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CLASS "A" OR "B"

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

# ANNUAL REPORT

OF

SU445-10-AR

**ALAFAYA UTILITIES INC**

Exact Legal Name of Respondent

**379-S**

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED

**31-Dec-10**

Form PSC/WAW 3 (Rev. 12/99)

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## GENERAL INSTRUCTIONS

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

**Florida Public Service Commission  
Division of Water and Wastewater  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility.

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# **EXECUTIVE SUMMARY**

**CERTIFICATION OF ANNUAL REPORT**

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

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

Items Certified			
1.	2.	3.	4.

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

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

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

\* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

**NOTICE:** Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT  
31-Dec-10

ALAFAYA UTILITIES INC

County: Seminole County

(Exact Name of Utility)

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

2335 SANDERS ROAD  
NORTHBROOK IL 60062

Telephone: 847-498-6440

E Mail Address: NONE

WEB Site: NONE

Sunshine State One-Call of Florida, Inc. Member Number AUI573

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

JUSTIN KERSEY  
2335 SANDERS ROAD  
NORTHBROOK IL 60062

Telephone: 847-498-6440

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

2335 SANDERS ROAD  
NORTHBROOK IL 60062

Telephone: 847-498-6440

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

PRICEWATERHOUSECOOPERS

Date of original organization of the utility: 06/12/84

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

Individual  Partnership  Sub S Corporation  1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	<u>UTILITIES INC</u>	<u>100%</u>
2.	<u></u>	<u></u>
3.	<u></u>	<u></u>
4.	<u></u>	<u></u>
5.	<u></u>	<u></u>
6.	<u></u>	<u></u>
7.	<u></u>	<u></u>
8.	<u></u>	<u></u>

UTILITY NAME: ALAFAYA UTILITIES INC

YEAR OF REPORT 31-Dec-10
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**DIRECTORY OF PERSONNEL WHO CONTACT  
THE FLORIDA PUBLIC SERVICE COMMISSION**

<b>NAME OF COMPANY REPRESENTATIVE (1)</b>	<b>TITLE OR POSITION (2)</b>	<b>ORGANIZATIONAL UNIT TITLE (3)</b>	<b>USUAL PURPOSE FOR CONTACT WITH FPSC</b>
LISA SPARROW	PRESIDENT & CEO		OPERATIONS
JOHN HOY	CHIEF OPERATING OFFICER		REGULATORY
RICK DURHAM	REGIONAL VP		OPERATIONS
PATRICK FLYNN	REGIONAL DIRECTOR		OPERATIONS
JIM JAPCZYK	CHIEF FINANCIAL OFFICER		FINANCIAL

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



**COMPANY PROFILE**

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

A.	100% of the stock to this company was acquired by Utilities, Inc. The Company Provides sewer service.
B.	The Company supplies sewer services only.
C.	Provide adequate sewerage and disposal services and earn a fair return.
D.	Sewer division only.
E.	Anticipated growth of approximately two hundred (200) new taps per year.
F.	The stock of this company was purchased by Utilities, Inc. Improvements have been and are still being made to the system.

UTILITY NAME: ALAFAYA UTILITIES INC

YEAR OF REPORT 31-Dec-10
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PARENT / AFFILIATE ORGANIZATION CHART

Current as of                      12/31/2010

Complete below an organizational chart that show all parents, subsidiaries and affiliates of the utility.  
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

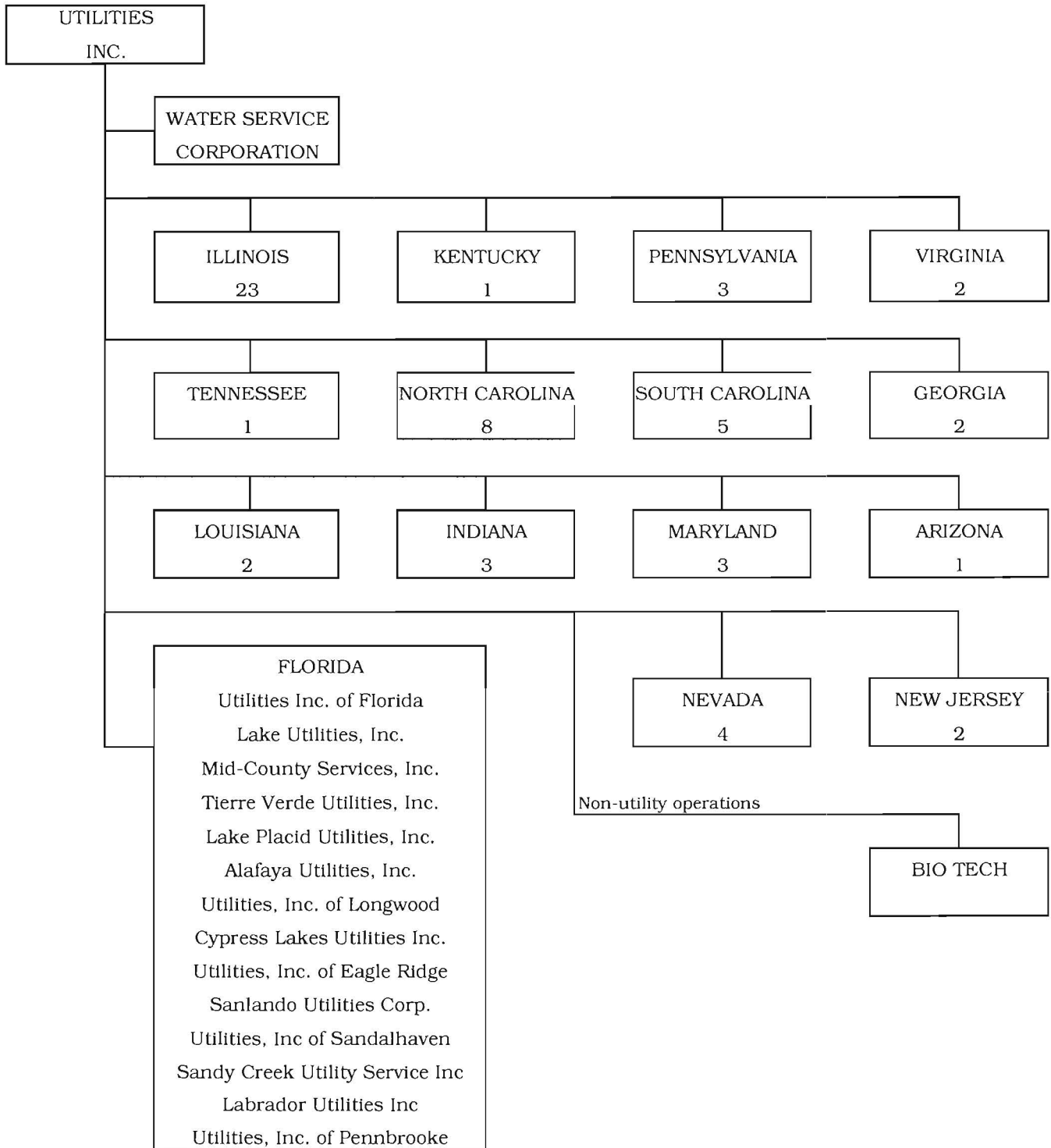
UTILITIES, INC. -- PARENT COMPANY

WATER SERVICE CORP. -- SERVICE COMPANY SUPPLYING MOST  
SERVICES REQUIRED BY UTILITY.

UTILITIES INC. of FLORIDA -- provides office personnel and administrative  
staff.

SEE ATTACHED

## Parent And Affiliate Organizational Chart



UTILITIES, INC. - Parent Company

WATER SERVICE CORP. - Service organization providing administrative and other service functions for the utility.

NOTE: Within each state except Florida is the number of companies owned.

**COMPENSATION OF OFFICERS**

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
LISA A SPARROW	PRESIDENT & CEO	N/A	\$ NONE
JOHN HOY	VP OPERATIONS	N/A	NONE
JIM JAPCZYK	VP & TREASURER	N/A	NONE
JOHN R STOVER	VP & SECRETARY	N/A	NONE
RICK DURHAM	REGIONAL VP	N/A	NONE

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
LISA A SPARROW	DIRECTOR	1	\$ NONE
JOHN R STOVER	DIRECTOR	1	NONE

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

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

<b>NAME OF OFFICER, DIRECTOR OR AFFILIATE</b> (a)	<b>IDENTIFICATION OF SERVICE OR PRODUCT</b> (b)	<b>AMOUNT</b> (c)	<b>NAME AND ADDRESS OF AFFILIATED ENTITY</b> (d)	
NO BUSINESS CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS WERE ENTERED INTO DURING THE CURRENT YEAR BY THE OFFICERS LISTED ON PAGE E6, THE DIRECTORS OR AFFILIATES.		\$		

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

**AFFILIATION OF OFFICERS AND DIRECTORS**

For each of the officials listed on page E-6, list the principle occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
LISA A SPARROW	PRESIDENT & CEO	DIRECTOR/OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
JOHN HOY	VP OPERATIONS	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
JIM JAPCZYK	VP & TREASURER	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
JOHN R STOVER	VP & SECRETARY	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
RICK DURHAM	REGIONAL VP	OFFICER	UTILITIES INC & SUBSIDIARIES ALTAMONTE SPRINGS, FL

UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> 31-Dec-10
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**BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT  
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

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

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)
NO BUSINESS	\$ _____		\$ _____		\$ _____	
WHICH ARE	_____		_____		_____	
A BYPRODUCT,	_____		_____		_____	
COPRODUCT	_____		_____		_____	
OR JOINT	_____		_____		_____	
PRODUCT	_____		_____		_____	
RESULTING	_____		_____		_____	
FROM	_____		_____		_____	
PROVIDING	_____		_____		_____	
WATER	_____		_____		_____	
AND/OR	_____		_____		_____	
SEWER	_____		_____		_____	
SERVICE.	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

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

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

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

**2. Below are some types of transactions to include:**

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES (P)urchased (S)old (d)	AMOUNT (e)
WATER SERVICE CORP/ FLORIDA REGIONAL	Operators/Admin/Officers Salaries & Benefits	Continuous	Purchase	251,258
	Materials & Supplies	Continuous	Purchase	34,466
	Contractual Services	Continuous	Purchase	31,717
	Transportation Expenses	Continuous	Purchase	39,640
	Insurance	Continuous	Purchase	51,756
	Advertising`	Continuous	Purchase	104
	Regulatory Expenses	Continuous	Purchase	1,887
	Miscellaneous	Continuous	Purchase	107,216



UTILITY NAME:

ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
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**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
		\$ _____	\$ _____	\$ _____	\$ _____
NO ASSETS WERE SOLD, PURCHASED OR TRANSFERRED WITH A RELATED PARTY DURING THE FISCAL YEAR END 31-Dec-10		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____

# **FINANCIAL SECTION**

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 32,657,725	\$ 33,042,942
108-110	Less: Accumulated Depreciation and Amortization	F-8	9,112,474	9,822,636
Net Plant			\$ 23,545,251	\$ 23,220,306
114-115	Utility Plant Acquisition adjustment (Net)	F-7	-	-
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 23,545,251	\$ 23,220,306
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	-	-
122	Less: Accumulated Depreciation and Amortization		-	-
Net Nonutility Property			\$	\$
123	Investment In Associated Companies	F-10	-	-
124	Utility Investments	F-10	-	-
125	Other Investments	F-10	-	-
126-127	Special Funds	F-10	-	-
Total Other Property & Investments			\$ -	\$ -
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		-	-
132	Special Deposits	F-9	1,250	850
133	Other Special Deposits	F-9	-	-
134	Working Funds		-	-
135	Temporary Cash Investments		-	-
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	581,283	161,645
145	Accounts Receivable from Associated Companies	F-12	2,321,308	3,204,200
146	Notes Receivable from Associated Companies	F-12	-	-
151-153	Material and Supplies		7,937	8,098
161	Stores Expense		-	-
162	Prepayments		13,620	9,399
171	Accrued Interest and Dividends Receivable		-	-
172 *	Rents Receivable		-	-
173 *	Accrued Utility Revenues		-	-
174	Misc. Current and Accrued Assets	F-12	-	-
Total Current and Accrued Assets			\$ 2,925,398	\$ 3,384,192

\* Not Applicable for Class B Utilities

UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
---

**COMPARATIVE BALANCE SHEET**  
**ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ -	\$ -
182	Extraordinary Property Losses	F-13	-	-
183	Preliminary Survey & Investigation Charges		300	30,969
184	Clearing Accounts		-	-
185 *	Temporary Facilities		-	-
186	Misc. Deferred Debits	F-14	92,473	60,159
187 *	Research & Development Expenditures		-	-
190	Accumulated Deferred Income Taxes		-	-
Total Deferred Debits			\$ 92,773	\$ 91,127
<b>TOTAL ASSETS AND OTHER DEBITS</b>			<b>\$ 26,563,422</b>	<b>\$ 26,695,625</b>

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

The space below is provided for important notes regarding the balance sheet.

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 1,000	\$ 1,000
204	Preferred Stock Issued	F-15	-	-
202, 205 *	Capital Stock Subscribed		-	-
203, 206 *	Capital Stock Liability for Conversion		-	-
207 *	Premium on Capital Stock		-	-
209 *	Reduction in Par or Stated Value of Capital Stock		-	-
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock		-	-
211	Other Paid - In Capital		14,500,993	14,500,993
212	Discount On Capital Stock		-	-
213	Capital Stock Expense		-	-
214-215	Retained Earnings	F-16	(1,786,368)	(1,233,869)
216	Reacquired Capital Stock		-	-
218	Proprietary Capital (Proprietorship and Partnership Only)		-	-
Total Equity Capital			\$ 12,715,625	\$ 13,268,124
<b>LONG TERM DEBT</b>				
221	Bonds	F-15	-	-
222 *	Reacquired Bonds		-	-
223	Advances from Associated Companies	F-17	2,546,879	2,546,879
224	Other Long Term Debt	F-17	-	-
Total Long Term Debt			\$ 2,546,879	\$ 2,546,879
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		41,173	5,815
232	Notes Payable	F-18	-	-
233	Accounts Payable to Associated Companies	F-18	(473,497)	(473,497)
234	Notes Payable to Associated Companies	F-18	-	-
235	Customer Deposits		63,105	70,909
236	Accrued Taxes		159,945	81,233
237	Accrued Interest	F-19	5,349	6,781
238	Accrued Dividends		-	-
239	Matured Long Term Debt		-	-
240	Matured Interest		-	-
241	Miscellaneous Current & Accrued Liabilities	F-20	-	-
Total Current & Accrued Liabilities			\$ (203,925)	\$ (308,759)

\* Not Applicable for Class B Utilities

UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
---

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ -	\$ -
252	Advances For Construction	F-20	-	-
253	Other Deferred Credits	F-21	-	-
255	Accumulated Deferred Investment Tax Credits		-	-
Total Deferred Credits			\$ -	\$ -
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ -	\$ -
262	Injuries & Damages Reserve		-	-
263	Pensions and Benefits Reserve		-	-
265	Miscellaneous Operating Reserves		-	-
Total Operating Reserves			\$ -	\$ -
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 17,910,076	\$ 17,972,156
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	5,667,108	5,990,314
Total Net C.I.A.C.			\$ 12,242,968	\$ 11,981,843
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ (176,536)	\$ (176,553)
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		-	-
283	Accumulated Deferred Income Taxes - Other		(561,590)	(615,909)
Total Accumulated Deferred Income Tax			\$ (738,126)	\$ (792,462)
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ 26,563,422	\$ 26,695,625

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 3,914,424	\$ 3,022,424
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 3,914,424	\$ 3,022,424
401	Operating Expenses	F-3(b)	\$ 2,118,127	\$ 1,544,408
403	Depreciation Expense:	F-3(b)	\$ 1,020,173	\$ 697,507
	Less: Amortization of CIAC	F-22	(469,445)	(323,205)
Net Depreciation Expense			\$ 550,728	\$ 374,302
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	-	-
407	Amortization Expense (Other than CIAC)	F-3(b)	-	-
408	Taxes Other Than Income	W/S-3	723,659	180,534
409	Current Income Taxes	W/S-3	111,721	215,825
410.10	Deferred Federal Income Taxes	W/S-3	(92,175)	(46,380)
410.11	Deferred State Income Taxes	W/S-3	(15,779)	(7,939)
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	-	-
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3	-	-
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	-	-
Utility Operating Expenses			\$ 3,396,281	\$ 2,260,750
Net Utility Operating Income			\$ 518,143	\$ 761,673
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	-	-
413	Income From Utility Plant Leased to Others		-	-
414	Gains (losses) From Disposition of Utility Property		256	408
420	Allowance for Funds Used During Construction		(1,538)	31
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 516,861	\$ 762,112

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

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

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ -	\$ 3,022,424	\$ -
\$ -	\$ 3,022,424	\$ -
\$ -	\$ 1,544,408	\$ -
-	697,507	-
-	(323,205)	-
\$ -	\$ 374,302	\$ -
-	-	-
-	-	-
-	180,534	-
-	215,825	-
-	(46,380)	-
-	(7,939)	-
-	-	-
-	-	-
-	-	-
\$ -	\$ 2,260,750	\$ -
\$ -	\$ 761,673	\$ -
-	-	-
-	-	-
-	408	-
-	31	-
\$ -	\$ 762,112	\$ -

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



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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 516,861	\$ 762,112
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ -	\$ -
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		-	-
419	Interest and Dividend Income		-	4
421	Nonutility Income		-	-
426	Miscellaneous Nonutility Expenses		-	0
Total Other Income and Deductions			\$ -	\$ 4
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.2	Taxes Other Than Income		\$ -	\$ -
409.2	Income Taxes		-	-
410.2	Provision for Deferred Income Taxes		-	-
411.2	Provision for Deferred Income Taxes - Credit		-	-
412.2	Investment Tax Credits - Net		-	-
412.3	Investment Tax Credits Restored to Operating Income		-	-
Total Taxes Applicable To Other Income			\$ -	\$ -
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 461,820	\$ 209,617
428	Amortization of Debt Discount & Expense	F-13	-	-
429	Amortization of Premium on Debt	F-13	-	-
Total Interest Expense			\$ 461,820	\$ 209,617
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ -	\$ -
434	Extraordinary Deductions		-	-
409.3	Income Taxes, Extraordinary Items		-	-
Total Extraordinary Items			\$ -	\$ -
<b>NET INCOME</b>			<b>\$ 55,041</b>	<b>\$ 552,499</b>

Explain Extraordinary Income:

NONE

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UTILITY NAME: ALAFAYA UTILITIES INC

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SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ -	\$ 32,332,394
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	-	9,822,636
110	Accumulated Amortization	F-8	-	-
271	Contributions In Aid of Construction	F-22	-	17,972,156
252	Advances for Construction	F-20	-	-
Subtotal			\$ -	\$ 4,537,602
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	-	5,990,314
Subtotal			\$ -	\$ 10,527,915
114	Plus or Minus: Acquisition Adjustments (2)	F-7	-	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-	-
	Working Capital Allowance (3)		-	193,051
	Other (Specify): _____ _____ _____			
RATE BASE			\$ -	\$ 10,720,966
NET UTILITY OPERATING INCOME			\$ -	\$ 761,673
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)				7.10%

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.  
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**SCHEDULE OF CURRENT COST OF CAPITAL  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 5,697,104	53.03%	11.47%	6.08%
Preferred Stock	-	0.00%	0.00%	0.00%
Long Term Debt	5,768,539	53.69%	6.71%	3.60%
Short Term Debt	-	0.00%	0.00%	0.00%
Customer Deposits	70,909	0.66%	6.00%	0.04%
Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
Deferred Income Taxes	(792,462)	-7.38%	0.00%	0.00%
Other (Explain) Short Term Debt	-	0.00%	0.00%	0.00%
<b>Total</b>	<b>\$ 10,744,090</b>	<b>100.00%</b>		<b>9.72%</b>

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

\_\_\_\_\_

2 Should equal amounts on Schedule F-6, Column (g).

3 Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

**APPROVED RETURN ON EQUITY**

Current Commission Return on Equity:	<u>11.47%</u>
Commission order approving Return on Equity:	<u>PSC-04-0363-PAA-SU</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>9.03%</u>
Commission order approving AFUDC rate:	<u>PSC-04-0262-PAA-WS</u>

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME:

ALAFAYA UTILITIES INC

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**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING**

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 177,770,940	\$ _____	_____	_____	\$ (172,073,836)	\$ 5,697,104
Preferred Stock	-	_____	_____	_____	_____	-
Long Term Debt	180,000,000	_____	_____	_____	(174,231,461)	5,768,539
Short Term Debt	-	_____	_____	_____	-	-
Customer Deposits	70,909	_____	_____	_____	_____	70,909
Tax Credits - Zero Cost	-	_____	_____	_____	_____	-
Tax Credits - Weighted Cost	-	_____	_____	_____	_____	-
Deferred Inc. Taxes	(792,462)	_____	_____	_____	_____	(792,462)
Other (Explain) Short Term Debt	-	_____	_____	_____	-	-
<b>Total</b>	<b>\$ 357,049,387</b>	<b>\$ _____</b>	<b>_____</b>	<b>_____</b>	<b>\$ (346,305,297)</b>	<b>\$ 10,744,090</b>

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

NOT APPLICABLE

UTILITY NAME: ALAFAYA UTILITIES INC

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**UTILITY PLANT  
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ -	\$ 32,332,394	\$ -	\$ 32,332,394
102	Utility Plant Leased to Other				-
103	Property Held for Future Use	-	-		-
104	Utility Plant Purchased or Sold				-
105	Construction Work in Progress	-	710,548		710,548
106	Completed Construction Not Classified				-
	<b>Total Utility Plant</b>	\$ -	\$ 33,042,942	\$ -	\$ 33,042,942

**UTILITY PLANT ACQUISITION ADJUSTMENTS  
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.  
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ -	-		-
	<b>Total Plant Acquisition Adjustments</b>	\$ -	\$ -	\$ -	\$ -
115	Beginning Bal	\$ -	\$ -	\$ -	\$ -
	Accumulated Amortization				
	Accruals charged during year	-	-		
	<b>Total Accumulated Amortization</b>	\$ -	\$ -	\$ -	\$ -
	<b>Net Acquisition Adjustments</b>	\$ -	\$ -	\$ -	\$ -

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b>				
Account 108				
Balance first of year	\$ -	9,112,474		9,112,474
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ -	\$ 697,507	\$ -	\$ 697,507
Account 108.2 (2)	-	-	-	-
Account 108.3 (2)	-	-	-	-
Other Accounts (specify):	-	16,072	-	16,072
Salvage	-	-	-	-
Other Credits (Specify):	-	-	-	-
<b>Total Credits</b>	<b>\$ -</b>	<b>\$ 713,579</b>	<b>\$ -</b>	<b>\$ 713,579</b>
Debits during year:				
Book cost of plant retired	-	3,417	-	3,417
Cost of Removal	-	-	-	-
Other Debits (specify):	-	-	-	-
Acting adjustments mandated by FPSC	-	-	-	-
<b>Total Debits</b>	<b>\$ -</b>	<b>\$ 3,417</b>	<b>\$ -</b>	<b>\$ 3,417</b>
Balance end of year	<u>\$ -</u>	<u>\$ 9,822,636</u>	<u>\$ -</u>	<u>\$ 9,822,636</u>
<b>ACCUMULATED AMORTIZATION</b>				
Account 110				
Balance first of year	\$ -			
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ -	-	-	-
Other Accounts (specify):	-	-	-	-
<b>Total credits</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Debits during year:				
Book cost of plant retired	-	-	-	-
Other debits (specify):	-	-	-	-
<b>Total Debits</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

UTILITY NAME: ALAFAYA UTILITIES INC

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**REGULATORY COMMISSION EXPENSE  
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
060256-SU	\$ _____	_____	\$ 30,180
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	_____	\$ 30,180

**NONUTILITY PROPERTY (ACCOUNT 121)**

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.  
Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
NONE	\$ _____	\$ _____	\$ _____	\$ -
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ _____	\$ _____	\$ _____	\$ -

**SPECIAL DEPOSITS ( ACCOUNTS 132 AND 133)**

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): Electric Deposit	\$ 850
_____	_____
_____	_____
Total Special Deposits	\$ 850
OTHER SPECIAL DEPOSITS (Account 133): NONE	\$ -
_____	_____
_____	_____
Total Other Special Deposits	\$ -

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**INVESTMENTS AND SPECIAL FUNDS  
ACCOUNTS 123 - 127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): NONE _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ - _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____ -
UTILITY INVESTMENTS (Account 124): NONE _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ - _____ _____ _____ _____
Total Utility Investment		\$ _____ -
OTHER INVESTMENTS (Account 125): NONE _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ - _____ _____ _____ _____
Total Other Investment		\$ _____ -
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ - _____ _____ _____ _____
Total Special Funds		\$ _____ -



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**ACCOUNTS AND NOTES RECEIVABLE - NET**  
**ACCOUNTS 141 - 144**

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ -	
Wastewater	179,465	
Other		
Total Customer Accounts Receivable		\$ 179,465
OTHER ACCOUNTS RECEIVABLE ( Account 142):		
_____	\$ _____	
_____		
_____		
Total Other Accounts Receivable		\$ -
NOTES RECEIVABLE (Account 144 ):		
_____	\$ _____	
_____		
_____		
Total Notes Receivable		\$ -
Total Accounts and Notes Receivable		\$ 179,465
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143 )		
Balance first of year	\$	
Provision for uncollectibles for current year	\$ (17,820)	
Collection of accounts previously written off		
Utility Accounts		
Others		
_____		
_____		
Total Additions	\$ (17,820)	
Deduct accounts written off during year:		
Utility Accounts		
Others		
_____		
_____		
Total accounts written off	\$ -	
Balance end of year		\$ (17,820)
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>		<b>\$ 161,645</b>

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

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Water Service Corp.	\$ 3,204,200
Total	\$ <u>3,204,200</u>

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

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
NONE	% \$	-
	% \$	
	% \$	
	% \$	
	% \$	
	% \$	
	% \$	
Total		\$ <u>-</u>

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

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE	\$ -
Total Miscellaneous Current and Accrued Assets	\$ <u>-</u>

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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT  
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181): NONE	\$ _____	\$ _____ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____ -
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____ -

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____ -
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____ -

**MISCELLANEOUS DEFERRED DEBITS  
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
<u>RATE CASE</u>	\$ <u>30,180</u>	\$ <u>55,483</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ <u>30,180</u>	\$ <u>55,483</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
<u>OTHER DEFERRED MAINTENANCE (NONE)</u>	\$ <u>3,747</u>	\$ <u>4,676</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ <u>3,747</u>	\$ <u>4,676</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
<u>NONE</u>	\$ <u>-</u>	\$ <u>-</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Assets	\$ <u>-</u>	\$ <u>-</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ <u>33,927</u>	\$ <u>60,159</u>

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

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	_____	1
Shares authorized	_____	0
Shares issued and outstanding	_____	0
Total par value of stock issued	_____	\$1,000
Dividends declared per share for year	_____	0
<b>REFERRED STOCK</b>		
Par or stated value per share	_____	0
Shares authorized	_____	0
Shares issued and outstanding	_____	0
Total par value of stock issued	_____	0
Dividends declared per share for year	_____	0

\* Account 204 not applicable for Class B utilities.

**BONDS  
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%	_____	\$ _____ -
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
Total			\$ _____ -

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

**STATEMENT OF RETAINED EARNINGS**

- 1 Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- 2 Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ (1,786,368)
439	Changes to Account: Adjustments to Retained Earnings ( requires Commission approval prior to use): Credits: _____	\$ _____
	Total Credits:	\$ -
	Debits: _____	\$ _____
	Total Debits:	\$ _____
435	Balance Transferred from Income {income/(loss)}	\$ 552,499
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ _____
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ _____
215	Year end Balance	\$ _____
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>(1,233,869)</u>
Notes to Statement of Retained Earnings:		

**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
WATER SERVICE CORPORATION	\$ 2,546,879
Total	\$ <u>2,546,879</u>

**OTHER LONG-TERM DEBT  
ACCOUNT 224**

DESCRIPTION OF OBLIGATION INCLUDING DATE OF ISSUE AND DATE OF MATURITY (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ <u>      -      </u>

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

UTILITY NAME: ALAFAYA UTILITIES INC

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**NOTES PAYABLE  
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE ( Account 232): NONE	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ -
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): NONE	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ -

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES  
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
WATER SERVICE CORPORATION	\$ (473,497)
Total	\$ (473,497)



UTILITY NAME: ALAFAYA UTILITIES INC

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**ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ _____		\$ _____	\$ _____	\$ _____
_____	_____		_____	_____	_____
UTILITIES INC INTERCOMPANY INTEREST	_____		207,183	207,183	-
_____	_____		_____	_____	_____
Total Account 237.1	\$ <u>          -</u>		\$ <u>      207,183</u>	\$ <u>      207,183</u>	\$ <u>          -</u>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ <u>      5,349</u>		\$ <u>      7,925</u>	\$ <u>      2,576</u>	\$ <u>      6,781</u>
_____	_____		_____	_____	-
_____	_____		_____	_____	-
Total Account 237.2	\$ <u>      5,349</u>		\$ <u>      7,925</u>	\$ <u>      2,576</u>	\$ <u>      6,781</u>
Total Account 237 (1)	\$ <u>      5,349</u>		\$ <u>     215,108</u>	\$ <u>     209,759</u>	\$ <u>      6,781</u>
INTEREST EXPENSED:					
Total accrual Account 237			\$ <u>     209,759</u>		
_____			_____		
Short Term Interest Expense			(142)		
_____			_____		
Net Interest Expensed to Account No. 427 (2)			\$ <u>     209,617</u>		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.  
(2) Must agree to F-3 (c), Current Year Interest Expense

UTILITY NAME: ALAFAYA UTILITIES INC

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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE	\$ -
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

**ADVANCES FOR CONSTRUCTION  
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
NONE	\$ _____		\$ _____	\$ _____	\$ -
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
Total	\$ _____		\$ _____	\$ _____	\$ -

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

UTILITY NAME: ALAFAYA UTILITIES INC

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**OTHER DEFERRED CREDITS**  
**ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
NONE	\$ _____	\$ _____ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Regulatory Liabilities</b>	<b>\$ _____</b>	<b>\$ _____ -</b>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Other Deferred Liabilities</b>	<b>\$ _____</b>	<b>\$ _____ -</b>
<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>\$ _____</b>	<b>\$ _____ -</b>

UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
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**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ _____	\$ 17,910,076	\$ -	\$ 17,910,076
Add credits during year:	\$ -	\$ 62,080	\$ -	\$ 62,080
Less debit charged during the year	\$ -	\$ -	\$ -	\$ -
Total Contribution In Aid of Construction	\$ -	\$ 17,972,156	\$ -	\$ 17,972,156

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ _____	\$ 5,667,108	\$ -	\$ 5,667,108
Debits during the year:	\$ -	\$ 323,206	\$ -	\$ 323,206
Credits during the year	\$ -	\$ -	\$ -	\$ -
Total Accumulated Amortization of Contributions In Aid of Construction	\$ -	\$ 5,990,314	\$ -	\$ 5,990,314

UTILITY NAME:

ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE  
INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

- 1 The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- 2 If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 552,499
Reconciling items for the year:		
Taxable income not reported on books:		
Tap Fees		62,080
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
Amortization ITC		_____
Excess Tax Depreciation over Book Depreciation		_____
Tap in Fees		_____
CIA Property		_____
Int During Construction		(31)
Def. Maint. CY additions		4,642
Def. Maint. CY amortization		3,732
Def. Rate Case CY additions		50,247
Def. Rate Case CY amortization		28,956
Organization Exp-Amort		_____
Bad Debts CY		(5,305)
Current FIT (725)		330,986
Deferred FIT (731)		(46,380)
Deferred SIT (732)		(7,939)
Current SIT		_____
Income recorded on books not included in return:		
Interest During Construction		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
Meals		0
_____		_____
_____		_____
Federal tax net income		\$ <u>973,487</u>

Computation of tax :	973,487
	<u>34%</u>
	330,986

# **WATER OPERATING SECTION**

**Note:** This utility is a wastewater only service; therefore, Pages W-1 through W-14 have been omitted from this report.

**WASTEWATER  
OPERATION  
SECTION**





UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
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SYSTEM NAME / COUNTY : Seminole County

**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4A	\$ 32,332,394
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6B	9,822,636
110	Accumulated Amortization	F-8	-
271	Contributions In Aid of Construction	S-7	17,972,156
252	Advances for Construction	F-20	
Subtotal			\$ 4,537,602
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8A	\$ 5,990,314
Subtotal			\$ 10,527,915
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		193,051
	Other (Specify):		-
WASTEWATER RATE BASE			\$ 10,720,966
WASTEWATER OPERATING INCOME		S-3	\$ 761,673
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>7.10%</u>

NOTES (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

ALAFAYA UTILITIES INC

<p><b>YEAR OF REPORT</b> 31-Dec-10</p>
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SYSTEM NAME / COUNTY :

Seminole County

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9A	\$ 3,022,424
530	Less: Guaranteed Revenue (and AFPI)	S-9A	-
	Net Operating Revenues		\$ 3,022,424
401	Operating Expenses	S-10A	\$ 1,544,408
403	Depreciation Expense	S-6A	697,507
	Less: Amortization of CIAC	S-8A	(323,205)
	Net Depreciation Expense		\$ 374,302
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	-
408.1	Taxes Other Than Income Utility Regulatory Assessment Fee		(44,721)
408.11	Property Taxes		1,177
408.12	Payroll Taxes		42,793
408.13	Other Taxes and Licenses		181,285
408	Total Taxes Other Than Income		\$ 180,534
409.1	Income Taxes		215,825
410.1	Deferred Federal Income Taxes		(46,380)
410.11	Deferred State Income Taxes		(7,939)
411.1	Provision for Deferred Income Taxes - Credit		-
412.1	Investment Tax Credits Deferred to Future Periods		-
412.11	Investment Tax Credits Restored to Operating Income		-
	Utility Operating Expenses		\$ 2,260,750
	Utility Operating Income		\$ 761,673
530	Add Back: Guaranteed Revenue (and AFPI)	S-9A	\$ -
413	Income From Utility Plant Leased to Others		-
414	Gains (losses) From Disposition of Utility Property		408
420	Allowance for Funds Used During Construction		31
	Total Utility Operating Income		\$ 762,112

UTILITY NAME: ALAFAYA UTILITIES INC

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SYSTEM NAME / COUNTY : Seminole County

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 846,102	\$ -	\$ -	\$ 846,102
352	Franchises	7,243	0		7,243
353	Land and Land Rights	63,894	(4)		63,890
354	Structures and Improvements	7,771,455	71,622	530	7,842,547
355	Power Generation Equipment	56,961	-		56,961
360	Collection Sewers - Force	773,041	13,788	2,630	784,199
361	Collection Sewers - Gravity	7,635,816	1,987	257	7,637,546
361	Manholes	1,596,885	-		1,597,246
362	Special Collecting Structures	2,625	-		2,625
363	Services to Customers	1,365,875	19,704		1,385,579
364	Flow Measuring Devices	12,146	-		12,146
365	Flow Measuring Installations	-	-		-
366	Reuse Services	1,548,466	5,853		1,554,319
367	Reuse Meters and Meter Installations	950,195	5,036		955,231
370	Receiving Wells	-	-		-
371	Pumping Equipment	1,006,679	14,600		1,021,280
374	Reuse Distribution Reservoirs	-	-		-
375	Reuse Transmission and Distribution System	4,902,185	12,554		4,914,739
380	Treatment and Disposal Equipment	1,873,944	42,973		1,916,917
381	Plant Sewers	16,428	2,492		18,920
382	Outfall Sewer Lines	1,617	-		1,617
389	Other Plant Miscellaneous Equipment	39,513	708		40,222
390	Office Furniture and Equipment	985,149	10,663		995,813
391	Transportation Equipment	367,552	6,221		373,773
392	Stores Equipment	-	-		-
393	Tools, Shop and Garage Equipment	151,733	5,050		156,784
394	Laboratory Equipment	18,713	-		18,713
395	Power Operated Equipment	-	-		-
396	Communication Equipment	27,585	15,620		43,205
397	Miscellaneous Equipment	10,053	-		10,053
398	Other Tangible Plant	74,723	-		74,723
Total Wastewater Plant		\$ 32,106,579	\$ 228,870	\$ 3,417	\$ 32,332,394

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

UTILITY NAME: ALAFAYA UTILITIES INC

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SYSTEM NAME / COUNTY : Seminole County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1	.2	.3	.4	.5	.6	.7
		INTANGIBLE PLANT (g)	COLLECTION PLANT (h)	SYSTEM PUMPING PLANT (i)	TREATMENT AND DISPOSAL (j)	RECLAIMED WASTEWATER TREATMENT PLANT (i)	RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	GENERAL PLANT (k)
351	Organization	\$ 846,102	\$	\$	\$	\$	\$	\$
352	Franchises	7,243						
353	Land and Land Rights		63,890	-				
354	Structures and Improvements		1,520	2,227,306	5,217,935	-	71,394	324,393
355	Power Generation Equipment		56,961	-				
360	Collection Sewers - Force		784,199					
361	Collection Sewers - Gravity		7,637,546					
361	Manholes		1,597,246					
362	Special Collecting Structures		2,625					
363	Services to Customers		1,385,579					
364	Flow Measuring Devices		12,146					
365	Flow Measuring Installations		-					
366	Reuse Services		1,554,319					
367	Reuse Meters and Meter Installations		955,231					
370	Receiving Wells			-				
371	Pumping Equipment			1,021,280				
374	Reuse Distribution Reservoirs			-				
375	Reuse Transmission and Distribution System			4,914,739				
380	Treatment and Disposal Equipment				1,915,825	1,092		
381	Plant Sewers					18,920		
382	Outfall Sewer Lines				1,617			
389	Other Plant Miscellaneous Equipment	-	-	14,357	24,875	-	990	
390	Office Furniture and Equipment							995,813
391	Transportation Equipment							373,773
392	Stores Equipment							-
393	Tools, Shop and Garage Equipment							156,784
394	Laboratory Equipment							18,713
395	Power Operated Equipment							-
396	Communication Equipment							43,205
397	Miscellaneous Equipment							10,053
398	Other Tangible Plant							74,723
Total Wastewater Plant		\$ 853,345	\$ 14,051,263	\$ 8,177,681	\$ 7,160,251	\$ 20,012	\$ 72,384	\$ 1,997,457

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

UTILITY NAME: ALAFAYA UTILITIES INC

SYSTEM NAME / COUNTY : Seminole County

**BASIS FOR WASTEWATER DEPRECIATION CHARGES**

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
301	Organization	40		2.50%
302	Franchises	40		2.50%
354	Structures and Improvements	32		3.13%
354	Structures and Improvements - General	40		2.50%
355	Power Generation Equipment	20		5.00%
360	Collection Sewers - Force	30		3.33%
361	Collection Sewers - Gravity	45		2.22%
361	Manholes	30		3.33%
362	Special Collecting Structures	40		2.50%
363	Services to Customers	38		2.63%
364	Flow Measuring Devices	5		20.00%
365	Flow Measuring Installations	38		2.63%
366	Reuse Services	40		2.50%
367	Reuse Meters and Meter Installations	20		5.00%
370	Receiving Wells	30		3.33%
371	Pumping Equipment	18		5.56%
375	Reuse Transmission and Distribution System	43		2.33%
380	Treatment and Disposal Equipment	18		5.56%
381	Plant Sewers	35		2.86%
382	Outfall Sewer Lines	30		3.33%
389	Other Plant Miscellaneous Equipment	18		5.56%
390	Office Furniture and Equipment	15		6.67%
390	Office Furniture and Equipment - Computers	6		16.67%
391	Transportation Equipment	6		16.67%
392	Stores Equipment	18		5.56%
393	Tools, Shop and Garage Equipment	16		6.25%
394	Laboratory Equipment	15		6.67%
395	Power Operated Equipment	12		8.33%
396	Communication Equipment	10		10.00%
397	Miscellaneous Equipment	15		6.67%
398	Other Tangible Plant	10		10.00%
Wastewater Plant Composite Depreciation Rate *		=====	=====	=====

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: ALAFAYA UTILITIES INC

YEAR OF REPORT  
31-Dec-10

SYSTEM NAME / COUNTY : Seminole County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

NO. (a)	ACCT. ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS ( d + e ) (f)
301	Organization	\$ 661,653	\$ -	\$ -	\$ -
302	Franchises	12,409	2,269	7	2,276
354	Structures and Improvements	3,445,583	177,896	17,185	195,082
355	Power Generation Equipment	250	180	1	181
360	Collection Sewers - Force	248,176	12,882	1,678	14,560
361	Collection Sewers - Gravity	2,355,775	156,466	-	156,466
362	Special Collecting Structures	74	26	-	26
363	Services to Customers	438,263	22,756	(1,679)	21,077
364	Flow Measuring Devices	1,437	1,619	-	1,619
365	Flow Measuring Installations	-	-	-	-
366	Reuse Services	208,478	25,810	-	25,810
367	Reuse Meters and Meter Installations	91,653	31,769	1	31,770
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	498	1,219	(130)	1,089
375	Reuse Transmission and Distribution System	- 569,553	- 79,912	- (1)	- 79,911
380	Treatment and Disposal Equipment	439,310	76,866	3,583	80,450
381	Plant Sewers	735	192	-	192
382	Outfall Sewer Lines	5,584	1,229	-	1,229
389	Other Plant Miscellaneous Equipment	1,859	1,420	-	1,420
390	Office Furniture and Equipment	388,735	77,534	26,742	104,276
391	Transportation Equipment	143,225	20,766	2,008	22,774
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	84,666	5,210	(38,914)	(33,704)
394	Laboratory Equipment	(6,036)	772	(1)	771
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	19,916	200	5,505	5,705
397	Miscellaneous Equipment	595	447	86	533
398	Other Tangible Plant	83	67	-	67
Total Depreciable Wastewater Plant in Service		\$ 9,112,474	\$ 697,507	\$ 16,072	\$ 713,579

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

OTHER CREDITS column (E) \* are due to allocation of UIF plant

UTILITY NAME: ALAFAYA UTILITIES INC

YEAR OF REPORT 31-Dec-10
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SYSTEM NAME / COUNTY : Seminole County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
301	Organization	\$ -	\$ -	\$ -	\$ -	\$ 661,653
302	Franchises	-	-	-	-	14,685
354	Structures and Improvements	530	-	-	530	3,640,134
355	Power Generation Equipment	-	-	-	-	431
360	Collection Sewers - Force	2,630	-	-	2,630	260,106
361	Collection Sewers - Gravity	257	-	-	257	2,511,984
362	Special Collecting Structures	-	-	-	-	100
363	Services to Customers	-	-	-	-	459,340
364	Flow Measuring Devices	-	-	-	-	3,057
365	Flow Measuring Installations	-	-	-	-	-
366	Reuse Services	-	-	-	-	234,287
367	Reuse Meters and Meter Installations	-	-	-	-	123,423
370	Receiving Wells	-	-	-	-	-
371	Pumping Equipment	-	-	-	-	1,587
375	Reuse Transmission and Distribution System	-	-	-	-	649,465
380	Treatment and Disposal Equipment	-	-	-	-	519,759
381	Plant Sewers	-	-	-	-	927
382	Outfall Sewer Lines	-	-	-	-	6,813
389	Other Plant Miscellaneous Equipment	-	-	-	-	3,279
390	Office Furniture and Equipment	-	-	-	-	493,011
391	Transportation Equipment	-	-	-	-	165,999
392	Stores Equipment	-	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-	50,962
394	Laboratory Equipment	-	-	-	-	(5,264)
395	Power Operated Equipment	-	-	-	-	-
396	Communication Equipment	-	-	-	-	25,621
397	Miscellaneous Equipment	-	-	-	-	1,128
398	Other Tangible Plant	-	-	-	-	150
Total Depreciable Wastewater Plant in Service		\$ 3,417	\$ -	\$ -	\$ 3,417	\$ 9,822,636

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

UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> 31-Dec-10
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SYSTEM NAME / COUNTY : Seminole County

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

<b>DESCRIPTION (a)</b>	<b>REFERENCE (b)</b>	<b>WASTEWATER (c)</b>
Balance first of year		\$ <u>17,910,076</u>
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8A	\$ <u>62,080</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8B	<u>-</u>
Total Credits		\$ <u>62,080</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>                    </u>
Total Contributions In Aid of Construction		\$ <u>17,972,156</u>

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

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UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
---

SYSTEM NAME / COUNTY : Seminole County

**WASTEWATER CIAC SCHEDULE "A"**

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,  
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
<u>SEWER CAPACITY FEES</u>	_____	\$ _____	\$ <u>62,080.0</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ <u><u>62,080.0</u></u>

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ <u>5,667,108</u>
Debits during the year:	
Accruals charged to Account 272	\$ <u>323,205</u>
Other debits (specify) :	_____
_____	_____
_____	_____
Total debits	\$ <u>323,205</u>
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ <u>-</u>
Balance end of year	\$ <u><u>5,990,314</u></u>

UTILITY NAME: ALAFAYA UTILITIES INC

**YEAR OF REPORT**  
31-Dec-10

SYSTEM NAME / COUNTY : Seminole County

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

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

UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
---

SYSTEM NAME / COUNTY : Seminole County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
Flat Rate Revenues:				
521.1	Residential Revenues	7,523	8,945	\$ (206,421)
521.2	Commercial Revenues			-
521.3	Industrial Revenues			-
521.4	Revenues From Public Authorities			-
521.5	Multiple Family Dwelling Revenues			-
521.6	Other Revenues			-
521	Total Flat Rate Revenues	7,523	8,945	\$ (206,421)
Measured Revenues:				
522.1	Residential Revenues			2,733,646
522.2	Commercial Revenues			190,355
522.3	Industrial Revenues			-
522.4	Revenues From Public Authorities			-
522.5	Multiple Family Dwelling Revenues			-
522	Total Measured Revenues			\$ 2,924,001
523	Revenues From Public Authorities			-
524	Revenues From Other Systems			-
525	Interdepartmental Revenues			-
Total Wastewater Sales		7,523	8,945	\$ 2,717,580
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues			\$ -
531	Sale of Sludge			-
532	Forfeited Discounts			-
534	Rents From Wastewater Property			-
535	Interdepartmental Rents			-
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			9,647
Total Other Wastewater Revenues				\$ 9,647

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

UTILITY NAME: ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
---

SYSTEM NAME / COUNTY Seminole County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues	_____	_____	\$ _____ -
540.2	Commercial Reuse Revenues	_____	_____	_____ -
540.3	Industrial Reuse Revenues	_____	_____	_____ -
540.4	Reuse Revenues From Public Authorities	_____	_____	_____ -
540.5	Other Revenues	_____	_____	_____ -
540	Total Flat Rate Reuse Revenues	_____	_____	\$ _____ -
541.1	Measured Reuse Revenues: Residential Reuse Revenues	_____	_____	_____ 264,841
541.2	Commercial Reuse Revenues	_____	_____	_____ 30,355
541.3	Industrial Reuse Revenues	_____	_____	_____ -
541.4	Reuse Revenues From Public Authorities	_____	_____	_____ -
541	Total Measured Reuse Revenues	_____	_____	\$ _____ 295,196
544	Reuse Revenues From Other Systems	_____	_____	_____
Total Reclaimed Water Sales				\$ _____ 295,196
Total Wastewater Operating Revenues				\$ _____ 3,022,424

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

UTILITY NAME: ALAFAYA UTILITIES INC

YEAR OF REPORT  
31-Dec-10

SYSTEM NAME / COUNTY : Seminole County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 COLLECTION EXPENSES- OPERATIONS	.2 COLLECTION EXPENSES- MAINTENANCE	.3 PUMPING EXPENSES - OPERATIONS	.4 PUMPING EXPENSES - MAINTENANCE	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
701	Salaries and Wages - Employees	\$ 367,596	\$ 38,867	\$ 38,867	\$ 38,867	\$ 38,867	\$ 38,867	\$ 38,867
703	Salaries and Wages - Officers, Directors and Majority Stockholders	28,883	-	-	-	-	-	-
704	Employee Pensions and Benefits	111,173	10,898	10,898	10,898	10,898	10,898	10,898
710	Purchased Sewage Treatment	1,153					1,153	
711	Sludge Removal Expense	83,118					83,118	-
715	Purchased Power	301,292	100,431		100,431		100,431	
716	Fuel for Power Purchased	-	-		-		-	
718	Chemicals	93,637	15,606	15,606	15,606	15,606	15,606	15,606
720	Materials and Supplies	72,438	9,055	9,055	9,055	9,055	9,055	9,055
731	Contractual Services-Engineering	37	-	-	-	-	-	-
732	Contractual Services - Accounting	10,556	-	-	-	-	-	-
733	Contractual Services - Legal	3,154	-	-	-	-	-	-
734	Contractual Services - Mgt. Fees	-	-	-	-	-	-	-
735	Contractual Services - Testing	-	-	-	-	-	-	-
736	Contractual Services - Other	27,441	3,430	3,430	3,430	3,430	3,430	3,430
741	Rental of Building/Real Property	106,522	-	-	-	-	-	-
742	Rental of Equipment	-	-	-	-	-	-	-
750	Transportation Expenses	39,640	4,955	4,955	4,955	4,955	4,955	4,955
756	Insurance - Vehicle	-	-	-	-	-	-	-
757	Insurance - General Liability	-	-	-	-	-	-	-
758	Insurance - Workman's Comp.	-	-	-	-	-	-	-
759	Insurance - Other	51,756	6,469	6,469	6,469	6,469	6,469	6,469
760	Advertising Expense	104						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	30,180						
767	Regulatory Commission Exp.-Other	677	-	-	-	-	-	-
770	Bad Debt Expense	26,129						
775	Miscellaneous Expenses	188,923	23,615	23,615	23,615	23,615	23,615	23,615
Total Wastewater Utility Expenses		\$ 1,544,408	\$ 213,326	\$ 112,896	\$ 213,326	\$ 112,896	\$ 297,597	\$ 112,896

CHECK

CHECK 2  
(0)

S-10(a)  
GROUP \_\_\_\_\_

UTILITY NAME: ALAFAYA UTILITIES INC

YEAR OF REPORT  
31-Dec-10

SYSTEM NAME / COUNTY : Seminole County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ 32,197	\$ 102,200	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	-	28,883	-	-	-	-
704	Employee Pensions and Benefits	9,028	36,755	-	-	-	-
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power	-	-	-		-	
716	Fuel for Power Purchased	-	-	-		-	
718	Chemicals			-	-	-	-
720	Materials and Supplies	9,055	9,055	-	-	-	-
731	Contractual Services-Engineering	-	37	-	-	-	-
732	Contractual Services - Accounting	-	10,556	-	-	-	-
733	Contractual Services - Legal	-	3,154	-	-	-	-
734	Contractual Services - Mgt. Fees	-	-	-	-	-	-
735	Contractual Services - Testing	-	-	-	-	-	-
736	Contractual Services - Other	3,430	3,430	-	-	-	-
741	Rental of Building/Real Property	-	106,522	-	-	-	-
742	Rental of Equipment	-	-	-	-	-	-
750	Transportation Expenses	4,955	4,955	-	-	-	-
756	Insurance - Vehicle	-	-	-	-	-	-
757	Insurance - General Liability	-	-	-	-	-	-
758	Insurance - Workman's Comp.	-	-	-	-	-	-
759	Insurance - Other	6,469	6,469	-	-	-	-
760	Advertising Expense		104				
766	Regulatory Commission Expenses - Amortization of Rate Case Expense		30,180				
767	Regulatory Commission Exp.-Other	-	677	-	-	-	-
770	Bad Debt Expense	26,129					
775	Miscellaneous Expenses	23,615	23,615	-	-	-	-
Total Wastewater Utility Expenses		\$ 114,879	\$ 366,594	\$ -	\$ -	\$ -	\$ -

UTILITY NAME:

ALAFAYA UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-10</b>
---

SYSTEM NAME / COUNTY :

ALAFAYA / SEMINOLE

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	7,150	7,150
5/8"	Displacement	1.0	84	84
3/4"	Displacement	1.5		0
1"	Displacement	2.5	45	113
1 1/2"	Displacement or Turbine	5.0	4	20
2"	Displacement, Compound or Turbine	8.0	27	216
3"	Displacement	15.0	1	15
3"	Compound	16.0		0
3"	Turbine	17.5		0
4"	Displacement or Compound	25.0	2	50
4"	Turbine	30.0		0
6"	Displacement or Compound	50.0		0
6"	Turbine	62.5		0
8"	Compound	80.0		0
8"	Turbine	90.0		0
10"	Compound	115.0		0
10"	Turbine	145.0		0
12"	Turbine	215.0		0
Total Wastewater System Meter Equivalents				<u>7,648</u>

**CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS**

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:

$$ERC = ( \text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day} )$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per

**NOTE:** Total gallons treated includes both treated and purchased treatment.

<p>ERC Calculation:</p> <p>312.053/258/280=4,319 ERC's **</p> <p>** Based on 258 days. System was sold on 9/15/2010.</p>
--

UTILITY NAME: ALAFAYA UTILITIES INC

SYSTEM NAME / COUNTY : ALAFAYA / SEMINOLE

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>1.535 mgd</u>	_____	_____
Basis of Permit Capacity (1)	<u>AADF</u>	_____	_____
Manufacturer	<u>Sanitaire</u>	_____	_____
Type (2)	<u>Extended Air</u>	_____	_____
Hydraulic Capacity	<u>2.4 mgd</u>	_____	_____
Average Daily Flow	<u>1.210 mgd</u>	_____	_____
Total Gallons of Wastewater Treated	<u>312.053 mg</u>	_____	_____
Method of Effluent Disposal	<u>Ponds/Irrigation/ Reuse</u>	_____	_____

- (1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit as revised (i.e. average annual daily flow, etc.)
- (2) Contact stabilization, advanced treatment, etc.
- (3) Based on 258 days. System was sold on 9/15/2010.



UTILITY NAME: ALAFAYA UTILITIES INC

YEAR OF REPORT  
31-Dec-10

SYSTEM NAME / COUNTY : ALAFAYA / SEMINOLE

**OTHER WASTEWATER SYSTEM INFORMATION**

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

1. Present number of ERCs\* now being served 6319

2. Maximum number of ERCs\* which can be served 9593

3. Present system connection capacity (in ERCs\*) using existing lines 7615

4. Future connection capacity (in ERCs\*) upon service area buildout 8571

5. Estimated annual increase in ERCs\* 75

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
N/A

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. Twin Rivers GC; approximately 1,524 residential general service and reuse customers

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? N/A  
If so, when? \_\_\_\_\_

9. Has the utility been required by the DEP or water management district to implement reuse? Yes  
If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_  
Reuse has been implemented.

10. When did the company last file a capacity analysis report with the DEP? 2008

11. If the present system does not meet the requirements of DEP rules:  
a. Attach a description of the plant upgrade necessary to meet the DEP rules.  
b. Have these plans been approved by DEP? N/A  
c. When will construction begin? N/A  
d. Attach plans for funding the required upgrading.  
e. Is this system under any Consent Order with DEP? No

12. Department of Environmental Protection ID # FLA011074

\* An ERC is determined based on the calculation on S-11.

Explanatory note for 2010 Florida Annual Reports:

This company has reported "Year End Number of Customers" using yearend active ERC calculations.

An ERC is a ratio assigned to a customer or class of customers based on meter size, with one ERC being the standard connection for a single family residence.

Please note: These ERC counts are input in place of customer count because these counts are the basis for all allocation methods.

\*Below are Active ERC counts by sub:

County	SUB	W	WW
Seminole	Alafaya	0	8944.5

Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Wastewater Operations

YEAR OF REPORT 31-Dec-10
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UTILITY NAME: ALAFAYA UTILITIES INC

	(A)	(B)	(C)	(D)
Accounts		Gross Wastewater Revenues per Sch S-9	Gross Wastewater Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:				
Total Flat-Rate Revenues		(206,421)		(206,421)
Total Measured Revenues		2,924,001	2,717,580	206,421
Revenues from Public Authorities		-		
Revenues from Other Systems		-		
Interdepartmental Revenues		-		
Total Other Wastewater Revenues		9,647	9,647	0
Reclaimed Water Sales		295,196	295,196	0
Total Wastewater Operating Revenue		3,022,424	3,022,423	0
Less: Expense for Purchased Wastewater from FPSC Regulated Utility				
Net Wastewater Operating Revenues		3,022,424	3,022,423	0