allocated and apportioned at partnership level 10. Net section 1231 gain (loss) See the Partner's Instructions 11. Other income (loss) to foreign source income Code Passive category Α General category Other portfolio income (loss) See the Partner's Instructions Form 1116, Part I Other В Involuntary conversions See the Partner's Instructions Other information C Sec. 1256 contracts & straddles Form 6781, line 1 D Total foreign taxes paid Form 1116, Part II Mining exploration costs recapture See Pub. 535 Total foreign taxes accrued Form 1116, Part II Cancellation of debt Form 1040, line 21 or Form 982 N Reduction in taxes available for Other income (loss) See the Partner's Instructions Form 1116, line 12 Section 179 deduction See the Partner's Instructions Foreign trading gross receipts Other deductions Form 8873 Extraterritorial income exclusion Form 8873 Cash contributions (50%) Q Other foreign transactions See the Partner's Instructions Cash contributions (30%) 17. Alternative minimum tax (AMT) items С Noncash contributions (50%) See the Partner's D Noncash contributions (30%) Post-1986 depreciation adjustment Instructions Ε See the Partner's Capital gain property to a 50% Adjusted gain or loss Instructions and organization (30%) Depletion (other than oil & gas) F Capital gain property (20%) D Oil, gas, & geothermal -- gross income the instructions for G Contributions (100%) Oil, gas, & geothermal --- deductions Form 6251 Investment interest expense Other AMT items Form 4952, line 1 Deductions--royalty income Tax-exempt income and nondeductible expenses Schedule E, line 18 Section 59(e)(2) expenditures See the Partner's Instructions Tax-exempt interest income Form 1040, line 8b κ Deductions--portfolio (2% floor) Schedule A. line 23 Other tax-exempt income See the Partner's Instructions Deductions--portfolio (other) Schedule A, line 28 Nondeductible expenses See the Partner's Instructions м Amounts paid for medical insurance Schedule A, line 1 or Form 1040, line 29 19. Distributions Cash and marketable securities N See the Partner's Instructions Educational assistance benefits ₿ Other property See the Partner's Instructions Dependent care benefits Form 2441, line 14 Distribution subject to Section 737 Preproductive period expenses See the Partner's Instructions Other information Q Commercial revitalization deduction Investment income Form 4952, line 4a from rental real estate activities See Form 8582 Instructions R В Investment expenses Form 4952, line 5 Pensions and IRAs See the Partner's Instructions Fuel tax credit information Form 4136 S Reforestation expense deduction See the Partner's Instructions D Qualified rehabilitation expenditures Domestic production activities Т (other than rental real estate) See the Partner's Instructions information See Form 8903 instructions Basis of energy property Recapture of low-income housing See the Partner's Instructions Form 8903, line 7 11 Qualified production activities income F Form 8903, line 15 Employer's Form W-2 wages credit (section 42(j)(5)) Form 8611, line 8 See the Partner's Instructions Other deductions G Recapture of low-income housing eredit (other) Recapture of investment credit Recapture of other credits Self-employment earnings (loss) Form 8611, line 8 Note. If you have a section 179 deduction or any partner-level deductions see the Partner s. Institutions before completing schedule SE. See Form 4255 See the Partner's Instructions Look-back interest -- completed Net earnings (loss) from self-employment long-term contracts See Form 8697 Schedule SE, Section A or B κ Look-back interest -- income forecast Gross farming or fishing income See the Partner's Instructions method See Form 8866 Gross non-farm income See the Partner's Instructions L Dispositions of property with 15. Credits section 179 deductions Low-income housing credit М Recapture of section 179 deduction (section 42(j)(5)) from pre-2008 buildings Interest expense for corporate Ν See the Partner's Instructions partners Low-income housing credit(other) from pre-2008 buildings Section 453(I)(3) information В See the Partner's Instructions Section 453A(c) information C Low-income housing credit (section 42(j)(5)) from post-2007 buildings Q Section 1260(b) information Form 8586, line 11 See the Partner's R Interest allocable to production expenditures D Low-income housing credit (other) from post-2007 buildings Instructions Form 8586, line 11 S CCF nonqualified withdrawals Ε Qualified rehabilitation expenditures (rental real estate) Depletion information -- oil and gas See the Partner's Instructions Other rental real estate credits 11 Amortization of reforestation costs Other rental credits Unrelated business taxable income Undistributed capital gains credit Form 1040, line 68; check box a Precontribution gain (loss) Alcohol and cellulosic biofuel fuels Form 6478, line 9 Other information

7-YEAR ASSETS PLACED IN SERVICE DURING 2008 USING GENERAL DEPRECIATION SYSTEM

Pine Harbour Water Utilities LLC 26-3839121

19c Asset Description	(b) Date in Service	(c) Basis	(d) Period	(e) Convention	(f) Method	(g) Depreciation
Hydrants Meters Pumping Equip Services ICIL Standpipes ICIL Supply Mains Transmission Lines Water Treat Equip	01-01-2008 01-01-2008 01-01-2008 01-01-2008 01-01-2008 01-01-2008 01-01-2008 01-01-2008	4,547 5,270 16,314 5,692 15,811 6,188 22,468 350	7 7 7 7 7 7 7 7 7 7 7 7	HY HY HY HY HY HY	200 DB 200 DB 200 DB 200 DB 200 DB 200 DB 200 DB 200 DB 200 DB	650 753 2,331 813 2,259 884 3,211 50 2,824
Circini C)py I)o Not	Spacetoned **	e		

2008 PARTNERSHIP AMENDED RETURN ATTACHMENT

Pine Harbour Water Utilities LLC 26-3839121

Orginal filing was on Form 1120S, which turned out to be the wrong form. This business was set up as a partnershep. This Form 1065 amends the Form 1120S that was origanaly filed.							REA	SON FO	R AME	NDING	RETURN						
This business was set up as a partnershep.											-						
	Orgi	nal f	iling	g was	on	Form	n 11	20S,	whi	.ch t	urned	out	to	be	the	wrong	form
This Form 1065 amends the Form 1120S that was origanaly filed.	This	busi:	ness	was s	et	up a	as a	par	tner	sher) .						
	This	Form	1065	amen	ds	the	For	m 11:	20S	that	. was	origa	anal	y f	ile	d.	
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2008 DETAIL STATEMENTS

Pine Harbour Water Utilities L		
26-3839121		Page 1
STATEMENT #1 - Taxes (1065 PG 1 LINE 14)		
Taxes: Other Tax	5 2,025	
TOTAL CARRIED TO 1065 PG 1 LINE 14	2	,025
STATEMENT #2116ther Open Ctions (1065 Pet 1 Eine 20)		
Other Deductions: Advertising	3 4 2 5 5 1 9	
TOTAL CARRIED TO 1065 PG 1 LINE 20	15	,317

Client Copy - Do Not File

2008 SCHEDULE M-1 EXPLANATION ATTACHMENT

Pine Harbour Water Utilities LLC 26-3839121

Computation of Net Income (Loss) Per Books Form 1065, Schedule M-1, Line 1	
Income (loss) (Schedule M-1, line 9) carries from Analysis of Net Income (loss), line 1	-9,558
Increases: Deductions on return not charged against book income (Schedule M-1, line 7) Income recorded on books not included on return (Schedule M-1, line 6)	
Decreases: Expenses recorded on books not included on return (Schedule M-1, line 4) Guaranteed Payments (Schedule M-1, line 3) Income subject to tax not recorded on books (Schedule M-1, line 2)	
Computed net income (loss) per books (Schedule M-1, line 1)	-9,558

Client Copy - Do Not File

2008 Federal Depreciation Schedule

Pine Harbour Water Utilities LLC 26-3839121

06-18-2009

Description	Date	Method	Year	Cost	Land/ Other	§179	Spec Allow	Basis	Prior	Current
Form 1065				·						
Structures	01-01-08	S/LMM	39	25,000	0	0	0	25,000	0	615
Land rights	01-01-08	Land	0	5,000	5,000	0	0	0	0	0
Pumping Equip	01-01-08	200DBHY	7	16,314	0	0	0	16,314	0	2,331
Standpipes	01-01-08	200DBHY	7	15,811	0	0	0	15,811	0	2,259
Hydrants	01-01-08	200DBHY	7	4,547	0	0	0	4,547	0	650
Wells & Springs	01-01-08	200DBHY	7	19,763	0	0	0	19,763	0	2,824
Supply Mains	01-01-08	200DBHY	7	6,188	0	0	0	6,188	0	884
	01-01-08	200DBHY	7	5,692	0	0	0	5,692	0	813
Structures	01-01-08	S/LMM	39	5,794	0	0	0	5,794	0	143
Transmission Lines	01-01-08	200DBHY	7	22,468	0	0	0	22,468	0	3,211
Organization Costs	01-01-08	AMORT	15	500	0	0	0	500	0	33
	01-01-08	200DBHY	7	350	0	0	0	350	0	50
	01-01-08	200DBHY	7	5,270	0	0	0	5,270	0	753
13 Assets		To	tals:	132,697	5,000	0	0	127,697	0	14,566
13 Assets		Grand To	tals:	132,697	5,000	0	0	127,697	0	14,566
Balance Sheet Reco	nciliatio	n								
		Grand To	tals:	132,697	5,000	0	0	127,697	0	14,566
		ture Purcha		0	0	0	0	0	0	0
Less	Current	Year Dispo	sals:	0	. 0	0	0	0	0	0
	End	of Year To	tals:	132,697	5,000	0	0	127,697	0	14,566
Buildings and O	ther Dep	reciable As	sets:	127,197					epreciation: epreciation: 179:	0 14,533 0
							Special	Depreciation		Ö
					Endin	g Accumula	ted Depreciat	ion (Per Bala	nce Sheet):	14,533
			Land:	5,000						
Intendible /	Secote /A	mortizable (Only):	500				Prior A	mortization:	0
intangible A	Intangible Assets (Amortizable Only):			500					mortization:	33
							Special	Depreciation	179: Allowance:	0
					Endin	g Accumula	ted Amortizat	ion (Per Bala	nce Sheet):	33

^{*} Asset disposed this year
-C Carryover basis in like-kind exchange transaction
-B Excess basis in like-kind exchange transaction

Pine Harbour Water Utilities LLC P O BOX 447 Fruitland Park FL 34731

June 18, 2009

MADELINE LIPSKY P O BOX 447 Fruitland Park FL 34731

Dear MADELINE LIPSKY,

Enclosed is your 2008 federal Schedule K-1, Partner's Share of Income, Credits, Deductions from Pine Harbour Water Utilities LLC. Included on Schedule K-1 is your distributive share of income, deductions, credits, and other tax items that should be reported on your return. This information was included in the 2008 federal return, Form 1065, that was filed with the Internal Revenue Service.

The Federal Partner's Instructions for Schedule K-1 (Form 1065) have also been enclosed to assist you in completing your income tax return.

Your business is appreciated. Please call if you have any questions.

Sincerely,

# 2				Final K-1	X Amende		
	edule K-1	2008	P	art III			Current Year Income,
•	•	or calendar year 2008, or tax					s, and Other Items
	tment of the Treasury Yea al Revenue Service	ar beginning, 2008 ending, 20	<u> </u>	Ordinary i	business inc. (loss) -3,186	15	Credits
	tner's Share of Incomedits, etc. ► See page		2	Net rental	real estate inc. (loss)		
	•	ge 2 and separate instructions.	3	Other net	rental income (loss)	16	Foreign transactions
	art Information Abo Partnership's employer identificati	out the Partnership	- -	Overantos		-	
	- 3839121	ion number	4	Guarantee	ed payments		
	Partnership's name, address, city,	, state, and ZIP code	5	Interest inc	come		
	ne Harbour Water () BOX 447	Jtilities LLC	6a	Ordinary d	lividends		
1	iitland Park FL 34	4731	6b	Qualified o	dividends	1	
С	IRS Center where partnership filed	d return	1				
OGD	EN		7	Royalties			
D	Check if this is a publicly trade	ed partnership (PTP)	8	Net short-	term cap. gain (loss)		
	art II Information Abo	ut the Partner	9a	Net long-to	erm cap. gain (loss)	17 A	Alternative min tax (AMT) items 1,150
	Partner's identifying number = 50 - 8852		9b	Collectibles	s (28%) gain (loss)		
F	Partner's name, address, city, state	e, and ZIP code	9c	Unrecaptui	red sec. 1250 gain		
	ELINE LIPSKY BOX 447		10	Net section	n 1231 gain (loss)	18	Tax-exempt income and
	itland Park FL 34	1 731	11	Other incor	me (loss)		nondeductible expenses
G	General partner or LLC	X Limited partner or other LLC	'''	0 1110, 11122.	ine (iooo)		
	member-manager	member					
н [X Domestic partner	Foreign partner					
				·		19	Distributions
ı		INDIVIDUAL PASSIV	12	Section 179	9 deduction		
J 1	Partner's share of profit, loss, and Beginning	capital (see instructions): Ending	13	Other dedu	uctions	Í	
[% 33.3333 %	'~	0000	Clions	20	Other information
. !		% 33.3333 %					•
9	Capital 33.3333 °	% 33.3333 %					
K	Partner's share of liabilities at year	ond:					
	Nonrecourse		14	Self-employr	ment earnings (loss)		
	Qualified nonrecourse financing		A		-3,186		
F	Recourse	\$			-		
1. F	Partner's capital account analysis:		*Se	attache	ed statement for	add	itional information.
	Beginning capital account	\$	<u> </u>	e allaciio	d Statement for	auu	ilional illionnation.
	Capital contributed during the year		F U	J			
	Current year increase (decrease)	\$	o s	;			
	Withdrawals & distributions	· · · · · · · · · · · · · · · · · · ·	RE				
	Ending capital account	\$ 42,256	I O				
	Tax basis GAAP Other (explain)	Section 704(b) book	S L Y				
			ı				

Schedule K-1 (Form 1065) 2008

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return. Code Report on Work opportunity credit Form 5884, line 3 1. Ordinary business income (loss). Determine whether the income (loss) is Disabled access credit See the Partner's Instructions Empowerment zone and renewal community employment credit L passive or nonpassive and enter on your return as follows. Form 8844, line 3 Report on М Credit for increasing research Passive loss See the Partner's Instructions See the Partner's Instructions Credit for employer social security Passive income Schedule E, line 28, column (g) and Medicare taxes Nonpassive loss Schedule E, line 28, column (h) Form 8846, line 5 n Backup withholding Form 1040, line 62 Nonpassive income Schedule E, line 28, column (j) Other credits Net rental real estate income (loss) See the Partner's Instructions See the Partner's Instructions 16. Foreign transactions Other net rental income (loss) Net income Schedule E, line 28, column (g) A Name of country or U.S. possession Net loss See the Partner's Instructions **Guaranteed payments** Schedule E, line 28, column (j) Gross income from all sources Form 1116, Part I 5. Interest income Form 1040, line 8a Gross income sourced at partner 6a. Ordinary dividends Form 1040, line 9a level 6b. Qualified dividends Form 1040, line 9b Foreign gross income sourced at partnership level Royalties Schedule E, line 4 Passive category General category 8. Net short-term capital gain (loss) Schedule D, line 5, column (f) E Form 1116, Part I 9a. Net long-term capital gain (loss) F Schedule D, line 12, column (f) Other 9b. Collectibles (28%) gain (loss) Deductions allocated and apportioned at partner level 28% Rate Gain Worksheet, line 4 G (Schedule D instructions) Interest expense Form 1116, Part i 9c. Unrecaptured section 1250 gain н Other Form 1116, Part I See the Partner's Instructions 10. Net section 1231 gain (loss) See the Partner's Instructions Deductions allocated and apportioned at partnership level Other income (loss) to foreign source income 11. Code Passive category Α Other portfolio income (loss) See the Partner's Instructions General category Form 1116, Part I κ В Involuntary conversions See the Partner's Instructions Other Sec. 1256 contracts & straddles Other information Form 6781, line 1 Mining exploration costs recapture See Pub. 535 Total foreign taxes paid Form 1116, Part II Cancellation of debt Form 1040, line 21 or Form 982 Total foreign taxes accrued Form 1116, Part II N Reduction in taxes available for Other income (loss) See the Partner's Instructions Section 179 deduction credit Form 1116, line 12 See the Partner's Instructions O Foreign trading gross receipts Form 8873 Other deductions Extraterritorial income exclusion Form 8873 Cash contributions (50%) Other foreign transactions See the Partner's Instructions В Cash contributions (30%) Noncash contributions (50%) 17. Alternative minimum tax (AMT) items D See the Partner's Noncash contributions (30%) Post-1986 depreciation adjustment Instructions Ε See the Partner's Capital gain property to a 50% Adjusted gain or loss Instructions and organization (30%) Depletion (other than oil & gas) F Capital gain property (20%) the Instructions for Oil, gas, & geothermal -- gross income G Contributions (100%) Oil, gas, & geothermal -- deductions Form 6251 н Investment interest expense Form 4952, line 1 Other AMT items ı Deductions--royalty income Schedule E, line 18 18. Tax-exempt income and nondeductible expenses Section 59(e)(2) expenditures See the Partner's Instructions Tax-exempt interest income Form 1040, line 8b Κ Deductions--portfolio (2% floor) Schedule A, line 23 Other tax-exempt income See the Partner's Instructions Deductions--portfolio (other) Schedule A, line 28 Nondeductible expenses See the Partner's Instructions М 19. Distributions Amounts paid for medical insurance Schedule A, line 1 or Form 1040, Cash and marketable securities N Educational assistance benefits See the Partner's Instructions Other property
Distribution subject to Section 737 See the Partner's Instructions O Dependent care benefits Form 2441, line 14 Preproductive period expenses See the Partner's Instructions 20. Other information Q Commercial revitalization deduction from rental real estate activities Investment income Form 4952, line 4a See Form 8582 Instructions Form 4952, line 5 R Investment expenses Pensions and IRAs See the Partner's Instructions Fuel tax credit information Form 4136 S Reforestation expense deduction See the Partner's Instructions D Qualified rehabilitation expenditures T Domestic production activities information (other than rental real estate) See the Partner's Instructions See Form 8903 instructions Ε Basis of energy property See the Partner's Instructions Qualified production activities income Form 8903, line 7 Recapture of low-income housing Employer's Form W-2 wages Form 8903, line 15 credit (section 42(j)(5)) Form 8611, line 8 Ŵ See the Partner's Instructions Other deductions Recapture of low-income housing 14. Self-employment earnings (loss) Form 8611, line 8 credit (other) Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE. н Recapture of investment credit See Form 4255 Recapture of other credits See the Partner's Instructions Look-back interest -- completed Net earnings (loss) from self-employment long-term contracts See Form 8697 Schedule SE, Section A or B Look-back interest -- income forecast В Gross farming or fishing income See the Partner's Instructions method See Form 8866 Gross non-farmincome See the Partner's Instructions Dispositions of property with Credits section 179 deductions Low-income housing credit М Recapture of section 179 deduction (section 42(j)(5)) from pre-2008 Interest expense for corporate Ν See the Partner's Instructions buildings 0 Low-income housing credit (other) from pre-2008 buildings Section 453(I)(3) information В See the Partner's Instructions Section 453A(c) information Low-income housing credit (section 42(j)(5)) from post-2007 buildings Low-income housing credit (other) from post-2007 buildings C Q Section 1260(b) information Form 8586, line 11 See the Partner's Interest allocable to production expenditures D Instructions Form 8586, line 11 S CCF nonqualified withdrawals Qualified rehabilitation expenditures Ε (rental real estate) Depletion information -- oil and gas See the Partner's Instructions Other rental real estate credits U Amortization of reforestation costs Other rental credits Unrelated business taxable income Undistributed capital gains credit Form 1040, line 68; check box a W Precontribution gain (loss) Alcohol and cellulosic biofuel fuels Form 6478, line 9 Otherinformation

Pine Harbour Water Utilities LLC P O BOX 447 Fruitland Park, FL 34731

June 18, 2009

ROBERT STEWART P O BOX 447 Fruitland Park FL 34731

Dear ROBERT STEWART,

Enclosed is your 2008 federal Schedule K-1, Partner's Share of Income, Credits, Deductions from Pine Harbour Water Utilities LLC. Included on Schedule K-1 is your distributive share of income, deductions, credits, and other tax items that should be reported on your return. This information was included in the 2008 federal return, Form 1065, that was filed with the Internal Revenue Service.

The Federal Partner's Instructions for Schedule K-1 (Form 1065) have also been enclosed to assist you in completing your income tax return.

Your business is appreciated. Please call if you have any questions.

Sincerely,

# 1				Final K-1		ended K-		OMB No. 15	
Schedule K-1		2008	D.	art III	Partner's S				
(Form 1065)	For calendar ye				Deductions	***************		ther Items	
Department of the Treasury Internal Revenue Service	year beginning ending _	, 2008 , 20		Ordinary	business inc. (los	· 1	Credits		
Partner's Share of Credits, etc.	of Income, Dedu	the state of the s	2	Net renta	al real estate inc. (oss)			
			3	Other ne	t rental income (lo	ss) 16	Foreign t	ransactions	
Part I Inform A Partnership's employ	ation About the Pa	rtnership	4	Guerenta	and manuscrate				
26-3839121	er identification number		"	Guarante	ed payments				
B Partnership's name, a	address, city, state, and Z	IP code	5	Interest in	ncome				
Pine Harbour W P O BOX 447	Water Utiliti	es LLC	6a	Ordinary	dividends				
Fruitland Park			6b	Qualified	dividends				
C IRS Center where pa	rtnership filed return								
OGDEN	-		7	Royalties					
D Check if this is a	publicly traded partnershi	ip (PTP)	8	Net short	-term cap. gain (l	oss)			
			9a	Net long-	term cap. gain (lo	ss) 17	Alternativ	e min tax (AM	T) items
	ation About the Par	rtner	<u> </u>			A		1,	150
E Partner's identifying n 288-56-3387	lumber		9b	Collectible	es (28%) gain (los	s)			
F Partner's name, addre	ess, city, state, and ZIP co	ode	9c	Unrecapt	ured sec. 1250 ga	in			
ROBERT STEWART	Γ		10	Net section	n 1231 gain (loss) 18	Tax-exen	npt income an	ıd
P O BOX 447	T T 04-04						nondedu	ctible expense	:S
Fruitland Park			11	Other inco	ome (loss)				
G General partner or member-manager		partner or other LLC							
institution intuitings.	711011120	•	ļ			1			
H X Domestic partner	Foreign	n partner	ĺ						
		D D. 00-11	ļ			19	Distributio	ns	
1 ''	this partner? INDIVI	· · · · · · · · · · · · · · · · · · ·	12	Section 1	79 deduction				
Beginnin	fit, loss, and capital (see i	Ending	13	Other dec	luctions	_			
		33.3333 %		Other dec	14000113	20	Other info	rmation	
Loss 33.		33.3333 %							
Capital 33.	3333 %	33.3333 <u>%</u>							
K Partner's share of light	iliaine et vene en de								
K Partner's share of liab			14	Salf-amolo	yment earnings (loss)				
Qualified nonrecourse	•		A '	Sell-elitpio	-3,18	6			
Recourse		- sumas su			- /				
100	W-140000-1-1000								
L Partner's capital accou	-		*Se	e attach	ed statement	for add	ditional i	nformation	•
Beginning capital accor Capital contributed du		45,442							
Current year increase		-3,186	FO						
Withdrawals & distribu)	RE						
Ending capital accoun	nt	42,256	ΪO						
			RN						
Tax basis Other (explain)	☐ GAAP ☐ Sec	tion 704(b) book	Y						
C owner (expirant)		ļ							

Schedule K-1 (Form 1065) 2008

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing Information, see the separate Partner's Instructions for Schedule K-1 and the instructions Report on Code for your income tax return. Work opportunity credit Form 5884, line 3 Ř Disabled access credit See the Partner's Instructions 1. Ordinary business income (loss). Determine whether the income (loss) is Empowerment zone and renewal community employment credit ı passive or nonpassive and enter on your return as follows. Form 8844, line 3 М Credit for increasing research Report on See the Partner's Instructions See the Partner's Instructions Passive loss Credit for employer social security Schedule E, line 28, column (g) Passive income and Medicare taxes Form 8846, line 5 Schedule E, line 28, column (h) Nonpassive loss 0 Backup withholding Form 1040, line 62 Nonpassive income Schedule F. line 28, column (i) See the Partner's Instructions Other credits Net rental real estate income (loss) See the Partner's Instructions 16. Foreign transactions Other net rental income (loss) A Name of country or U.S. Schedule E, line 28, column (g) Net income possession See the Partner's Instructions Net loss Form 1116, Part! Gross income from all sources Guaranteed payments Schedule E, line 28, column (j) Gross income sourced at partner Form 1040, line 8a interest income 6a. Ordinary dividends level Form 1040, line 9a Foreign gross income sourced at partnership level Form 1040, line 9b 6b. Qualified dividends D Passive category Royalties Schedule E, line 4 7. Ε General category Form 1116, Part I Net short-term capital gain (loss) Schedule D, line 5, column (f) 8. 9a. Net long-term capital gain (loss) Schedule D, line 12, column (f) Deductions allocated and apportioned at partner level 28% Rate Gain Worksheet, line 4 9b. Collectibles (28%) gain (loss) Form 1116, Part I G Interest expense (Schedule D instructions) Form 1116, Part I н Other 9c. Unrecaptured section 1250 gain See the Partner's Instructions Deductions allocated and apportioned at partnership level Net section 1231 gain (loss) See the Partner's Instructions 10. to foreign source income Other income (loss) 11. Passive category Code General category Form 1116, Parti Other portfolio income (loss) See the Partner's Instructions K Other See the Partner's Instructions В Involuntary conversions Other information Form 6781, line 1 Sec. 1256 contracts & straddles Form 1116, Part II Total foreign taxes paid See Pub. 535 D Mining exploration costs recapture Form 1116, Part II M Total foreign taxes accrued Form 1040, line 21 or Form 982 Cancellation of debt N Reduction in taxes available for See the Partner's Instructions Other income (loss) Form 1116, line 12 credit See the Partner's Instructions Section 179 deduction O Foreign trading gross receipts Form 8873 Other deductions Extraterritorial income exclusion Form 8873 Cash contributions (50%) Other foreign transactions See the Partner's Instructions Cash contributions (30%) 17. Alternative minimum tax (AMT) items Noncash contributions (50%) Post-1986 depreciation adjustment See the Partner's Noncash contributions (30%) D See the Partner's Instructions Adjusted gain or loss Capital gain property to a 50% Instructions and Depletion (other than oil & gas) organization (30%) Oil, gas, & geothermal -- gross income the Instructions for Capital gain property (20%) Oil, gas, & geothermal -- deductions Form 6251 G Contributions (100%) Other AMT items Investment interest expense Н Form 4952, line 1 Tax-exempt income and nondeductible expenses Deductions--royalty income Schedule E, line 18 Form 1040, line 8b Section 59(e)(2) expenditures See the Partner's Instructions Tax-exempt interest income Other tax-exempt income See the Partner's Instructions Κ Deductions--portfolio (2% floor) Schedule A, line 23 See the Partner's Instructions Nondeductible expenses Schedule A, line 28 Deductions--portfolio (other) Distributions Amounts paid for medical insurance Schedule A, line 1 or Form 1040, м Cash and marketable securities See the Partner's Instructions N See the Partner's Instructions Other property Educational assistance benefits Distribution subject to Section 737 Dependent care benefits Form 2441, line 14 See the Partner's Instructions Other information Preproductive period expenses Commercial revitalization deduction from rental real estate activities Form 4952, line 4a Q Investment income See Form 8582 Instructions Form 4952, line 5 В Investment expenses R See the Partner's Instructions Pensions and IRAs Form 4136 C Fuel tax credit information See the Partner's Instructions Reforestation expense deduction Qualified rehabilitation expenditures D Domestic production activities information (other than rental real estate) See the Partner's Instructions Т See Form 8903 instructions Ε Basis of energy property See the Partner's Instructions Form 8903, line 7 Qualified production activities income 11 Recapture of low-income housing F Form 8903, line 15 Form 8611, line 8 Employer's Form W-2 wages credit (section 42(j)(5)) See the Partner's Instructions G Recapture of low-income housing Other deductions Form 8611, line 8 credit (other) Self-employment earnings (loss) See Form 4255 Note. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE. Recapture of investment credit Recapture of other credits See the Partner's Instructions Look-back interest -- completed See Form 8697 Net earnings (loss) from long-term contracts Schedule SE, Section A or B self-employment Look-back interest -- income forecast See the Partner's Instructions Gross farming or fishing income See Form 8866 method Gross non-farm income See the Partner's Instructions L Dispositions of property with Credits section 179 deductions 15. Recapture of section 179 deduction Low-income housing credit (section 42(j)(5)) from pre-2008 buildings Interest expense for corporate See the Partner's Instructions partners 0 Section 453(I)(3) information Low-income housing credit (other) from pre-2008 buildings ₿ See the Partner's instructions Section 453A(c) information Low-income housing credit (section 42(j)(5)) from post-2007 buildings O Section 1260(b) information C Form 8586, line 11 See the Partner's Interest allocable to production expenditures Low-income housing credit (other) from post-2007 buildings Instructions D Form 8586, line 11 S CCF nonqualified with drawals Ε Qualified rehabilitation expenditures (rental real estate) Depletion information -- oil and gas See the Partner's Instructions Other rental real estate credits Amortization of reforestation costs Other rental credits Unrelated business taxable income Form 1040, line 68; check box a Undistributed capital gains credit Precontribution gain (loss) Alcohol and cellulosic biofuel fuels Form 6478, line 9 Other information

Pine Harbour Water Utilities LLC P O BOX 447 Fruitland Park FL 34731

June 18, 2009

SANDRA WESSON P O BOX 447 Fruitland Park FL 34731

Dear SANDRA WESSON,

Enclosed is your 2008 federal Schedule K-1, Partner's Share of Income, Credits, Deductions from Pine Harbour Water Utilities LLC. Included on Schedule K-1 is your distributive share of income, deductions, credits, and other tax items that should be reported on your return. This information was included in the 2008 federal return, Form 1065, that was filed with the Internal Revenue Service.

The Federal Partner's Instructions for Schedule K-1 (Form 1065) have also been enclosed to assist you in completing your income tax return.

Your business is appreciated. Please call if you have any questions.

Sincerely,

# 3 Schedul (Form 10		2(For calendar year 2008,	008 , or tax				e of	OMB No. 1545-009 Current Year Income, 5, and Other Items
•	of the Treasury	•	, 2008 , 20	1		iness inc. (loss) -3,186	1	Credits
Partner Credits		ome, Deduction		2		Il estate inc. (loss)	ļ	
Part I		About the Partners] 3	Other net ren	tal income (loss)	16	Foreign transactions
	ership's employer identi			4	Guaranteed p	payments		
B Partn	ership's name, address,	city, state, and ZIP code	•	5	Interest incon	ne		
РОВС	X 447	T Utilities I	ıLC	6a	Ordinary divid			
	and Park FL Center where partnership			6b	Qualified divid	dends		
OGDEN	osmo, misio parmisionip	, IIIO 4 O.C.		7	Royalties			
рПс	heck if this is a publicly	traded partnership (PTP)		8	Net short-terr	n cap. gain (loss)		
Part II	Information A	bout the Partner		9a	Net long-tern	n cap. gain (loss)	17 A	Alternative min tax (AMT) items 1,151
E Partn	er's identifying number 2710			9b	Collectibles (2	28%) gain (loss)		
	er's name, address, city,	state, and ZIP code		9с	Unrecaptured	sec. 1250 gain	-	
L	WESSON			10	Net section 12	231 gain (loss)	18	Tax-exempt income and nondeductible expenses
G Ge	and Park FL eneral partner or LLC ember-manager emestic partner	34731 X Limited partner member Foreign partne		11	Other income	(loss)		
l .		ner? INDIVIDUAL		12	Section 179 d	eduction	19	Distributions
J Parine	Beginning	and capital (see instruction Ending		13	Other deducti	ons		
Profit Loss Capita	33.3333	% 33.3	333 %				20	Other information
Nonre Qualif	er's share of liabilities at vecourse	\$ ng \$		14 A	Self-employmen	tearnings (loss)		
	er's capital account analy		The state of the s	*Se	e attached	statement fo	r add	litional information.
Capita Currei Withdi Ending	ning capital account al contributed during the nt year increase (decreas rawals & distributions g capital account k basis GA ner (explain)	year \$ <u>4</u> se) \$	5,442 3,186) 2,256 4(b) book	FOR ONLY	3 5 1			

Schedule K-1 (Form 1065) 2008

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Qualifled dividends level Form 1040, line 9a Foreign gross income sourced at partnership level Form 1040, line 9b D Passive category Schedule E, line 4 Royalties Form 1116, Parti E General category Schedule D, line 5, column (f) Net short-term capital gain (loss) 8. F Other Schedule D, line 12, column (f) 9a. Net long-term capital gain (loss) Deductions allocated and apportioned at partner level 9b. Collectibles (28%) gain (loss) 28% Rate Gain Worksheet, line 4 Form 1116, Part I G Interest expense (Schedule D instructions) н Form 1116, Part I Other See the Partner's Instructions 9c. Unrecaptured section 1250 gain Deductions allocated and apportioned at partnership level Net section 1231 gain (loss) See the Partner's Instructions 10. to foreign source income Other income (loss) 11. 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Form 6478, line 9

Other information

OMB No. 1545-0130

U.S. Income Tax Return for an S Corporation

▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.

▶ See separate instructions. Department of the Treasury Internal Revenue Service

Fo	r cale	endar year 2009 or tax	k year begin	ning , ending					
Ā		ection effective date	Use IRS	Name Pine Harbour Wat	er Utilit	ies LLC			identification number
В		iness activity code nber (see instructions)	label. Other-	Number, street, and room or suite no.	If a P.O. box, see inst	tructions.	E D	ate incorp	porated
	22	1000	wise,	P O BOX 447					
С		ck if Sch. M-3	print or type.	City or town, state, and ZIP code Fruitland Park	FL 3	4731	F T	otal asset	s (see instructions) 97,303
G	ls th	he corporation electing	to be an S	corporation beginning with this tax	x year? Ye	s 🗶 No If "Y	es," attach	Form 25	553 if not already filed
н	Che	eck if: (1) Final re	eturn (2)	Name change (3) Add		-			•
ı	Ente	(), [] ,	led return eholders wh	(5) S electi no were shareholders during any pa	on termination or re art of the tax year	evocation			> 3
Ca				income and expenses on lines 1a		e instructions for mo	re informat	on.	
		Gross receipts or sales		24,275 b Less returns and			c Bal ▶	1c	24,275
d)	2	Cost of goods sold ((Schedule A	, line 8)				2	19,418
Income	3	Gross profit. Subtract	ct line 2 fro	n line 1c				3	4,857
5	4	Net gain (loss) from	Form 4797	, Part II, line 17 (attach Form 4797	")			4	
≐	5	Other income (loss)	(see instru	ctions—attach statement)				5	
_	6	Total income (loss).	. Add lines :	3 through 5			>	6	4,857
	7	Compensation of offi	icers					7	
(see instructions for limitations)	8	Salaries and wages ((less emplo	yment credits)				8	
itati	9	Repairs and mainten	nance	,				9	
Ξ	10	Bad debts						10	
s fo	11	Rents						11	
tion	12	Taxes and licenses .			<u></u>	<u></u>	٠٠٠ ئىر	12	2,003
struc	13	interest	4			······································		13	
ë	14	Depreciation sot clair	r ed in sch	nedide A or essewhere on tetyrn (a	ttach Form 4562)			14	24 398
es)	15	Contetion (Do ot de	uctoilen	neditle A or elsewheit on letern/(a d gas depletion				15	
Deductions	16	Advertising						16	
tio	17		ng, etc., pla	ns				17	
S	18	Employee benefit pro	ograms	ent)				18	
ed	19	Other deductions (att					!	19	7,920
	20	Total deductions. Ad	dd lines 7 th	nrough 19				20	34,321
_	21			s). Subtract line 20 from line 6				21	-29,464
				ecapture tax (see instructions)		22a		1	
nts		Tax from Schedule D	•	* ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	L	22b			
ent		Add lines 22a and 22b (s		* ***********	The state of the s	23a		22c	
Tax and Payme		Tax deposited with Fe	-	nd 2008 overpayment credited to 2		23b			
²a∖				ls (attach Form 4136)		23c		1	
d F		Add lines 23a through		is (attach 1 01111 4 130)	L	230		23d	
an	24	_		uctions). Check if Form 2220 is atta	ached			24	
ă	25			aller than the total of lines 22c and			·	25	
⊢	26			er than the total of lines 22c and 2				26	
	27	• •	-	ted to 2010 estimated tax ▶	, onto amount ove	•	ınded ▶	27	
		Under penalties of perju	ry, I declare t	hat I have examined this return, includir			May the IRS	fiscuss this	return with the preparer
Si	gn			belief, it is true, correct, and complete. reparer has any knowledge.	Declaration of prepare	er (other than taxpayer)	shown below		
He	ere		·	,					
		Signature of officer	r			Date	Title		
	1					Date	Check if sel	f_	Preparer's SSN or PTIN
Pa	id	Preparer's signature	•			01/25/10	employed	<u>" </u>	
		rer's Firm's name (or	. 1	Astutant Leesbur	g, LLC			EIN	
Us	e 0	nly yours if self-em		1035 W Dixie Ave		- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1		Phone	no.
		address, and Z	IP code	Leesburg, FL	3	4748-6349		352	-728-0980

-	1120S (2009) Pine Harbour Water Utilities LLC 26-3839121		Page
Sch	edule A Cost of Goods Sold (see instructions)		
41	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach statement) Stmt 2	4	19,41
5	Other costs (attach statement)	5	
6	Total. Add lines 1 through 5	6	19,41
	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	19,41
9a	Check all methods used for valuing closing inventory: (i) Cost as described in Regulations section 1.471-3		
	(ii) Lower of cost or market as described in Regulations section 1.471-4		
	(iii) ☐ Other (Specify method used and attach explanation.) ▶		
b	Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c)		▶
C	Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)		▶
	If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing		
		9d	
е	If property is produced or acquired for resale, do the rules of section 263A apply to the corporation?		Yes X N
f	Was there any change in determining quantities, cost, or valuations between opening and closing inventory?		Yes X No
	If "Yes," attach explanation.		
Sch	edule B Other Information (see instructions)		Yes No
1	Check accounting method: a X Cash b Accrual c Other (specify) ▶		
2	See the instructions and enter the:		
	a Business activity ▶ Utilities b Product or service ▶ Utilities		
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic		
	corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name and employed	r	
	identification number (EIN), (b) percentage owned, and (c) if 100% owned, was a QSub election made?		x
4	Has this corporation filed, or is it required to file, a return under section 6111 to provide information on any reportable		
	transaction?		
5	Check this box if the corporation issued publicly offered debt instruments with original issue discount		. ▶ □
	If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount		
	Instruments.		
6	If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an		
	asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a		
	C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized		
	built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior		
	years > \$		
7	Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$		
8	Are the corporation's total receipts (see instructions) for the tax year and its total assets at the end of the tax year less		
. 1	than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1.		x
Sche	edule K Shareholders' Pro Rata Share Items		Total amount
	1 Ordinary business income (loss) (page 1, line 21)	1	-29,464
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss) 3a		
	b Expenses from other rental activities (attach statement) 3b		
_	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
oss	4 Interest income	4	***************************************
Ę	5 Dividends: a Ordinary dividends	5a	***
Ē	b Qualified dividends 5b		
Income (Loss)	6 Royalties	6	
=	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7	<u> </u>
	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a	
	b Collectibles (28%) gain (loss)	- Gu	
	c Unrecaptured section 1250 gain (attach statement)		
	9 Net section 1231 gain (loss) (attach Form 4797)	9	
	10 Other income (loss) (see instructions) Type	10	

Form 11	20S (2009) Pine Harbour Water Utilities LLC 26-3839121		Page 3
1013111	Shareholders' Pro Rata Share Items (continued)		Total amount
ે ઇ	11 Section 179 deduction (attach Form 4562)	_11	
Deductions	12a Contributions	12a	
duc	b Investment interest expense	12b	
De	c Section 59(e)(2) expenditures (1) Type ► (2) Amount ►	12c(2)	
	d Other deductions (see instructions)	12d	
	13a Low-income housing credit (section 42(j)(5))	_13a	
	b Low-income housing credit (other)	13b	
v	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	13c	
Credits	d Other rental real estate credits (see instructions) Type ▶	13d	
Cre	e Other rental credits (see instructions) Type ▶	13e	
!	f Alcohol and cellulosic biofuel fuels credit (attach Form 6478)	13f	
	g Other credits (see instructions)	13g	
	14a Name of country or U.S. possession ▶		
,	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level	14c	~···
	Foreign gross income sourced at corporate level		
	d Passive category	14d	
ટ	e General category	14e	
Foreign Transactions	f Other (attach statement)	14f	
sac	Deductions allocated and apportioned at shareholder level		
, a	g Interest expense	14g	
Ē	h Other	14h	
eig	Deductions allocated and apportioned at corporate level to foreign source income		
Fōr	i Passive category	14i	
	j General category	14 <u>j</u>	
	k Other (attach statement)	14k	
	Other information		
	I Total foreign taxes (check one): ▶ ☐ Paid ☐ Accrued	141	
	m Reduction in taxes available for credit (attach statement)	14m	
	n Other foreign tax information (attach statement)	100	
	15a Post-1986 depreciation adjustment	15a	5,163
s ax	b Adjusted gain or loss	15b	
ativ Fe J	c Depletion (other than oil and gas)	15c	
Iternative nimum Tax MT) Items	d Oil, gas, and geothermal properties—gross income	15d	
A Mini	e Oil, gas, and geothermal properties—deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
the sis	c Nondeductible expenses	16c	
is A lare Ba	d Property distributions	16d	
E S	e Repayment of loans from shareholders	16e	
<u>=</u>	17a Investment income	17a	
atio	b Investment expenses	17b	
ĔĔ	c Dividend distributions paid from accumulated earnings and profits	17c	
Other Information	d Other items and amounts (attach statement)		
	u Oard, rollid and amounto (attach outstrong		
Recon- ciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right		
₽ ∺	column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	-29,464
			44444

Form **1120S** (2009)

Beginning of tax year

26-3839121

Page 4

End of tax year

Pine Harbour Water Utilities LLC

Balance Sheets per Books

Form 1120S (2009)

Schedule L

•					6 7 17 13
Schedule K-1 Form 1120S)	2009 or calendar year 2009, or tax			are of	OMB No. 1545-0130 F Current Year Income, nd Other Items
	ear beginningending	1	Ordinary business income (loss) -9,821	13	Credits
		2	Net rental real estate income (loss)		
Shareholder's Share of Incor Credits, etc. → See back of f	ne, Deductions, form and separate instructions.	3	Other net rental income (loss)		
Part I Information About the	Corporation	4	Interest income		
A Corporation's employer identification number 26-3839121	•	5a	Ordinary dividends		
B Corporation's name, address, city, state, and ZIF Pine Harbour Water U		5b	Qualified dividends	14	Foreign transactions
P O BOX 447		6	Royalties		
Fruitland Park	FL 34731	7	Net short-term capital gain (loss)		
C IRS Center where corporation filed return Ogden, UT 84201		8a	Net long-term capital gain (loss)		
Part II Information About the	Shareholder :	8b	Collectibles (28%) gain (loss)		
D Shareholder's identifying number 288-56-3387		8c	Unrecaptured section 1250 gain		
E Shareholder's name, address, city, state, and ZIF Robert Stewart	ode code	9	Net section 1231 gain (loss)		
P.O. Box 447		10	Other income (loss)	15 A	Alternative minimum tax (AMT) items 1,721
Fruitland Park	FL 34731				_,,==
F Shareholder's percentage of stock	33.333300%				
ownership for tax year	33.333300 %				
		11	Section 179 deduction	16	Items affecting shareholder basis
		12	Other deductions		
e Only					
For IRS Use Only					
POT				17	Other information
			* See attached statement	for a	udditional information.

	·		Final K-1	Amended K-	·1	OMB No. 1545-0130
	nedule K-1 2009	Pa	rt III Shareh	older's Sha	re of	Current Year Income, and Other Items
epa	orm 1120S) For calendar year 2009, or tax artment of the Treasury nal Revenue Service article	1	Ordinary business in -9,	come (loss)	13	Credits
	ending	2	Net rental real estate			
	edits, etc. See back of form and separate instructions.	3	Other net rental inco	me (loss)		
	Part I Information About the Corporation	4	Interest income			
A	Corporation's employer identification number 26-3839121	5a	Ordinary dividends			
В	Corporation's name, address, city, state, and ZIP code Pine Harbour Water Utilities LLC	5b	Qualified dividends		14	Foreign transactions
	P O BOX 447	6	Royalties			
	Fruitland Park FL 34731	7	Net short-term capita	al gain (loss)		
С	IRS Center where corporation filed return Ogden, UT 84201	8a	Net long-term capita	l gain (loss)		
	Part II Information About the Shareholder	8b	Collectibles (28%) ga	ain (l o ss)		
D	Shareholder's identifying number 334-50-8852	8c	Unrecaptured sectio	n 1250 gain		
E	Shareholder's name, address, city, state, and ZIP code Madeline Lipsky	9	Net section 1231 gai	in (loss)		
	P.O. Box 447	10	Other income (loss)		15 A	Alternative minimum tax (AMT) items 1,721
	Fruitland Park FL 34731					
F	Shareholder's percentage of stock ownership for tax year 33.333300 %					
	ownership for tax year 33.33300 %					
		11	Section 179 deducti	on	16	Items affecting shareholder basis
		12	Other deductions			
e Only						
For IRS Use Only						
For 1					17	Other information
			* See attache	d statemen	t for a	additional information.

	•			67110
0000		Final K-1 Amended H	T2. 4: 14	OMB No. 1545-013
Schedule K-1 2009 (Form 1120S) For calendar year 2009, or tax	Pa	Shareholder's Shareholder's Shareholder's Credi		Current Year Income, and Other Items
Department of the Treasury year beginning	1	Ordinary business income (loss) -9,822	13	Credits
	2	Net rental real estate income (loss)		
Shareholder's Share of Income, Deductions, Credits, etc. See back of form and separate instructions.	3	Other net rental income (loss)		
Part I Information About the Corporation	4	Interest income		
A Corporation's employer identification number 26-3839121	5a	Ordinary dividends		
B Corporation's name, address, city, state, and ZIP code Pine Harbour Water Utilities LLC	5b	Qualified dividends	14	Foreign transactions
P O BOX 447	6	Royalties		
Fruitland Park FL 34731	7	Net short-term capital gain (loss)		
C IRS Center where corporation filed return Ogden, UT 84201	8a	Net long-term capital gain (loss)		
Part II Information About the Shareholder	8b	Collectibles (28%) gain (loss)		
D Shareholder's identifying number 056-44-2710	8c	Unrecaptured section 1250 gain		
E Shareholder's name, address, city, state, and ZIP code Sandra Wesson	9	Net section 1231 gain (loss)		
P.O. Box 447	10	Other income (loss)	15 A	Alternative minimum tax (AMT) items 1,721
Fruitland Park FL 34731				
F Shareholder's percentage of stock ownership for tax year 33.33300 %				·
			,	
	11	Section 179 deduction	16	Items affecting shareholder basis
	12	Other deductions		
>				
oriy				
For IRS Use Only				
For			17	Other information
				·

* See attached statement for additional information.

Federal Statements

Statement 1 - Form 1120S, Page 1, Line 19 - Other Deductions

Description	 \mount
Bank charges	\$ 467
Dues / subscriptions	212
Legal / professional	1,976
Supplies	200
Utilities	1,519
Yard Maintenance	2,210
Insurance	1,303
Amortization	 33
Total	\$ 7,920

Federal Statements

Statement 2 - Form 1120S, Page 2, Schedule A, Line 4 - Additional 263A Costs

Description	Amount
Sub Contract	\$ 19,418
Total	\$ 19,418

Federal Asset Report Form 1120S, Page 1

				. 4 1 2				
Asset	Description	Date In Service	Cost	Bus Sec % 179Bonus	Basis for Depr	PerConv Meth	Prior	Current
7.000.		· ·						:
Prior :	MACRS:							
1	Hydrants	1/01/08	4,547	X X	3,897	7 HY 200DB 7 HY 200DB	650 813	1,113 1,394
2	Services Standpipes	1/01/08 1/01/08	5,692 15,811	X X	4,879 13,552	7 HY 200DB	2,259	3,872
4	Structures	1/01/08	5,794	••	5,794	39 MM S/L	143	149
5	Structures	1/01/08	25,000	Х	25,000	39 MM S/L 7 HY 200DB	615 884	641 1,515
6	Supply Mains Meters and Meters	1/01/08 1/01/08	6,188 5,270	X	5,304 4,517	7 HY 200DB	753	1,291
8	Pumping Equipment	1/01/08	16,314	X	13,983	7 HY 200DB	2,331	3,995
9	Wells and Springs	1/01/08 1/01/08	7,763 12,000	X X	6,654 10,285	7 HY 200DB 7 HY 200DB	1,109 1,715	1,901 2,939
10 13	Wells and Springs Transmission Lines	1/01/08	22,468	X	19,257	7 HY 200DB	3,211	5,502
14	Water Treatment Eq	1/01/08	350	X	300	7 HY 200DB	50	86
		_	127,197		113,422	,	14,533	24,398
		_						
Other	Depreciation:							
11	Land - Land Rights	1/01/08	5,000	,	5,000	0 Land	0	0
	Total Other Depreciation	_	5,000		5,000		0	0
	Total ACRS and Other Depre	ciation _	5,000		5,000	:	0	0
		_						
Amort	ization:							
12	Organization Costs	1/01/08	500		500	15 MOAmort	33	33
		=	500	:	500	:	33	33
	Grand Totals		132,697		118,922		14,566	24,431
	Less: Dispositions and Transfe	ers	0		0		0	0
	Less: Start-up/Org Expense	_						
	Net Grand Totals	=	132,697	:	118,922	:	14,566	24,431

Depreciation Adjustment Report All Business Activities

Form Unit		Description	Tax	AMT	AMT Adjustments/ <u>Preferences</u>
MACRS Adj	ustments:				
Page 1 1	1 2 3 4 5 6 7 8 9 10 13 14	Hydrants Services Standpipes Structures Structures Supply Mains Meters and Meters Pumping Equipment Wells and Springs Wells and Springs Transmission Lines Water Treatment Eq	1,113 1,394 3,872 149 641 1,515 1,291 3,995 1,901 2,939 5,502 86 24,398	870 1,089 3,025 149 641 1,184 1,008 3,122 1,485 2,296 4,299 67	243 305 847 0 0 331 283 873 416 643 1,203 19 5,163

Future Depreciation Report FYE: 12/31/10 Form 1120S, Page 1

Asset	Description	Date In Service	Cost	Tax	AMT
Prior M	IACRS:				
1 2 3 4 5 6 7 8 9 10 13 14	Hydrants Services Standpipes Structures Structures Supply Mains Meters and Meters Pumping Equipment Wells and Springs Wells and Springs Transmission Lines Water Treatment Eq	1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08	4,547 5,692 15,811 5,794 25,000 6,188 5,270 16,314 7,763 12,000 22,468 350	796 996 2,766 148 641 1,083 921 2,854 1,358 2,099 3,930 61 17,653	684 856 2,377 148 641 930 793 2,452 1,168 1,804 3,378 53
Other I	Depreciation:				
11	Land - Land Rights Total Other Depreciation	1/01/08	5,000	0 0	0
	Total ACRS and Other Depreciation		5,000	0	0
<u>Amorti</u>	zation:				
12	Organization Costs	1/01/08	500	34	34
	Grand Totals		132,697	17,687	15,318

Form 1120S	Retained Earnings Reco	nciliation Worksheet	2009
1,0411 11200	For calendar year 2009 or tax year beginning	, ending	
Name			Employer Identification Number
Pine Har	bour Water Utilities LLC		26-3839121
	Schedule L - Reta	nined Earnings	
	Retained Earnings - Unappropriated Accumulated Adjustments Account Other Adjustments Account Undistributed Previously Taxed Income	0 -39,022 0 0	
	Schedule L, Line 24 - Retained Earnings	-39,022	

Schedule M-2 - Retained Earnings

	Accumulated Adjustments Account	Other Adjustments Account	Undistributed Previously Taxed Income	Retained Earnings Unappropriated/ Timing Differences	Total Retained Earnings
Beg Yr Bal Ordinary Inc (Loss)	-9,558 -29,464	0	0	0	-9,558 -29,464
Other Additions Other Reductions Distributions					
End Yr Bal		0	0	0	-39,022

Florida Form 405 Return Summary

For assessment period beginning 01/01/09 and ending 12/31/09 Pine Harbour Water Utilities LLC 26-3839121

Fair Market Value Original Installed Cost

Office furniture, office machines and library
EDP Equipment, computers, word processors
Store, bar and lounge, and restaurant furniture and equipment, etc.
Machinery and manufacturing equipment
Farm, grove, and dairy equipment
Professional, medical, dental, and laboratory equipment
Hotel, motel, and apartment complex
Rental units - stove, refrigerator, furniture, drapes, and appliances
Mobile home attachments
Service station and bulk plant equipment
Signs - billboard, pole, wall, portable, directional, etc.
Leasehold improvements
Pollution control equipment
Equipment owned but rented, leased, or held by others

Supplies - not held for resale

Assets removed during last year Leased, loaned, and rented equipment

Other property

Department of the Treasury Internal Revenue Service

U.S. Income Tax Return for an S Corporation

▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.

▶ See separate instructions.

OMB No. 1545-0130

2010

Fo	r cale	endar y	ear 2010 or to	ax year begin	ning	, endinç	9						
A		ection e	ffective date / 0 9	Use IRS	Name Pine Har	bour W	ater U	tilities L	LC			dentification num! 39121	ber
В			tivity code instructions)	label. Other-	Number, street, and	d room or suite	no. If a P.O. be	ox, see instructions.		E D	ate incorpo	orated	
	22	100	0	wise,	101 Sate	llite (Court						
С		ck if Scl	n. M-3	print or type.	City or town, state, Leesburg			FL 34748		F T	otal assets	(see instructions)	
G	Is th	ne cord	oration electi	ng to be an S	corporation begin		tax year?	Yes X No	If "Yes,"	attach	Form 255	53 if not already fi	iled
Н		eck if: (_		Name change		Address char		,			,	
		-		ded return	(5		ection termina	ation or revocation					
1					no were shareholde						<u></u>	.	3
Са								See the instruction	ns for more in	nformati	ion.		
	1a		receipts or sale		23,189 b					Bai 🕨	1c		189
<u>e</u>	2	Cost	of goods sold	I (Schedule A							2		729
Income	3		s profit. Subtr								3	9,	460
2	4	Net ç	jain (loss) fror	n Form 4797	, Part II, line 17 (at	tach Form 47	797)				4		
	5										5		4.60
	6										6	9,	460
~	7										7		
ţį	8		-		•						8		
mita	9										10		·
ŏ	10										11		
ns 1	11 12										12	1 _	927
ncţi		Taxes	and incenses	**				F	B. I		13		<u> </u>
nstri	14	Dopre		in od o to	and a A or a sw	b Con alum	attach Form	0.4562)			14	- 1 67	653
(see instructions for limitations)	15	Depre	io (Po vote	eductioi an	(weden to A elaber	UV	(attaces on	n 4562) O	·· ·· V (15		
S)	16	Adver	tisina	TO MAN COMPINED IN	in desimple uses					•••	16		
Deductions	17		•	ing etc. nla	 ne						17		·
ੜ	18		oyee benefit p	rograms							18		
귱	19		deductions (a	ittach statem	ent)			See	Stmt 1		19	6,	726
Ö	20			Add lines 7 th	rough 19						20		306
	21										21	-16,	
	22a				ecapture tax (see instr						1.1		····
	ь		om Schedule					0.06					
ıts	С	Add lin	es 22a and 22b	(see instructio	ns for additional taxes						22c		
Paymer					nd 2009 overpayme		o 2010	23a					
Ŋ			eposited with					225					
Pa	С	Credit	for federal ta	x paid on fue	ls (attach Form 41	36)		23c					
and	d		nes 23a throu	- 1 - 00 -							23d		
a	24	Estim	ated tax pena	Ity (see instru	uctions). Check if F	orm 2220 is	attached		>		24	- · · · · · · · · · · · · · · · · · · ·	
Тах	25				aller than the total o						25		
	26	Overp	ayment. If lin	e 23d is larg	er than the total of	lines 22c and	d 24, enter a	mount overpaid			26		
\Box	27				ited to 2011 estima				Refunde		27		
		Under and to	penalties of per the best of my	jury, I declare i knowledge and	that I have examined t I belief, it is true, corre	this return, inclu ct, and comple	uding accompa ite. Declaration	nying schedules and st of preparer (other than	taxpayer) """			eturn with the preparer	¬
Si	gn	is bas	ed on all informa	ation of which p	preparer has any know	iledge.		1	sho	wn below	(see instructi	ons)? X Yes	No
He	ere	_							_ 🕨 _				
		7 5	Signature of office			T		Date	Titl				
_			Print/Type pre			Preparer's si	gnature		Date		Check if [□ PTIN	
Pa		- ابر هـ			III, CPA	1			01/19		self-emplo		
	•	rer's			tant Lees		LLC			Firm's EIN	▶ 20	0-5288749	,
US	e O	niy	Firm's addres		W Dixie	Ave	4	1710 5310		0 5-	250	_720 0000	n
				Lees	burg, FL			4748-6349		Phone n	o. 332	<u>-728-0980</u>	J

Form 11	20 S (2010) Pine Harbour Water Utilities LLC 26-3839121	·	Page 3
		Shareholders' Pro Rata Share Items (continued)		Total amount
S	11	Section 179 deduction (attach Form 4562)	11	
tion		Contributions	12a	
Deductions		Investment interest expense	12b	
Dec		Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c(2)	
	Ч	Other deductions (see instructions)	12d	
		Low-income housing credit (section 42(j)(5))	13a	
ts		Low-income housing credit (other)	13b	
		Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	13c	
dits	l .	Other rental real estate credits (see instructions) Type	13d	
Credits		Other rental credits (see instructions) Type ▶	13e	
		Alcohol and cellulosic biofuel fuels credit (attach Form 6478)	13f	
		Other credits (see instructions) Type	13g	
		Name of country or U.S. possession ▶		
	ı	Gross income from all sources	1 1	
	ָ -	Gross income sourced at shareholder level	14c	
	C	Foreign gross income sourced at corporate level		
	١.		14d	
so		Passive category	110	
<u></u>		General category	14f	
act		Other (attach statement) Deductions allocated and apportioned at shareholder level	7 1 1 1	
ans	1		14g	
Foreign Transactions		Interest expense	14h	
	n	Other Deductions allocated and apportioned at corporate level to foreign source income		
ore	1		14i	
u.		Passive category	44:	-
		General category	14k	
	K	Other (attach statement)		
	١.	Other information Total foreign taxes (check one): ▶ ☐ Paid ☐ Accrued	141	
	l	-	14m	
		Reduction in taxes available for credit (attach statement)		
		Other foreign tax information (attach statement)	15a	2,369
ω×ω	i	Post-1986 depreciation adjustment	15b	
en Tive	1	Adjusted gain or loss	15c	
E E		Depletion (other than oil and gas)	15d	
Alternative Minimum Tax (AMT) Items	1	Oil, gas, and geothermal properties – gross income	15e	
4≅%		Oil, gas, and geothermal properties – deductions	15f	
		Other AMT items (attach statement)	16a	
Items Affecting Shareholder Basis		Tax-exempt interest income	16b	
is Sis		Other tax-exempt income	16c	
arel Bas		Nondeductible expenses	16d	
Sh		Distributions (attach statement if required) (see instructions)	16e	
<u> </u>		Repayment of loans from shareholders	17a	
ţi		Investment income	4 = 4	
the		Investment expenses		
Other Information		Dividend distributions paid from accumulated earnings and profits	176	
	d	Other items and amounts (attach statement)	# 1 4 4 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Province the periodical recognition of the constraint
Recon- ciliation		must be a little to a second and the second 40 in the for right		
iiat iiiat	18	Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	-16,846
ں —	1	COMMIN. From the result, Subtract the sum of the amounts of these of through 725 and 74		

Form 1120S (2010)

	1120S (2010) Pine Harbour Waredule L Balance Sheets per Books	Beginning	of tax year			End of t	ax year		
SCII	Assets	(a)		(b)	, (c)		(d)		
		\		1,887			3,943		
1 2a	Trade notes and accounts receivable	1,716				501			
Za b	Less allowance for bad debts			1,716			501		
3	Inventories								
4	U.S. government obligations								
5	Tax-exempt securities (see instructions)								
6	Other current assets (attach statement)								
7	Loans to shareholders								
8	Mortgage and real estate loans								
9	Other investments (attach statement)		L						
10a	Buildings and other depreciable assets	127,197				,197	50 612		
b	Less accumulated depreciation	38,931		88,266	(56	,584	70,613		
11a	Depletable assets								
b	Less accumulated depletion		<u> </u>				F 000		
12	Land (net of any amortization)			5,000			5,000		
13a	Intangible assets (amortizable only)	500	Contraction of the Contraction			500	400		
b	Less accumulated amortization	66	1	434	(100	400		
14	Other assets (attach statement)						80,457		
15	Total assets		S Committee of the comm	97,303	CELONIA CONTRACTOR		80,45/		
	Liabilities and Shareholders' Equity								
16	Accounts payable								
17	Mortgages, notes, bonds payable in less than 1 year								
18	Other current liabilities (attach statement)								
19	Loans from shareholders		ļ						
20	Mortgages, notes, bonds payable in 1 year or more								
21	Other liabilities (attach statement)								
22	Capital stock			100 005			126 225		
23	Additional paid-in capital			136,325			136,325		
24	Retained earnings			-39,022			-55,868		
25	Adjustments to shareholders' equity (attach statement)						,		
26	Less cost of treasury stock		<u> </u>				80,457		
27	Total liabilities and shareholders' equity		34//11 1	97,303	\ = an Datuum		00,437		
Scl	nedule M-1 Reconciliation of Incon	ne (Loss) per Book	s With I	ncome (Loss) per Heturn				
	Note: Schedule M-3 required in	nstead of Schedule M-1 i	f total ass	ets are \$10 millior	n or more – see ir	struction	S		
1	Net income (loss) per books	-16,846		ne recorded on book		aea			
2	Income included on Schedule K, lines 1, 2, 3c, 4,			chedule K, lines 1 thr					
	5a, 6, 7, 8a, 9, and 10, not recorded on books this		a Tax-	exempt interest \$					
	year (itemize):		:		0-11 to 1/ 1/-				
3	Expenses recorded on books this year not			uctions included o					
	included on Schedule K, lines 1 through 12			ough 12 and 14l,		nst			
	and 14I (itemize):			cincome this year					
а	Depreciation \$		a Dep	reciation \$					
b	Travel and entertainment \$:						
	.,	1.5 0.4.5	7 Add	lines 5 and 6			-16,846		
4	Add lines 1 through 3	-16,846	8 Incor	ne (loss) (Schedule	N, line To). Line 4 le	at and			
Sc	hedule M-2 Analysis of Accumulate	ed Adjustments Ac	count, t	Jiner Adjusiii (aaa inatrustic	nents Accour	it, and	Silarenolders		
	Undistributed Taxable					(-) (Shareholders' undistributed		
		(a) Accumulated		(b) Other ac		(c) s	ole income previously taxed		
		adjustments accou		2000					
1	Balance at beginning of tax year		9,022						
2	Ordinary income from page 1, line 21								
3	Other additions								
4	Loss from page 1, line 21	10	6,846						
5	Other reductions		- 0.55	(19.60 F			
6	Combine lines 1 through 5	-5!	5,868						
7	Distributions other than dividend distributions								
8	Balance at end of tax year. Subtract line 7 from line 6		5 <u>,868</u>	<u> </u>		L	5 1120 C (0010		

chedule K-1 Form 1120S)	2010	Pa			f Current Year Income,
epartment of the Treasury ernal Revenue Service	For calendar year 2010, or tax year beginning ending	1	Deductions, Credi Ordinary business income (loss) -5,615	ts, a	Credits
		2	Net rental real estate income (loss)		
hareholder's Share of redits, etc.	Income, Deductions, back of form and separate instructions.	3	Other net rental income (loss)		
Part I Information Abo	out the Corporation	4	Interest income		
Corporation's employer identification n 26-3839121	umber	5a	Ordinary dividends		
Corporation's name, address, city, state	e, and ZIP code er Utilities LLC	5b	Qualified dividends	14	Foreign transactions
101 Satellite Co	Ţ	6	Royalties		
Leesburg	FL 34748	7	Net short-term capital gain (loss)		
IRS Center where corporation filed retu Ogden, UT 84201	ırn	8a	Net long-term capital gain (loss)		
	out the Shareholder	8b	Collectibles (28%) gain (loss)		
Shareholder's identifying number 288-56-3387		8c	Unrecaptured section 1250 gain		
Shareholder's name, address, city, state Robert Stewart	e, and ZIP code	9	Net section 1231 gain (loss)		·
P.O. Box 447 Fruitland Park	FL 34731	10	Other income (loss)	15 A	Alternative minimum tax (AMT) items
Shareholder's percentage of stock ownership for tax year	33.333300%				
	1	1	Section 179 deduction	16	Items affecting shareholder basis
	1	2	Other deductions		
·					
				17	Other information

·			Final K-1	Amended I	K-1	OMB No. 1545-01
Schedule K-1 (Form 1120S)	2010 For calendar year 2010, or tax	P				of Current Year Income, and Other Items
Department of the Treasury Internal Revenue Service	year beginning	1	Ordinary business in	come (loss)	13	Credits
		2	Net rental real estate	income (loss)		
Shareholder's Share o Credits, etc. → se	f Income, Deductions, e back of form and separate instructions.	3	Other net rental incor	ne (loss)		
Part I Information Ab	out the Corporation	4	Interest income			
A Corporation's employer identification 26-3839121	number	5а	Ordinary dividends			
B Corporation's name, address, city, sta Pine Harbour Wat	ate, and ZIP code ter Utilities LLC	5b	Qualified dividends		14	Foreign transactions
101 Satellite Co	ourt	6	Royalties			
Leesburg	FL 34748	7	Net short-term capital	gain (loss)		
c IRS Center where corporation filed ret Ogden, UT 84201		8a	Net long-term capital	gain (loss)		
	out the Shareholder	8b	Collectibles (28%) gai	n (loss)		
D Shareholder's identifying number 334-50-8852		8c	Unrecaptured section	1250 gain		
E Shareholder's name, address, city, sta Madeline Lipsky	ate, and ZIP code	9	Net section 1231 gain	(loss)		
P.O. Box 447		10	Other income (loss)		15 A	Alternative minimum tax (AMT) items
Fruitland Park	FL 34731		-			
F Shareholder's percentage of stock ownership for tax year	33.333300 %					
		11	Section 179 deduction		16	Items affecting shareholder basis
		12	Other deductions			
5					17	Other information

			* See attached s	tatement f	or a	dditional information

				671110
Schedule K-1 2010	Fig. 7am ob 800	Final K-1 Amended F		OMB No. 1545-0130 Current Year Income,
Schedule K-1 ZUIU Form 1120S) For calendar year 2010, or tax	<u> </u> Pa	ort III Shareholder's Sha Deductions, Credi		
epartment of the Treasury year beginning	1	Ordinary business income (loss)	13	Credits
ending	2	-5,616 Net rental real estate income (loss)		
		Net rental real estate income (1033)		
Shareholder's Share of Income, Deductions, Credits, etc. See back of form and separate instructions.	3	Other net rental income (loss)		
Part I Information About the Corporation	4	Interest income		
A Corporation's employer identification number 26-3839121	5a	Ordinary dividends		
B Corporation's name, address, city, state, and ZIP code Pine Harbour Water Utilities LLC	5b	Qualified dividends	14	Foreign transactions
404 G.L. 11th Count	6	Royalties		
101 Satellite Court Leesburg FL 34748	7	Net short-term capital gain (loss)		
C IRS Center where corporation filed return Ogden, UT 84201	8a	Net long-term capital gain (loss)		
Part II Information About the Shareholder	8b	Collectibles (28%) gain (loss)		
D Shareholder's identifying number 056-44-2710	8 c	Unrecaptured section 1250 gain		
E Shareholder's name, address, city, state, and ZIP code Sandra Wesson	9	Net section 1231 gain (loss)		
P.O. Box 447	10	Other income (loss)	15 A	Alternative minimum tax (AMT) items 790
Fruitland Park FL 34731				
F Shareholder's percentage of stock ownership for tax year 33.333300 %				
	<u> </u>			
	11	Section 179 deduction	16	Items affecting shareholder basis
	11	Section 179 deduction		nemo aneoding sharonoids basis
	12	Other deductions		
>				
For IRS Use Only				
USB TO THE TOTAL THE TOTAL TO T				
For			17	Other information

* See attached statement for additional information.

04462 Pine Harbour Water Utilities LLC

Federal Statements

1/19/2011 3:35 PM

26-3839121

FYE: 12/31/2010

Statement 1 - Form 1120S, Page 1, Line 19 - Other Deductions

Description	 Amount
Bank charges	\$ 180
Dues / subscriptions	225
Legal / professional	925
Supplies	103
Utilities	960
Yard Maintenance	2,410
Insurance	1,870
Other Expenses	19
Amortization	34
Total	\$ 6,726

04462 Pine Harbour Water Utilities LLC

26-3839121

Federal Statements

FYE: 12/31/2010

Statement 2 - Form 1120S, Page 2, Schedule A, Line 4 - Additional 263A Costs

Description	 Amount
Sub Contract	\$ 13,729
Total	\$ 13,729

1/19/2011 3:35 PM

FYE: 12/31/2010

04462 Pine Harbour Water Utilities LLC 26-3839121 Federal Asset Report Form 1120S, Page 1

Asset	Description	Date In Service	Cost	Bus Sec % 179Bonus	Basis for Depr	PerConv Meth	<u>Prior</u> .	Current_
1 2 3 4 5 5 6 5 7 1 8 1 1 1 1 1 1 1 1	MACRS: Hydrants Services Standpipes Structures Structures Supply Mains Meters and Meters Pumping Equipment Wells and Springs Wells and Springs Wells and Springs Transmission Lines Water Treatment Eq	1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08	4,547 5,692 15,811 5,794 25,000 6,188 5,270 16,314 7,763 12,000 22,468 350 127,197	X X X X X X X X X	2,784 3,485 9,680 5,794 25,000 3,789 3,226 9,988 4,753 7,346 13,755 214 89,814	39 MM S/L 39 MM S/L 7 HY 200DB 7 HY 200DB 7 HY 200DB 7 HY 200DB	1,763 2,207 6,131 292 1,256 2,399 2,044 6,326 3,010 4,654 8,713 136 38,931	796 996 2,766 148 641 1,083 921 2,854 1,358 2,099 3,930 61 17,653
	Depreciation: Land - Land Rights Total Other Depreciation	1/01/08 _	5,000 5,000		5,000 5,000	0 Land	0	0 0
	Total ACRS and Other Depre	ciation _	5,000	:	5,000			0
Amorti 12	zation: Organization Costs	1/01/08	500 500		500 500	15 MOAmort	66	34
	Grand Totals Less: Dispositions and Transfe Less: Start-up/Org Expense Net Grand Totals	rs - =	132,697 0 0 132,697	-	95,314 0 0 95.314		38,997 0 0 38,997	17,687 0 0 17,687

04462 Pine Harbour Water Utilities LLC 26-3839121 Bonus Depreciation Report

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FYE: 12/31/2010

Asset Activity	Property Description y: Form 1120S, Page 1	Date In Service	Tax Cost	Bus Pct	Tax Sec 179 Exp	Current Bonus	Prior Bonus	Tax - Basis for Depr
2 3 6 7 8 9 10 13	Hydrants Services Standpipes Supply Mains Meters and Meters Pumping Equipment Wells and Springs Wells and Springs Wells and Exprings Wransmission Lines Water Treatment Eq	1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08	4,547 5,692 15,811 6,188 5,270 16,314 7,763 12,000 22,468 350 96,403	100 100 100 100 100 100 100 100 100	0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0	1,763 2,207 6,131 2,399 2,044 6,326 3,010 4,654 8,713 136	2,784 3,485 9,680 3,789 3,226 9,988 4,753 7,346 13,755 214 59,020
		Grand Total	96,403		0	0	37,383	59,020

04462 Pine Harbour Water Utilities LLC
26-3839121 AMT Asset Report Form 1120S, Page 1

01/19/2011 3:35 PM

FYE: 12/31/2010

Asset	Description	Date In Service	Cost	Bus Sec % 179Bonus	Basis for Depr	PerConv Meth	Prior	Current
8 Pumping 9 Wells an 10 Wells an 13 Transmi	ses es es	1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08	4,547 5,692 15,811 5,794 25,000 6,188 5,270 16,314 7,763 12,000 22,468 350	X X X X X X X X X	3,190 3,993 11,093 5,794 25,000 4,341 3,698 11,445 5,447 8,419 15,763 246 98,429	7 HY 150DB 7 HY 150DB	1,357 1,699 4,718 292 1,256 1,847 1,572 4,869 2,316 3,581 6,705 104 30,316	684 856 2,377 148 641 930 793 2,452 1,168 1,804 3,378 53
Other Deprecia 11 Land - L	ation: and Rights Total Other Depreciation Total ACRS and Other Depre Grand Totals Less: Dispositions and Transfi	=	5,000 5,000 5,000 132,197 0 132,197	- - - -	5,000 5,000 5,000 103,429 0 103,429	0 Land - - -	0 0 0 30,316 0 30,316	0 0 0 15,284 0 15,284

04462 Pine Harbour Water Utilities LLC
26-3839121 Depreciation Adjustment Report All Business Activities

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FYE: 12/31/2010

Form U	<u>Init</u>	Asset	Description	Tax	AMT	AMT Adjustments/ <u>Preferences</u>
MACRS .	Adjus	stments:				
Page I	1 1 1 1 1 1 1 1 1 1	1 2 3 4 5 6 7 8 9 10 13 14	Hydrants Services Standpipes Structures Structures Supply Mains Meters and Meters Pumping Equipment Wells and Springs Wells and Springs Transmission Lines Water Treatment Eq	796 996 2,766 148 641 1,083 921 2,854 1,358 2,099 3,930 61 17,653	684 856 2,377 148 641 930 793 2,452 1,168 1,804 3,378 53	112 140 389 0 0 153 128 402 190 295 552 8 2,369

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04462 Pine Harbour Water Utilities LLC
26-3839121 Future Depreciation Report FYE: 12/31/11

EVF: 12/31/2010 Form 1120S, Page 1

Asset	Description	Date In Service	Cost	Tax	AMT	
Prior M	AACRS:					
1 2 3 4 5 6 7 8 9 10 13	Hydrants Services Standpipes Structures Structures Supply Mains Meters and Meters Pumping Equipment Wells and Springs Wells and Springs Transmission Lines Water Treatment Eq	1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08 1/01/08	4,547 5,692 15,811 5,794 25,000 6,188 5,270 16,314 7,763 12,000 22,468 350	568 711 1,975 149 641 773 659 2,038 970 1,499 2,807 44	557 697 1,937 149 641 758 645 1,999 951 1,470 2,752 43 12,599	
Other D	Depreciation:					
11	Land - Land Rights Total Other Depreciation	1/01/08	5,000 5,000	0 0	0	
	Total ACRS and Other Depreciation		5,000	0	0	
Amortiz	cation:					
12	Organization Costs	1/01/08	500	33	33	
	Grand Totals	=	132,697	12,867	12,632	

Form 1120S

Schedule K-1 Summary Worksheet

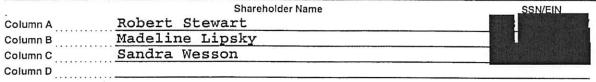
2010

Name

Employer Identification Number



26-3839121



	Schedule K Items	Column A	Column B	Column C	Column D	Sch K Total
1	Ordinary income	-5,615	-5,615	-5,616		-16,846
2	Net rental RE inc					
3c	Net other rental inc					· · · · · · · · · · · · · · · · · · ·
4	Interest income					
5a	Ordinary dividends					
5b	Qualified dividends					
6	Royalties					
7	Net ST capital gain					
8a	Net LT capital gain					
8b	Collectibles 28% gain					
8c	Unrecap Sec 1250					
9	Net Sec 1231 gain					
10	Other income (loss)					
11	Sec 179 deduction					
12a	Contributions					
12b	Invest interest exp					
12c	Sec 59(e)(2) exp					
12d	Other deductions					
13a,c						
	Low-inc house other					
13e	Qualif rehab exp					
13f	Rental RE credits					
13g	Other rental credits					
13h	Fuel alcohol credit					
13i	Other credits					
14b	Gross inc all src					
4d-f	Total foreign inc					
	Total foreign deds				*****	
41	Total foreign taxes					
4m	Reduct in taxes					
5a	Depr adjustment	790	789	790		2,369
5b	Adjusted gain (loss)		703	750		4,309
5c	Depletion					
5d	Inc-oil/gas/geoth					
5e	Ded-oil/gas/geoth			**************************************		
	Other AMT items					
	Tax-exempt interest					
	Other tax-exempt					
	Nonded expense		-			
	Total property dist					
	Shr loan repmts					
	Investment income	****				
		~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~				
	Investment expense Income (loss)	-5,615	-5,615	-5,616		-16,846

,	Retained Earnings Reconcil	iation Worksheet	
Form <b>1120S</b>	For calendar year 2010 or tax year beginning	, ending	2010
lame			Employer Identification Number
Pine Harbo	our Water Utilities LLC		26-3839121
	Schedule L - Retained	Earnings	
	Retained Earnings - Unappropriated	-55,868	
	Accumulated Adjustments Account	-55,868 0	
	Other Adjustments Account Undistributed Previously Taxed Income	0	
	Schedule L. Line 24 - Retained Earnings	-55,868	

### Schedule M-2 - Retained Earnings

	Accumulated Adjustments Account	Other Adjustments Account	Undistributed Previously Taxed Income	Retained Earnings Unappropriated/ Timing Differences	Total Retained Earnings
Beg Yr Bal Ordinary Inc (Loss) Other Additions Other Reductions Distributions	-39,022 -16,846	0	0	0	-39,022 -16,846
End Yr Bal	-55,868	0	0	0	-55,868

2009 & 2010 Two Year Comparison Worksheet Page 1 1120S Form Employer Identification Number Name Pine Harbour Water Utilities LLC 26-3839121 2009 2010 Differences 40.7952 20.7870 20.0082 Gross profit percentage 23,189 -1,086 24,275 Gross receipts less returns and allowances 13,729 -5,689 19,418 Cost of goods sold Income 4,603 9,460 4,857 Gross profit Net gain (loss) from Form 4797 Other income (loss) 4,603 4,857 9,460 Total income (loss) Compensation of officers Salaries and wages less employment credits Repairs and maintenance Bad debts ..... Rents 1,927 -76 2,003 Taxes and licenses Interest 17,653 -6,745 24,398 Deductions Depreciation Depletion Advertising Pension, profit-sharing, etc., plans Employee benefit programs ..... -1,1947,920 6,726 Other deductions 34,321 26,306 -8,015 Total deductions -29,464-16,846 12,618 Ordinary business income (loss) Excess net passive income or LIFO recapture tax Tax from Schedule D 0 Estimated tax and prior year overpayment credited Tax deposited with Form 7004 Credit for federal tax paid on fuels Refund applied for on Form 4466 Tax and Total payments and credits ..... **Payments** 0 0 0 Tax due (overpayment) Estimated tax penalty from Form 2220

0

0

Penalties and interest .....

Net tax due (overpayment)

Overpayment credited to next year's estimated tax

Overpayment refunded

Form **1120S** 

### Two Year Comparison Worksheet Page 2

2009 & 2010

Name

Pine Harbour Water Utilities LLC

Employer Identification Number 26-3839121

	TAIDOUL WATEL OCITICIOS HID	tilities LLC 26-383				
	<u> </u>	2009	2010	Differences		
	Ordinary business income (loss)	-29,464	-16,846	12,618		
	Net rental real estate income (loss)					
	Other net rental income (loss)					
Income	Interest income					
Income (Loss)	Dividends					
\ <del></del> ;	Royalties					
	Net short-term capital gain (loss)					
	Net long-term capital gain (loss)					
	Net Section 1231 gain (loss)					
	Other income (loss)					
	Section 179 deduction					
	Charitable contributions					
Deductions	Investment interest expense					
	Section 59(e)(2) expenditures					
	Other deductions					
	Low-income housing credit (Section 42(j)(5))					
•	Low-income housing credit (other)					
	Qualified rehabilitation expenditures (rental real estate)					
Credits	Other rental real estate credits					
	Other rental credits					
	Alcohol and cellulosic biofuel fuels credit					
	Other credits					
	Total foreign gross income					
Foreign	Total foreign deductions					
Transactions	Total foreign taxes					
	Reduction in taxes available for credit					
	Post-1986 depreciation adjustment	5,163	2,369	-2,794		
i	Adjusted gain or loss					
AMT	Depletion (other than oil and gas)					
Items	Oil, gas, and geothermal properties-gross income					
	Oil, gas, and geothermal properties-deductions					
	Other AMT items					
	Tax-exempt interest income					
Items	Other tax-exempt income					
Affecting	Nondeductible expenses					
S/H Basis	Distributions					
	Repayment of loans from shareholders					
	Investment income					
Other	Investment expenses					
Information	Dividend distributions paid from accumulated E&P					
	Income (loss) (if Schedule M-1 is required)	-29,464	-16,846	12,618		

Form 1120S Two Year Comparison Worksheet Page 3

2009 & 2010

Employer Identification Number

Pine 1	Harbour Water Utilities LLC	26-3839121			
		2009	2010	Differences	
	Beginning assets	126,768	97,303	-29,465	
Schedule	Beginning liabilities and equity	126,768	97,303	-29,465	
L	Ending assets		80,457	-16,846	
	Ending liabilities and equity	97,303	80,457	-16,846	
	Net income (loss) per books		-16,846	12,618	
	Taxable income not on books	<b>I</b>			
Schedule	Book expenses not deducted				
M-1	Income on books not on return				
	Deture deductions not an books	i e			
	Income (loss) per return	-29,464	-16,846	12,618	
	Dalana at hardening of wood	_0 558	-39,022	-29,464	
	Ordinary income (loss) from page 1		-16,846	12,618	
Schedule	1 - 1 - 1 - 1 - 1				
M-2 AAA					
AAA	Other reductions Distributions other than dividend distributions				
	Balance at end of year	1 00 000	-55,868	-16,846	
	Balance at beginning of year				
Schedule	Other reductions				
M-2 OAA	Other reductions Distributions other than dividend distributions				
O, u.	Balance at end of year				
	Balance at beginning of year				
Schedule M-2	Distributions other than dividend distributions				
PTI	Balance at end of year				
	Total income (loss) items:				
	Income (loss) per income statement				
	Temporary difference				
	Decree and difference				
	Income (loss) per tax return				
	Total expense/deduction items:				
	Expense per income statement				
	Temporary difference				
Schedule	Permanent difference				
M-3	Deduction per tay return				
	Deduction per tax return Other items with no differences:				
	Income (loss) per income statement	Section 1981 Company and the section of the section			
	Income (loss) per tax return				
	Reconciliation totals:				
	Income (loss) per income statement	en <u>i provincio de la Caració </u>	A CONTRACTOR OF THE CONTRACTOR		
	T				
	Temporary difference Permanent difference				
	***************************************			-	
	Income (loss) per tax return		<u> </u>	<del>1</del>	

04462 Pine Harbour Water Utilities LLC

26-3839121

# Federal Statements

1/19/2011 3:35 PM

FYE: 12/31/2010

Form 1120S, Page 1, Line 1a - Gross Receipts

Description	 Amount
Gross Receipts	\$ 23,189
Total	\$ 23,189

Form 1120S, Page 1, Line 12 - Taxes and Licenses

Description	 Amount
Taxes and Licenses	\$ 1,927
Total	\$ 1,927

04462 Pine Harbour Water Utilities LLC

26-3839121

# Federal Statements

FYE: 12/31/2010

1/19/2011 3:35 PM

# Form 1120S, Page 4, Schedule L, Line 2a - Trade Notes and Accounts Receivable

Description	Beginning of Year		End of Year	
Trade Notes and Accounts Rec.	\$	1,716	\$	501
Total	\$	1,716	\$	501

### Form 1120S, Page 4, Schedule L, Line 23 - Additional Paid-In Capital

Description	Beginning of Year		End of Year	
Additional Paid-In Capital	\$	136,325	\$	136,325
Total	\$	136,325	\$	136,325

#### Florida Form 405 Return Summary

For assessment period beginning 01/01/10 and ending 12/31/10 Pine Harbour Water Utilities LLC 26-3839121

Fair Market Value Original Installed Cost

Office furniture, office machines and library EDP Equipment, computers, word processors Store, bar and lounge, and restaurant furniture and equipment, etc. Machinery and manufacturing equipment Farm, grove, and dairy equipment Professional, medical, dental, and laboratory equipment Hotel, motel, and apartment complex Rental units - stove, refrigerator, furniture, drapes, and appliances Mobile home attachments Service station and bulk plant equipment Signs - billboard, pole, wall, portable, directional, etc. Leasehold improvements Pollution control equipment Equipment owned but rented, leased, or held by others Supplies - not held for resale Other property

Assets removed during last year Leased, loaned, and rented equipment

### Form 1120S Return Summary

For calendar year 2010 or tax year beginning , ending
Pine Harbour Water Utilities LLC 26-3839121

	ess Income (Loss)		9,460		
Total income			26,306		
Total deduction	·=	<del></del>	20,300	_16 0	16
Ordinary bu	siness income (loss)		=	-16,8	
Total S Corp	ooration taxes		=		0
Schedule K, Lin			16 046		
-	ess income (loss)		-16,846		
	estate income (loss)				
Other net renta	al income (loss)				
Interest income	9				
Dividends					
Royalties					
Short-term cap					
Long-term cap	- · ·				
Net Section 12					
Other income (					
Section 179 de	eduction				
Contributions					
Investment inte	•				
	2) expenditures				
Other deductio					
	oaid or accrued			.16 0	16
Income (los:	s) reconciliation (Schedule	e K, Line 18)	=	-16,8	
	Schedule L			Schedule M-1	
	Prior Year	Current Year			
Assets	97,303	80,457	Schedule M-	1	-16,846
Liabilities	97,303	80,457	Schedule K,	Line 18	-16,846
Difference		0	Difference		0
	Retained E	arnings		Schedule M-3	
	Schedule L	Schedule M-2			
	-55,868	-55,868	Schedule M-	3	
AAA	-33,000	33,000	Schedule K,		
OAA			Difference		0
UTI			Dillerence		
R.E. Unapprop _ Total	-55,868	-55,868			
10(8)	33,000				
			Total number of	shareholders	3
				percentage 10	0.000000

### Form 1120S

U.S. Income Tax Return for an S Corporation

COPY

OMB No. 1545 0120

OMB No. 1545-013

2011

Department of the Treasury Internal Revenue Service Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.
 See separate instructions.

		ndar year 2011 or ta	x year beg	ginning		, endin	g			
Α	S elect	ion effective date	1	Name					D Emplo	yer identification number
		1/28/2009	<u> </u>	Pine Harbou	r Water Utilities LLC					26-3839121
В		ss activity code (see instructions)	TYPE	Number, street,	and room or suite no. If a F	O.O. box, see instru	ctions.	· · · · · · · · · · · · · · · · · · ·	E Date incorporated	
	JOR J			101 Satellite	Court					
22	1300		PRINT	City or town		State	ZIP cod	е	F Total a	1/1/2009 ssets (see instructions)
	Chack if	Sch. M-3 attached	1				000	•	, iolai a	ssets (see mstructions)
			<u></u>	Leesburg		FL	34748		\$	67,713
G	is the	corporation electing	to be an	S corporation be	eginning with this tax ye	ar?	Yes X	No If "Vec	" attach Ec	orm 2553 if not already filed
	Check		return	(2) Name ch						
		` ,				ss change (4)	Amended	return (5)	S elect	tion termination or revocation
<u></u>	tion.	Include and the de-	enoiders w	no were snaren	olders during any part o	f the tax year .	<i>.</i>			▶
Cal	JUO11.	iriciude only trade	or busine.	ss income and e	xpenses on lines 1a thr	ough 21. See th	e instructions	for more int	ormation.	
	l l	a Merchant card a	ind third-p	arty payments. I	For 2011, enter -0	<u>1a</u>			40.0	
	- 1	b Gross receipts o	or sales no	ot reported on lin	e 1a (see instructions) .	1b		22,252		
	- 1	c Total. Add lines	1a and 1b			1c		22,252		
<u>n</u> e		d Returns and allo	wances p	lus any other ad	justments (see instruction	ons). 1d				
ncome	1	e Subtract line 1d	from line	1c					1e	22,252
2	2	Cost of goods so	old (attach	Form 1125-A)					2	
_	3	Gross profit. Sub	otract line	2 from line 1e					3	22,252
	4	Net gain (loss) fr	om Form	4797, Part II, fin	e 17 <i>(attach Form 4797</i>	)			4	22,202
	5	Other income (Io	iss) (see ii	n <b>s</b> tructions—atta	ach statement)				5	
	6	Total income (Id	oss). Add	lines 3 through	<u>5</u>			<b>•</b>	6	22,252
Deductions (see instructions for limitations)	7	Compensation of	f officers .						7	22,202
aţic	8	Salaries and wag	jes (less e	employment cred	lits)				8	
Ξ̈́	9	Repairs and mair	ntenance						9	2.505
<u> </u>	10	Bad debts						,	10	2,565
s	11	Rents							11	4.004
	12	Taxes and license	es				· · · · · ·		12	1,804
5	13	Interest								
ıştı	14	Depreciation not	claimed or	n Form 1125-A	or elsewhere on return	(attach Form 456			13	
e. Q	15	Depletion (Do no	t deduct o	oil and gas den	letion.)	(4.1.40// / 0//// 430				12,832
(se	16	Advertising							15	
JS.	17	Pension, profit-sh	aring, etc.	plans					16	
. <u>ō</u>	18	Employee benefit	programs	· · · · · · · · · · · · · · · · · · ·					17	
걸	19	Other deductions	(attach st	atement)					18	
듗	20	Total deductions	Add line	s 7 through 19			· · · · · ·		19	14,796
۵	21	Ordinary busines	ss income	e (loss). Subtrac	ct line 20 from line 6				20	31,997
	22a	Excess net passiv	e income	or LIFO recaptu	re tax (see instructions)	22a	· · · · ·	<del> </del>	21	-9,745
Ø	b	Tax from Schedule	e D (Form	11208)	·····	22a 22b				
ŧ	С	Add lines 22a and	22b (see	instructions for	additional taxes)	[220]				
Tax and Payment	<b>23</b> a	2011 estimated ta	x paymen	ts and 2010 ove	rpayment credited to 20	1 1			22c	
چ	b	Tax deposited with	1 Form 70	04	· · · · · · · · · · ·	)11   23a				
ِ تَهُ	С	Credit for federal t	ax paid or	fuels (attach Fr	orm 4136)	23b				
P D	d	Add lines 23a thro	uah 23c					L		,
ä	24				eck if Form 2220 is atta	ahad		· — · ·	23d	
ă	25	Amount owed, if	line 23d is	s smaller than th	e total of lines 22c and	Of antonion			24	
-	26	Overpayment If I	ine 23d is	Jarger than the	total of lines 22c and 24	24, enter amour	it owed		25	
- 1	27	Enter amount from	line 26 C	redited to 2012	ostimated tax	, enter amount o	i		26	
		Under penalties of periur	v. I declare th	nat I have examined the	nis return, including accompany	ion advanta	Ref	unded 🕨	27	
	}	and complete. Declaratio	n of preparer	(other than taxpayer	nis return, including accompany	which preparer has an	atements, and to t	the best of my ki		
Sign	,				a smadori di v		is minwieage.			S discuss this return
_					1	<b>k</b>				eparer shown below
ler	<b>9</b>	Signature of officer			Date Date	Title	<del></del>	····	(see instruc	X Yes No
		Print/Type preparer	's name	Prepa	rer's signature		Date			PTIN
aid		Loren A. Moore	<b>.</b>						heck if	
ren	arer			ICHABD C CC	THE THEIR S.A.		2/20	0/2012 se		P00511487
-	Only				HULTHEIS, P.A.					216170
30	Unity	City		11 W DIXIE AV	<u>/ C</u>			Phone no.	(352) 32	6-5000
		1.50	LEESBL	JKG		State	FL	ZIP code	34748	

**COPY** 

Form 1120S (2011) Pine Harbour Water Utilities LLC Other Information (see instructions) Schedule B a X Cash b Accrual Check accounting method: c Other (specify) See the instructions and enter the: a Business activity ► Utilities b Product or service ► Utility Service At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) if 100% owned, was a qualified subchapter S subsidiary Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see 7 Enter the accumulated earnings and profits of the corporation at the end of the tax year. Are the corporation's total receipts (see instructions) for the tax year and its total assets at the end of the tax year less than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1. During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions . . . 10 a Did the corporation make any payments in 2011 that would require it to file Form(s) 1099 (see instructions)? . . . . . . . . Х b If "Yes," did the corporation file or will it file all required Forms 1099?. Schedule K Shareholders' Pro Rata Share Items Total amount Ordinary business income (loss) (page 1, line 21) . . . . . . . . 2 Net rental real estate income (loss) (attach Form 8825) . . . . . 2 Expenses from other rental activities (attach statement) . . . . . 3b 3с Income (Loss) 4 Dividends: a Ordinary dividends . . . . . . . . . . . . . . . 5а 6 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) . . . . 7 Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) . . . Unrecaptured section 1250 gain (attach statement) . . . . . . 8c 9 Other income (loss) (see instructions) . . . . . . Type 10

Form 1120S (2011)

Form 1120S (2011) Pine Harbour Water Utilities LLC

Total amount Shareholders' Pro Rata Share Items (continued) Section 179 deduction (attach Form 4562) 11 11 Deductions 12a 12b 12c(2) (1) Type ▶ Section 59(e)(2) expenditures С 12d 13a Low-income housing credit (section 42(j)(5)) 13b Qualified rehabilitation expenditures (rental real estate) (attach Form 3468) 13c 13d Other rental real estate credits (see instructions) . . Type 13e Other rental credits (see instructions) . . . . . Type _____ 13f 13g 14a Name of country or U.S. possession 14b 14c Foreign gross income sourced at corporate level 14d Foreign Transactions 14e 14f f Other (attach statement) Deductions allocated and apportioned at shareholder level 14g 14h Deductions allocated and apportioned at corporate level to foreign source income 14i 14j 14k 141 Paid I Total foreign taxes (check one): Reduction in taxes available for credit (attach statement) 14m m Other foreign tax information (attach statement) 233 15a 15b Alternative Minimum Tax (AMT) Items b 15c c 15d 15e 15f Items Affecting Shareholder Basis 16a 16b 16c Distributions (attach statement if required) (see instructions) 16d 16e 17a Other Information 17b Dividend distributions paid from accumulated earnings and profits . . . . . . . . . . . . . . . . . 17c Other items and amounts (attach statement) Recon-Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right 18 18 column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l. -9.744

-	Tizos (2011) Pine Harbour Water Otinites LLC			20-3839121 Page			
Sci	nedule L Balance Sheets per Books	Beginnin	g of tax ye	ear		End of t	ax year
	Assets	(a)		(b)	(c)		(d)
1	Cash	14 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		3,943		n Maria	4,565
<b>2</b> a	Trade notes and accounts receivable	501				The state of the s	
b	Less allowance for bad debts			501			A STANDARD CONTRACTOR OF STANDARD CONTRACTOR STANDARD CONTRACTOR
3	Inventories						
4	U.S. government obligations						
5	Tax-exempt securities (see instructions)						
6	Other current assets (attach statement)						
7	Loans to shareholders				李明斯特	Here.	
8	Mortgage and real estate loans	Sept 1		·	t i gradition i l	L.T.	
9	Other investments (attach statement)				32000		
	Buildings and other depreciable assets	127,197	<b>3</b> 数字图40	1.341.322.323.43	17	27,197	
	Less accumulated depreciation	56,584		70,613		39,416	57 701
	Depletable assets	30,304	1945 (PAPER)	70,013		39,410	57,781
	Less accumulated depletion			F 000		oral techn	5.000
12	Land (net of any amortization)	500	- Jackson (e.g.)	5,000		500	5,000
	Intangible assets (amortizable only)	500				500	
	Less accumulated amortization	100		400	The Control of the Section	133	367
14	Other assets (attach statement)				and Sales		
15	Total assets	1 06 11 06 15	ontower at a Unionth of T	80,457	Wariara		67,713
	Liabilities and Shareholders' Equity						
16	Accounts payable						
17	Mortgages, notes, bonds payable in less than 1 year						
18	Other current liabilities (attach statement)	Land report				di j.	
19	Loans from shareholders						
20	Mortgages, notes, bonds payable in 1 year or more						
21	Other liabilities (attach statement)						
	Capital stock						
	Additional paid-in capital			136,325	12,700,000	1712	136,325
	Retained earnings		(	55,868)			( 68,612
	Adjustments to shareholders' equity (attach statement)						00,012
	Less cost of treasury stock	4.1				136 M A	
	Total liabilities and shareholders' equity			00.457	The street	495	. 07.740
				80,457	CONTRACTOR STATE		67,713
Scn	edule M-1 Reconciliation of Income (Loss						
	Note. Schedule M-3 required instead	, · · · · · · · · · · · · · · · · · · ·		s are \$10 millio	n or more—se	e instruc	tions
	Net income (loss) per books	-9,744		ne recorded on boo	-		
2	Income included on Schedule K, lines 1, 2, 3c, 4,		on Sc	hedule K, lines 1 tl	hrough 10 (itemiz	e):	
	5a, 6, 7, 8a, 9, and 10, not recorded on books this		a Tax-e	xempt interest	\$		
	year (itemize):						
3	Expenses recorded on books this year not		6 Dedu	ctions included	l on Schedule	K, lines	
	included on Schedule K, lines 1 through 12			ough 12 and 14			
	and 14I (itemize):			nst book income	_	nize):	
	Depreciation \$			eciation \$			
	Travel and entertainment \$						
			7 Add	lines 5 and 6			
4	Add lines 1 through 3	-9.744		(loss) (Schedule K, I			-9,744
	edule M-2 Analysis of Accumulated Adjus						eholders'
COIL	Undistributed Taxable Income			-	-coodine, an	u Onan	cholders
	Chalothbatea Taxable moome						
		(a) Accumulate		(b) Other a	-	1 ' '	reholders' undistributed
		adjustments acco	unt	acco	ount	taxable i	ncome previously taxed
1	Balance at beginning of tax year	(	55,868)				
2 (	Ordinary income from page 1, line 21						
	Other additions		1	and the same of the transfer of the same for all the same of the s			
	oss from page 1, line 21	(	9,745)				
	Other reductions	*		oseculos esta esta film "Vilm Telling"	omen automater zen (1966年2月6)		
	Combine lines 1 through 5	(	35,612).			euse sancjairid	one as eight in the state of the second
	Distributions other than dividend distributions		, -, -,				
	Balance at end of tax year. Subtract line 7 from line 6		2E 040				
- 1	Jamileo at one or an your outrageme / Homane o	(	35,612)				



	1	Final K-1	Amended K-1	OMB No. 1545-0130
Schedule K-1 (Form 1120S) 2011	P	art III Shareholder	r's Share o	f Current Year Income,
Department of the Treasury	指数數		, Credits, a	nd Other Items
Internal Revenue Service	1 .	Ordinary business income (I	` '	Credits
year beginning, 2011	2	Net rental real estate income (loss	3,249	
ending, 20	.   -	Horrona roa ostate	"	
Shareholder's Share of Income, Deductions,	3	Other net rental income (los	is)	
Credits, etc. See back of form and separate instructions	.			
Part I Information About the Corporation	4	Interest income	1	
A Corporation's employer identification number	5a	Ordinary dividends		
26-3839121	1 5h	Overliese dividende		Charles transactions
B Corporation's name, address, city, state, and ZIP code	5b	Qualified dividends	14	Foreign transactions
D. C. A. C. Water Distance III C.	6	Royalties		
Pine Harbour Water Utilities LLC 101 Satellite Court	7	Net short-term capital gain (	(loss)	
Leesburg FL 34748			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
C IRS Center where corporation filed return Ogden, UT 84201-0013	8a	Net long-term capital gain (lo	oss)	
Part II Information About the Shareholder.	8b	Collectibles (28%) gain (loss	s)	
D Shareholder's identifying number Shareholder: 1 288-56-3387	8c	Unrecaptured section 1250	gain	
E Shareholder's name, address, city, state, and ZIP code	9	Net section 1231 gain (loss)		
Robert G Stewart	10	Other income (loss)	15	Alternative minimum tax (AMT) items
PO Box 447			Α	77
Fruitland Park , FL 34731				
Charabaldada paragataga af ataali	+-			
F Shareholder's percentage of stock ownership for tax year				
	11	Section 179 deduction	16	Items affecting shareholder basis
	12	Other deductions		
Áu H				
For IRS Use Only				
38.			17	Other information
			A	1
ĻĽ				
		* See attached stater	ment for ad	ditional information.



Nobelt & Stendit		
K-1 Statement (Sch K-1, Form 1120S)		
Line 15 - AMT Items  A Code A - Post-1986 depreciation adjustment	A	77
Line 17 - Other Information  A Code A - Investment income	A	1_



Inco	ome Items
1	Ordinary income from trade or business activities
2	Net income from rental real estate activities
3	Net income from other rental activities
4	Interest
5	Ordinary dividends
6	Royalties
7	Net short-term capital gain
8	Net long-term capital gain
9	Net section 1231 gain
10	Other income
11	Tax-exempt interest income
12	Other tax-exempt income
	Total income items
	s and Expense Items Ordinary loss from trade or business activities
1	
2	Net loss from remarcal estate detivities
3	THE 1093 HOTH Other Perital addition
4	Net short-term capital loss
5	Net long-term capital loss
6	Net section 1231 loss
7	Other loss
8	Decidit 170 expense deduction
9	Charles Contributions :
10	Investment interest expenses:
11	
12	Other deductions
13	Total foreign taxes
14	Carly forward of prior recessor 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.
	Total loss and expense items
Nor	ndeductible Expense Items
1	Nondeductible expenses
2	Carryforward of prior nondeductible expenses
	Total nondeductible expense items
Los	s Carryovers
1	Loss items
2	Nondeductible expense items

#### Form 1120S

## Shareholder's Basis Statement

COPY

Note to Shareholder: Keep for your records

Shareholder's name  Robert G Stewart  Shareholder: 1 Identifying Number 288-56-3387						er
S Co	rporation's name Harbour Water Utilities LLC				Employer ID Nur 26-3839121	nber
-	nmary	Beginning	Increases	Decreases	Distributions	Ending Balance
•	T.	Balance	1	3,249		23,571
	tock	26,819	<u> </u>	5,249		20,011
	oan	26,819	1	3,249		23,571
	ction					
LIG	Check if special ordering	election under Reg	g. Section 1.1367-1	l(g) has been made	€.	
Sto	ck Basis					
1	Beginning of year stock bas	is . <i>.</i>			1 _	26,819
2	Capital contributions				2 _	
3	Other increases		·		3 _	
4	Income items				4 _	1
5	Add lines 1 through 4				5 _	26,820
6	Other decreases					
7	Distributions (not to exceed					
•	Distributions in excess					
8	Subtract the sum of line 6 ar					26,820
9	Loss items (not to exceed		<b>(</b> ,,,,,,,,,,,	- ,	-	
3	Nondeductible expenses	(not to exceed line	. 81		9	
10	Subtract line 9 from line 8	(not to exceed mic			10	26,820
• -	Nondeductible expenses					20,020
11					11	3,249
	X Loss items (not to exceed					23,571
12	Subtract line 11 from line 10					23,571
13						00.574
14	End of year stock basis (sub	otract line 13 from li	ne 12)		14 _	23,571
Loa	n Balance				4	
1	Beginning of year loan balar					
2	Current year loans to corpor					
3	Loan repayments					
4	End of year loan balance .				4 _	
Loa	n Basis					
1	Beginning of year loan basis	S			1 _	
2	Loan basis restoration					•
3	Current year loans to corpor					
4	Add lines 1 through 3					
5	Loan repayments (not to exc					
6	Subtract line 5 from line 4					
7	Excess loss items (not to	exceed line 6) OR				
	Excess nondeductible ex	pense items (not to	exceed line 6) .			
8	Subtract line 7 from line 6				8 _	
9	Excess nondeductible ex				_	
	X Excess loss items (not to					
10	End of year loan basis (subt	ract line 9 from line	8)		10 <u> </u>	

|--|

				COPY
		STREET, TOTAL		671111
		Final K-1 Amen	ded K-1	1 OMB No. 1545-0130
Schedule K-1 2011	P	art III — Shareholder's Sh	are c	f Current Year Income, 🕒
(1011111200)	in a	Deductions, Cred	lits, a	ind Other Items
Department of the Treasury Internal Revenue Service For calendar year 2011, or tax	1	Ordinary business income (loss)	13	Credits
year beginning, 2011	2	-3,248  Net rental real estate income (loss)		
ending, 20		Net remarreal estate income (1055)		
Shareholder's Share of Income, Deductions,	3	Other net rental income (loss)		-
Credits, etc. See back of form and separate instructions.	1	, ,		
Part I Information About the Corporation	4	Interest income		
A Corporation's employer identification number	5a	Ordinary dividends		
26-3839121	<u> </u>			
B Corporation's name, address, city, state, and ZIP code	5b	Qualified dividends	14	Foreign transactions
Pine Harbour Water Utilities LLC	6	Royalties		
101 Satellite Court	7	Net short-term capital gain (loss)		
Leesburg FL 34748	-	Net less term essitel esia (less)		
C IRS Center where corporation filed return	8a	Net long-term capital gain (loss)		
Ogden, UT 84201-0013	8b	Collectibles (28%) gain (loss)	-	
Part II / Information About the Shareholder	8c	Unrecaptured section 1250 gain		
D Shareholder's identifying number Shareholder: 2 334-50-8852	"	Direcaptarea session 1200 gam		
E Shareholder's name, address, city, state, and ZIP code	9	Net section 1231 gain (loss)		
	L		4.5	All
Madeline J Lipsky	10	Other income (loss)	15	Alternative minimum tax (AMT) items
PO Box 447			A	78
Fruitland Park, FL 34741				
F Shareholder's percentage of stock	$\vdash$			
ownership for tax year		,		
		•		
	11	Section 179 deduction	16	Items affecting shareholder basis
	''			<b>,</b>
	12	Other deductions		
	-			
Vlu Vlu				
O				
Na Caracteristics of the Caracteristics of t				
For IRS Use Only			17	Other information
iorl				
ш.				
	-			
			<u> </u>	
		* See attached statement	for a	dditional information.

**COPY** 

 Madeline J Lipsky

 K-1 Statement (Sch K-1, Form 1120S)

 Line 15 - AMT Items

 A Code A - Post-1986 depreciation adjustment
 A 78



Inc	ome Items	
1	Ordinary income from trade or business activities	
2	Net income from rental real estate activities	
3	Net income from other rental activities	
4	Interest	
5	Ordinary dividends	
6	Royalties	
7	Net short-term capital gain	
8	Net long-term capital gain	
9	Net section 1231 gain	
10	Other income	
11	Tax-exempt interest income	
12	Other tax-exempt income	
	Total income items	
	Total income items	•
Los	s and Expense Items	
1	Ordinary loss from trade or business activities	
2	Net loss from rental real estate activities	
3	Net loss from other rental activities	
4	Net short-term capital loss	
5	Net long-term capital loss	
6	Net section 1231 loss	
7	Other loss	
8	Section 179 expense deduction	
9	Charitable contributions	
10	Investment interest expense	
11	Section 59(e)(2) expenditures	
12	Other deductions	
13	Total foreign taxes	
14	Carryforward of prior losses	
	Total loss and expense items	3,248
Nor	ndeductible Expense Items	
1	Nondeductible expenses	
2	Carryforward of prior nondeductible expenses	
2		
	Total nondeductible expense items	
Los	s Carryovers	
1	Loss items	1
2	Nondeductible expense items	2

#### Form 1120S

## **Shareholder's Basis Statement**



Note to Shareholder: Keep for your records

Shareholder's name				Shareholder: 2	hareholder: 2   Identifying Number   334-50-8852		
S Co	rporation's name				Employer ID Nu 26-3839121	mber	
Pine	Harbour Water Utilities LLC						
Sun	nmary	Beginning Balance	Increases	Decreases	Distributions	Ending Balance	
C+	ook	26,819		3,248		23,571	
_	ock	20,010					
	otal	26,819		3,248		23,571	
Ele	ction						
	Check if special ordering	election under Reg	g. Section 1.1367-	1(g) has been made	Э.		
Sto	ck Basis						
1	Beginning of year stock bas	is			1	26,819	
2	Capital contributions				2		
3	Other increases				3		
4	Income items						
5	Add lines 1 through 4				5	26,819	
6	Other decreases						
7	Distributions (not to exceed	the sum of line 5 a	nd line 6)		7		
′	Distributions in excess						
	Subtract the sum of line 6 at	od line 7 from line	5 (if zero or less e	nter (1)	8	26,819	
8			J (11 2010 01 1033 01	11.01 0)			
9	Loss items (not to exceed Nondeductible expenses	u line o) ON	. 0\		9		
	Nondeductible expenses	(not to exceed line	:0)		10	26,819	
10	Subtract line 9 from line 8					20,010	
11	Nondeductible expenses	(not to exceed line	10) OK		11	3,248	
	X Loss items (not to excee	d line 10)			12		
12	Subtract line 11 from line 10					23,571	
13	Loan basis restoration				13	23,571	
14	End of year stock basis (sub	otract line 13 from I	ine 12)		14	23,571	
Loa	n Balance						
1	Beginning of year loan balar	nce			1		
2	Current year loans to corpor	ration			<b>2</b>		
3	Loan repayments				3		
4	End of year loan balance .						
	-						
	n Basis				4		
1	Beginning of year loan basis	3			2		
2	Loan basis restoration						
3	Current year loans to corpor	ration			3		
4	Add lines 1 through 3				4		
5	Loan repayments (not to ex	ceed line 4)			5		
6	Subtract line 5 from line 4				6		
7	Excess loss items (not to	exceed line 6) OR			_		
	Excess nondeductible ex	pense items (not to	o exceed line 6) .		7		
8	Subtract line 7 from line 6				8		
9	Excess nondeductible ex	opense items (not to	o exceed line 8) Ol	К	-		
	X Excess loss items (not to	exceed line 8) .			9		
10	End of year loan basis (sub	tract line 9 from line	98)		10		



	•		J Final K-1	Amended		OMB No. 1545-0130
Schedule K-1 (Form 1120S)	2011	P	artill Shareho	older's Shar	e of	Current Year Income,
Department of the Treasury	For calendar year 2011, or tax	1	Deducti Ordinary business inco		s, ar	nd Other Items Credits
Internal Revenue Service	year beginning, 2011			-3,248		
	ending, 20	2	Net rental real estate incorr			
	e of Income, Deductions,	3	Other net rental incom	ne (loss)	$\neg$	
Credits, etc.	See back of form and separate instructions.	<u> </u>				
Part I Information	on About the Corporation	4	Interest income			
A Corporation's employer iden 26-3839121	tification number	5a	Ordinary dividends			
B Corporation's name, address	s, city, state, and ZIP code	5b	Qualified dividends	1	14	Foreign transactions
Pine Harbour Water Utilitie		6	Royalties		1	
101 Satellite Court	is also	7	Net short-term capital	gain (loss)	-	
Leesburg	FL 34748					·
c IRS Center where corporatio Ogden, UT 84201-0013		8a	Net long-term capital g	gain (loss)		
THE RESIDENCE OF THE PARTY OF T	n About the Shareholder	8b	Collectibles (28%) gair	n (loss)		
D Shareholder's identifying num 056-44-2710	smber Shareholder: 3	8c	Unrecaptured section	1250 gain		
E Shareholder's name, addres	ss, city, state, and ZIP code	9	Net section 1231 gain	(loss)		
Sandra S Wesson	!	10	Other income (loss)	1	15	Alternative minimum tax (AMT) items
PO Box 447				/	<u> </u>	78
Fruitland Park, FL 34731						
F Shareholder's percentage of					$\Box$	
ownership for tax year	33.333333%				_	
		1				
					+	
	l l					
		11	Section 179 deduction	1	6	Items affecting shareholder basis
		12	Other deductions			
					1	
vini Vini						
Use C						
For IRS Use Only				1	17	Other information
Ō						
		$\Box$			+	:
		ı	* See attached s	tatement for	ado	ditional information.

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Inco	ome Items	
1	Ordinary income from trade or business activities	
2	Net income from rental real estate activities	
3	Net income from other rental activities	
4	Interest	
5	Ordinary dividends	
6	Royalties	
7	Net short-term capital gain	
8	Net long-term capital gain	
9	Net section 1231 gain	
10	Other income	
11	Tax-exempt interest income	
12	Other tax-exempt income	
	Total income items	
Los	s and Expense Items	
1	Ordinary loss from trade or business activities	
2	Net loss from rental real estate activities	
3	Net loss from other rental activities	
4	Net short-term capital loss	
5	Net long-term capital loss	
6	Net section 1231 loss	
7	Other loss	
8	Section 179 expense deduction	
9	Charitable contributions	
10	Investment interest expense	
11	Section 59(e)(2) expenditures	
12	Other deductions	
13	Total foreign taxes	
14	Carryforward of prior losses	
	Total loss and expense items	. 3,248
Nor	ndeductible Expense Items	
1	Nondeductible expenses	
2	Carryforward of prior nondeductible expenses	
	Total nondeductible expense items	
Los	s Carryovers	
1	Loss items	1
2	Nondeductible expense items	2

### **Shareholder's Basis Statement**

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Note to Shareholder: Keep for your records

Shareholder's name Sandra S Wesson			Shareholder: 3	Identifying Number 056-44-2710		
	orporation's name Harbour Water Utilities LLC				Employer ID Nui 26-3839121	mber
Su	mmary	Beginning Balance	Increases	Decreases	Distributions	Ending Balance
s	tock	26,819		3,248		23,571
L	oan [					
Т	otal	26,819		3,248		23,571
Ele	ction	·-				
	Check if special ordering	election under Reg	. Section 1.1367-	-1(g) has been made		
Sto	ck Basis					-
1	Beginning of year stock basi	s			1	26,819
2	Capital contributions				<b>2</b> _	
3	Other increases				3	
4	Income items				4	
5	Add lines 1 through 4				5	26,819
6	Other decreases				6 _	
7	Distributions (not to exceed t	he sum of line 5 ar	id line 6)		7 _	
	Distributions in excess	of basis		<u></u>		
8	Subtract the sum of line 6 an	d line 7 from line 5	i (if zero or less e	nter 0)	8 _	26,819
9	Loss items (not to exceed					
	Nondeductible expenses					
10	Subtract line 9 from line 8 .				10 _	26,819
11	Nondeductible expenses	•	•			
	X Loss items (not to exceed	· · · · · · · · · · · · · · · · · · ·				3,248
12	Subtract line 11 from line 10				<del>-</del>	23,571
13	Loan basis restoration				_	
14	End of year stock basis (subt	tract line 13 from lir	ne 12)		14 _	23,571
Loa	n Balance					
1	Beginning of year loan balan					
2	Current year loans to corpora					
3	Loan repayments					
4	End of year loan balance .				4 _	
Loa	n Basis					
1	Beginning of year loan basis					
2	Loan basis restoration					
3	Current year loans to corpora					
4	Add lines 1 through 3					
5	Loan repayments (not to exce					
6	Subtract line 5 from line 4 .				<i>.</i> 6 _	
7	Excess loss items (not to	•				
	Excess nondeductible exp					
8	Subtract line 7 from line 6 .				8 _	
9	Excess nondeductible exp	•	,		_	
	X Excess loss items (not to					
10	End of year loan basis (subtra	act line 9 from line	8)		10	



Li	ne 19 (1120S) - Other Deductions		
	From Form 4562 - Amortization	1	33
	Bank Service Charges	2	147
	Continuing Education	3	150
1	Utilities	4	861
=	Insurance Expense	5	931
2	Professional Fees	6	931
7	Subcontracted Water Testing	7	11,743
8	Total other deductions	8	14,796

				· · · · · · · · · · · · · · · · · · ·				T						D: A .	2011	0044
Item	Description of	Date Placed		Bus. Use	Cost or	Sec. 179	Credit	Special	Salvage	Recovery	Recovery	Method	Con-	Prior Accum.	2011	2011
No.	Property	In Service	Code	%	Other	Deduction		Allowance	Value	Basis	Period		vention	Deprec.,	Deprec.	Accum.
	"**" indicates DISPOSED				Basis								Code	179, Bonus		Deprec.
7-vr G	eni purp tools, mach, equ	iin														
	Hydrants	1/1/2008	F-10	100.00%	4,547					4,547	7	200DB	HY	2,559	568	3,127
	Services	1/1/2008	F-10	100.00%	5,692					5,692	7	200DB	HY	3,203	711	3,914
	Standpipes	1/1/2008	F-10	100.00%	15,811					15,811	7	200DB	HY	8,897	1,975	10,872
	Supply Mains	1/1/2008	F-10	100.00%	6,188					6,188	7	200DB	HY	3,482	773	4,255
	Meters	1/1/2008	F-10	100.00%	5,270					5,270	7	200DB	HY	2,965	658	3,623
	Pumping Equipment	1/1/2008	F-10	100.00%	16,314					16,314	7	200DB	HY	9,180	2,038	11,218
	Wells and Springs	1/1/2008	F-10	100.00%	7,763					7,763	7	200DB	HY	4,368	970	5,338
	Wells and Springs	1/1/2008	F-10	100.00%	12,000					12,000	7	200DB	HY	6,753	1,499	8,252
	Transmission Lines	1/1/2008	F-10	100.00%	22,468					22,468	7	200DB	HY	12,643	2,806	15,449
	Water Treatment Equip	1/1/2008	F-10	100.00%	350					350	7	200DB	HY	197	44	241
	Total: 7-yr General purpos	se tools, machi	inery, ar	nd equipmen	96,403					96,403	• -			54,247	12,042	66,289
<u>Land</u>																
	Land Rights	1/1/2008	N-1	100.00%	5,000					5,000						
	Total: Land			•	5,000	***************************************				5,000	_					
39-yr	Nonresidential real estat	<u>e</u>														
	Structures	1/1/2008	R-5	100.00%	5,794					5,794		SL/GDS	MM	440	149	589
	Structures	1/1/2008	R-5	100.00%	25,000					25,000	39	SL/GDS	MM	1,897	641	2,538
	Total: 39-yr Nonresidentia	al and commer	cial real	estate	30,794					30,794				2,337	790	3,127
Amor	- 248 - Corp org expens	e														
	Organization Costs		Z-10	100.00%	500					500	15	SL	FM	100	33	133
	Total: Amortization - 248	- Corporation o	organiza	itional expen	500					500	<u> </u>			100	33	133
	SubTotals				132,697					132,697	7			56,684	12,865	69,549
	Less: Disposed Assets Ending Totals				132,697					132,697	7			56,684	12,865	69,549
	•															

<u>Detail</u>	Report

	iii Report			12/31/2011	Pine Harbou	r Water Utilities	LLC 26-38	39121						
11205	3				132,697					132,697				
Item	Description of	Date	Asset	Bus.	Cost or	Sec. 179	Credit	Special	Salvage	Recovery		Recovery	Method	Con-
No.	Property	Placed in	Code	Use	Other	Deduction		Allowance	Value	Basis	AMT	Period		vention
L	"**" indicates DISPOSED	Service		%	Basis						Туре	(years)		Code
	Hydrants	1/1/2008	F-10	100.00%	4,547					4,547		7	200DB	HY
	Services	1/1/2008	F-10	100.00%	5,692					5,692		7	200DB	HY
	Standpipes	1/1/2008	F-10	100.00%	15,811					15,811		7	200DB	HY
	Structures	1/1/2008	R-5	100.00%	5,794					5,794		39	SL/GDS	MM
	Structures	1/1/2008	R-5	100.00%	25,000					25,000		39	SL/GDS	MM
	Supply Mains	1/1/2008	F-10	100.00%	6,188					6,188		7	200DB	HY
	Meters	1/1/2008	F-10	100.00%	5,270					5,270		7	200DB	HY
	Pumping Equipment	1/1/2008	F-10	100.00%	16,314					16,314		7	200DB	HY
	Wells and Springs	1/1/2008	F-10	100.00%	7,763					7,763		7	200DB	HY
	Wells and Springs	1/1/2008	F-10	100.00%	12,000					12,000		7	200DB	HY
	Transmission Lines	1/1/2008	F-10	100.00%	22,468					22,468		7	200DB	HY
	Water Treatment Equip	1/1/2008	F-10	100.00%	350					350		7	200DB	HY
	Land Rights	1/1/2008	N-1	100.00%	5,000					5,000				
	Organization Costs	1/1/2008	Z-10	100.00%	500					500		15	SL	FM
	SubTotals Less: Disposed Assets				132,697					132,697				
	Ending Totals			_	132,697					132,697				
				-							-			

1120	S		56,684	12,865	69,549
Item	Description of	Date	Prior Accum.	2011	2011
No.	Property	Placed in	Deprec.,	Current	Accum.
	"**" indicates DISPOSED	Service	179, Bonus	Deprec.	Deprec.
	Hydrants	1/1/2008	2,559	568	3,127
	Services	1/1/2008	3,203	711	3,914
	Standpipes	1/1/2008	8,897	1,975	10,872
	Structures	1/1/2008	440	149	589
	Structures	1/1/2008	1,897	641	2,538
	Supply Mains	1/1/2008	3,482	773	4,255
	Meters	1/1/2008	2,965	658	3,623
	Pumping Equipment	1/1/2008	9,180	2,038	11,218
	Wells and Springs	1/1/2008	4,368	970	5,338
	Wells and Springs	1/1/2008	6,753	1,499	8,252
	Transmission Lines	1/1/2008	12,643	2,806	15,449
	Water Treatment Equip	1/1/2008	197	44	241
	Land Rights	1/1/2008			
	Organization Costs	1/1/2008	100	33	133
	SubTotals		56,684	12,865	69,549
	Less: Disposed Assets				
	Ending Totals		56,684	12,865	69,549



# APPLICATION FOR TRANSFER OF CERTIFICATES OR FACILITIES FROM A REGULATED UTILITY TO ANOTHER REGULATED UTILITY

# (Pursuant to Section 367.071, Florida Statutes, and Rule 25-30.037(2), Florida Administrative Code)

Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.

10:	Florida Public So 2540 Shumard C Tallahassee, Flor	ervice Commission Oak Boulevard	
and an	lation  of Water of Water of Water	Certificate No. 450-W and	the transfer of facilities and transfer or or d/or Wastewater Certificate Nol/or Wastewater Certificate Nolowing information:
PART	I	APPLICANT IN	<u>VFORMATION</u>
A)	telephone number. The utility's name	r, and if applicable, fax numers as a should reflect the business a sate's Division of Corporations	utility/seller's certificated name, address, aber, e-mail address, and website address, and/or fictitious name(s) registered with the s:
	Office Street Add	lress	
	Leesburg	FL	34748
	City	State	Zip Code
	P. 0. Box 447		
	Mailing Address	(if different from Street Addre	ess)
	Fruitland Park	FL	34731
	City	State	Zip Code

(352) 787-2944		(352) 787-3196						
Phone Number		Fax Number						
26-3839121								
Federal Employer Identif	ication Number							
pineharbourwater@aol.co	om							
E-Mail Address								
N/A								
Website Address								
450-W								
Water Certificate No.		Wastewater Certificate No.						
The contact information this application:	of the seller's	authorized representative to contact concerning						
Sandra Wesson								
Name								
P.O. Box 447								
Mailing Address								
Fruitland Park	FL	34731						
City	State	Zip Code						
(352) 787-2944		(352) 787-3196						
Phone Number		Fax Number						
pineharbourwater@aol.co	om							
E-Mail Address								
Contact Information for	Ruver The hu	ver's name, address, telephone number. Federa						
Contact Information for Buyer. The buyer's name, address, telephone number, Federa Employer Identification Number, and, if applicable, fax number, e-mail address, website								
address, and new name of the utility if the buyer plans to operate under a different name								
The buyer's business n	ame, and if ar	oplicable, new utility name, should reflect the						
	s name(s) regist	ered with the Department of State's Division o						
Corporations.								
Pine Harbour Waterwork	s, Inc.							
Buyer's Name								