

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WS433-08-AR

MILES GRANT WATER & SEWER CO

Exact Legal Name of Respondent

352W 308S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED

31-Dec-2008

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

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
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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
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<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
<input checked="" type="checkbox"/> | NO
<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.

 (Signature of Chief Executive Officer of the utility) *

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


 (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-08

MILES GRANT WATER & SEWER CO

County: **Martin 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 **MGW488**

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

WILLIAM SCHERER
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: **09/20/76**

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.	UTILITIES INC	100%
2.		
3.		
4.		
5.		
6.		
7.		
8.		

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
LISA SPARROW	CHIEF OPERATING OFFICER		OPERATIONS
JOHN HOY	CHIEF REGULATORY OFFICER		REGULATORY
RICK DURHAM	REGIONAL VP		OPERATIONS
PATRICK FLYNN	REGIONAL DIRECTOR		OPERATIONS
STEVEN LUBERTOZZI	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. Formed in 9/20/76 was acquired by Utilities Inc.
- B. The Utility supplies water and sewer services.
- C. Maintain a high quality of service.
- D. There is only subdivisions that are serviced.
- E. There has been modest growth and we expect this pattern to continue as long as economic conditons hold.
- F. There have been no major transaction during the year.

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/2008

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).

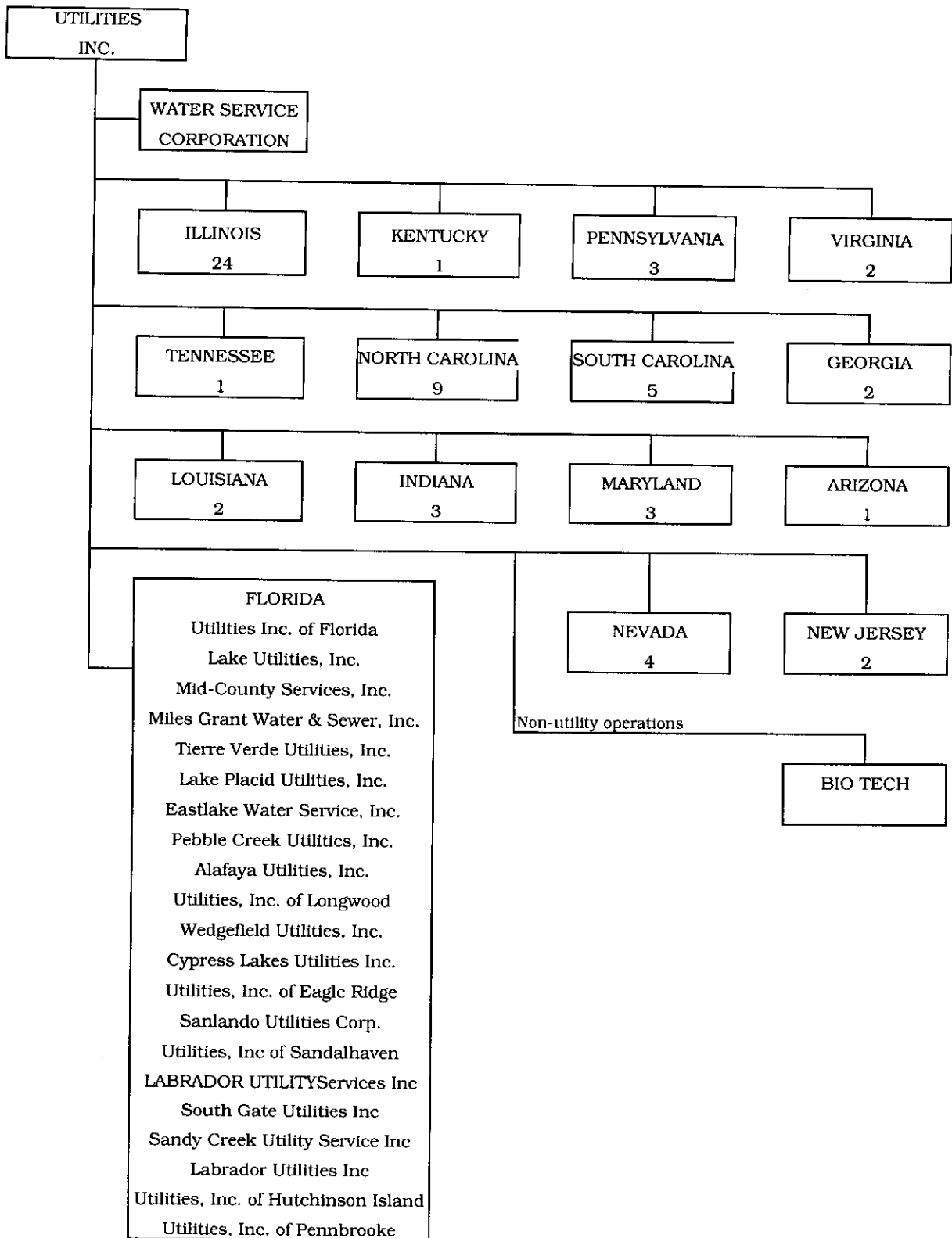
UTILITIES, INC. -- PARENT COMPANY

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)
LAWRENCE N SCHUMACHER	CEO & PRESIDENT	N/A	\$ NONE
LISA A SPARROW	VP OPERATIONS	N/A	NONE
JOHN HOY	VP REGULATORY	N/A	NONE
STEVEN M LUBERTOZZI	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)
JOHN M STOKES	DIRECTOR	1	\$ NONE
LAWRENCE N SCHUMACHER	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.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (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)
JOHN M STOKES	DIRECTOR	DIRECTOR	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
LAWRENCE N SCHUMACHER	PRESIDENT & CEO	DIRECTOR/OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
LISA A SPARROW	VP OPERATIONS	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
JOHN HOY	VP REGULATORY	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
STEVEN M LUBERTOZZI	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

**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 | -material and supplies furnished |
| -computer services | -leasing of structures, land, and equipment |
| -engineering & construction services | -rental transactions |
| -repairing and servicing of equipment | -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	77,940
	Materials & Supplies	Continuous	Purchase	10,123
	Contractual Services	Continuous	Purchase	8,424
	Transportation Expenses	Continuous	Purchase	14,364
	Insurance	Continuous	Purchase	17,348
	Advertising	Continuous	Purchase	12
	Regulatory Expenses	Continuous	Purchase	487
	Bad Debt Expense	Continuous	Purchase	158
	Miscellaneous	Continuous	Purchase	35,664

FINANCIAL SECTION

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 4,710,733	\$ 4,985,841
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,257,796	1,378,493
Net Plant			\$ 3,452,937	\$ 3,607,348
114-115	Utility Plant Acquisition adjustment (Net)	F-7	-	-
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 3,452,937	\$ 3,607,348
OTHER PROPERTY AND INVESTMENTS				
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			-	-
CURRENT AND ACCRUED ASSETS				
131	Cash			-
132	Special Deposits	F-9	-	-
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	61,896	119,732
145	Accounts Receivable from Associated Companies	F-12	-	52,515
146	Notes Receivable from Associated Companies	F-12		-
151-153	Material and Supplies		-	(54)
161	Stores Expense			-
162	Prepayments		750	750
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			\$ 62,646	\$ 172,942

* Not Applicable for Class B Utilities

**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		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	81,082	173,797
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		18,821	_____
Total Deferred Debits			\$ 99,903	\$ 173,797
TOTAL ASSETS AND OTHER DEBITS			\$ 3,615,486	\$ 3,954,088

* 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)
EQUITY CAPITAL				
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		1,955,203	2,289,514
212	Discount On Capital Stock			-
213	Capital Stock Expense			-
214-215	Retained Earnings	F-16	211,862	181,150
216	Reacquired Capital Stock			-
218	Proprietary Capital (Proprietorship and Partnership Only)			-
Total Equity Capital			\$ 2,168,065	\$ 2,471,664
LONG TERM DEBT				
221	Bonds	F-15		-
222 *	Reacquired Bonds			-
223	Advances from Associated Companies	F-17		2,309,221
224	Other Long Term Debt	F-17		-
Total Long Term Debt			\$	\$ 2,309,221
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		37,530	18,664
232	Notes Payable	F-18		-
233	Accounts Payable to Associated Companies	F-18	380,494	(1,861,062)
234	Notes Payable to Associated Companies	F-18		-
235	Customer Deposits		18,800	12,067
236	Accrued Taxes		26,516	12,669
237	Accrued Interest	F-19	(611)	329
238	Accrued Dividends			-
239	Matured Long Term Debt			-
240	Matured Interest			-
241	Miscellaneous Current & Accrued Liabilities	F-20		-
Total Current & Accrued Liabilities			\$ 462,729	\$ (1,817,334)

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
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		22,591	21,885
Total Deferred Credits			\$ <u>22,591</u>	\$ <u>21,885</u>
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 901,995	\$ 901,995
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	332,667	355,362
Total Net C.I.A.C.			\$ <u>569,328</u>	\$ <u>546,633</u>
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 367,460	\$ 355,276
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		25,313	66,743
Total Accumulated Deferred Income Tax			\$ <u>392,773</u>	\$ <u>422,019</u>
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>3,615,486</u>	\$ <u>3,954,088</u>

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 606,483	\$ 777,118
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 606,483	\$ 777,118
401	Operating Expenses	F-3(b)	\$ 500,479	\$ 527,574
403	Depreciation Expense:	F-3(b)	\$ 128,774	\$ 173,779
	Less: Amortization of CIAC	F-22	(22,696)	(22,695)
Net Depreciation Expense			\$ 106,078	\$ 151,084
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		-
407	Amortization Expense (Other than CIAC)	F-3(b)	3	-
408	Taxes Other Than Income	W/S-3	86,940	49,928
409	Current Income Taxes	W/S-3	(67,705)	(56,728)
410.10	Deferred Federal Income Taxes	W/S-3	1,492	40,866
410.11	Deferred State Income Taxes	W/S-3	255	6,996
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	(706)	-
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		(337)
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		-
Utility Operating Expenses			\$ 626,836	\$ 719,013
Net Utility Operating Income			\$ (20,353)	\$ 58,105
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			634
420	Allowance for Funds Used During Construction		5,591	1,641
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ (14,762)	\$ 60,380

* For each account. Column e should agree with Clouff 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)
\$ 328,893	\$ 448,225	\$ -
\$ 328,893	\$ 448,225	\$ -
\$ 253,957	\$ 273,617	\$ -
81,826	91,952	-
(15,171)	(7,524)	-
\$ 66,655	\$ 84,428	\$ -
-	-	-
-	-	-
26,107	23,821	-
(29,663)	(27,065)	-
21,369	19,497	-
3,658	3,338	-
-	-	-
-	(337)	-
(369)	-	-
\$ 341,714	\$ 377,299	\$ -
\$ (12,821)	\$ 70,926	\$ -
-	-	-
-	-	-
331	302	-
858	783	-
\$ (11,631)	\$ 72,011	\$ -

* 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)]			\$ (14,762)	\$ 60,380
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$ -
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			-
419	Interest and Dividend Income		(809)	-
421	Nonutility Income			-
426	Miscellaneous Nonutility Expenses			-
Total Other Income and Deductions			\$ (809)	\$ -
TAXES APPLICABLE TO OTHER INCOME				
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			\$	\$ -
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 106,379	\$ 91,091
428	Amortization of Debt Discount & Expense	F-13		-
429	Amortization of Premium on Debt	F-13		-
Total Interest Expense			\$ 106,379	\$ 91,091
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$ -
434	Extraordinary Deductions			-
409.3	Income Taxes, Extraordinary Items			-
Total Extraordinary Items			\$	\$ -
NET INCOME			\$ (121,950)	\$ (30,712)

Explain Extraordinary Income:

NONE

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	\$ 2,193,397	\$ 2,783,768
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	606,310	772,182
110	Accumulated Amortization	F-8	-	-
271	Contributions In Aid of Construction	F-22	517,998	383,997
252	Advances for Construction	F-20	-	-
Subtotal			\$ 1,069,088	\$ 1,627,589
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	217,825	137,537
Subtotal			\$ 1,286,913	\$ 1,765,126
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	-	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-	-
	Working Capital Allowance (3)		31,745	34,202
	Other (Specify):			
RATE BASE			\$ 1,318,657	\$ 1,799,328
NET UTILITY OPERATING INCOME			\$ (12,821)	\$ 70,926
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-0.97%	3.94%

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	\$ 1,091,261	35.03%	11.73%	4.11%
Preferred Stock	-	0.00%	0.00%	0.00%
Long Term Debt	1,245,281	39.98%	6.60%	2.64%
Short Term Debt	344,355	11.05%	3.75%	0.41%
Customer Deposits	12,067	0.39%	6.00%	0.02%
Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
Deferred Income Taxes	422,019	13.55%	0.00%	0.00%
Other (Explain) Short Term Debt	-	0.00%	0.00%	0.00%
Total	\$ <u>3,114,982</u>	<u>100.00%</u>		<u>7.18%</u>

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>11.73%</u>
Commission order approving Return on Equity:	<u>PSC-08-0812-PAA-WS</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:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

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	\$ 157,737,014	\$			\$ (156,645,753)	\$ 1,091,261
Preferred Stock	-					-
Long Term Debt	180,000,000				(178,754,719)	1,245,281
Short Term Debt	49,775,000				(49,430,645)	344,355
Customer Deposits	12,067					12,067
Tax Credits - Zero Cost	-					-
Tax Credits - Weighted Cost	-					-
Deferred Inc. Taxes	422,019					422,019
Other (Explain) Short Term Debt	-					-
Total	\$ 387,946,099	\$			\$ (384,831,117)	\$ 3,114,982

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

NOT APPLICABLE

#

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

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	\$ 2,193,397	\$ 2,783,768	\$	\$ 4,977,164
102	Utility Plant Leased to Other				-
103	Property Held for Future Use	-	-		-
104	Utility Plant Purchased or Sold				-
105	Construction Work in Progress	8,178	498		8,676
106	Completed Construction Not Classified				-
	Total Utility Plant	\$ 2,201,575	\$ 2,784,266	\$ -	\$ 4,985,841

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	\$ -	-		-
	Total Plant Acquisition Adjustments	\$ -	\$ -	\$ -	\$ -
115	Beginning Bal	\$	\$	\$	\$ -
	Accumulated Amortization				
	Accruals charged during year	-	-		
	Total Accumulated Amortization	\$ -	\$ -	\$ -	\$ -
	Net Acquisition Adjustments	\$ -	\$ -	\$ -	\$ -

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 621,129	636,667		1,257,796
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 81,826	\$ 91,952	\$	\$ 173,779
Account 108.2 (2)				-
Account 108.3 (2)				-
Other Accounts (specify):				
	(52,429)	8,270		(44,159)
Beginning Bal Adj	(44,216)	40,679		(3,537)
Other Credits (Specify):				
Total Credits	\$ (14,819)	\$ 140,901	\$ -	\$ 126,083
Debits during year:				
Book cost of plant retired	-	5,386		5,386
Cost of Removal	-	-		-
Other Debits (specify):				
Acting adjustments mandated by FPSC				-
Total Debits	\$ -	\$ 5,386	\$ -	\$ 5,386
Balance end of year	\$ <u>606,310</u>	\$ <u>772,182</u>	\$ <u>-</u>	\$ <u>1,378,493</u>
ACCUMULATED AMORTIZATION Account 110				
Balance first of year	\$			
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ -	\$ -	\$	\$ -
Other Accounts (specify):				
	-	-		-
Total credits	\$ -	\$ -	\$ -	\$ -
Debits during year:				
Book cost of plant retired				-
Other debits (specify):				-
Total Debits	\$ -	\$ -	\$ -	\$ -
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: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

**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)
030443-WS	\$ _____	_____	\$ _____ 0
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	_____	\$ _____ 0

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):	\$ _____
_____	_____
_____	_____
Total Special Deposits	\$ _____ -
OTHER SPECIAL DEPOSITS (Account 133):	\$ _____
NONE	_____
_____	_____
_____	_____
Total Other Special Deposits	\$ _____ -

**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		\$ _____ -

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	\$ 62,608	
Wastewater	57,124	
Other		
Total Customer Accounts Receivable		\$ 119,732
OTHER ACCOUNTS RECEIVABLE (Account 142):		
	\$	
Total Other Accounts Receivable		\$ -
NOTES RECEIVABLE (Account 144):		
	\$	
Total Notes Receivable		\$ -
Total Accounts and Notes Receivable		\$ 119,732
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ -	
Provision for uncollectibles for current year	\$	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions	\$ -	
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off	\$ -	
Balance end of year		\$ -
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 119,732

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Water Service Corp.	\$ 52,515
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>52,515</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>

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

**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>	\$ -	\$ 174,114
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ -	\$ 174,114
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
<u>OTHER DEFERRED MAINTENANCE (NONE)</u>	\$ 25,781	\$ (317)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ 25,781	\$ (317)
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
<u>NONE</u>	\$ -	\$ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Assets	\$ -	\$ -
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 25,781	\$ 173,797

UTILITY NAME:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
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
REFERRED STOCK		
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	\$ 211,861
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)}	\$ (30,712)
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>181,150</u>
Notes to Statement of Retained Earnings:		

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
WATER SERVICE CORPORATION	\$ 2,309,221
Total	\$ 2,309,221

**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			\$ -

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

**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	\$ (1,861,062)
Total	\$ (1,861,062)

UTILITY NAME: MILES GRANT WATER & SEWER CO

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	_____		90,245	90,245	_____
Total Account 237.1	\$ -		\$ 90,245	\$ 90,245	\$ -
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$ _____		\$ _____	\$ _____	\$ _____
Customer Deposits	_____		958	958	329
MISC ITEMS	_____		_____	_____	_____
Total Account 237.2	\$ -		\$ 958	\$ 958	\$ 329
Total Account 237 (1)	\$ -		\$ 91,203	\$ 91,203	\$ 329
INTEREST EXPENSED:					
Total accrual Account 237			\$ 91,203		
Short Term Interest Expense			(112)		
Net Interest Expensed to Account No. 427 (2)			\$ 91,091		

(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

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: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

**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): <u>NONE</u> <hr/> <hr/> <hr/>	\$ _____ <hr/> <hr/> <hr/>	\$ _____ <hr/> <hr/> <hr/>
Total Regulatory Liabilities	\$ _____ <hr/> <hr/>	\$ _____ <hr/> <hr/>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2): <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
Total Other Deferred Liabilities	\$ _____ <hr/> <hr/>	\$ _____ <hr/> <hr/>
TOTAL OTHER DEFERRED CREDITS	\$ _____ <hr/> <hr/>	\$ _____ <hr/> <hr/>

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

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	\$ <u>517,999</u>	\$ <u>383,996</u>	\$ <u>-</u>	\$ <u>901,995</u>
Add credits during year:	\$ <u>(1)</u>	\$ <u>1</u>	\$ <u>-</u>	\$ <u>0</u>
Less debit charged during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Contribution In Aid of Construction	\$ <u>517,998</u>	\$ <u>383,997</u>	\$ <u>-</u>	\$ <u>901,995</u>

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	\$ <u>197,371</u>	\$ <u>135,296</u>	\$ <u>-</u>	\$ <u>332,667</u>
Debits during the year:	\$ <u>20,454</u>	\$ <u>2,241</u>	\$ <u>-</u>	\$ <u>22,695</u>
Credits during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>217,825</u>	\$ <u>137,537</u>	\$ <u>-</u>	\$ <u>355,362</u>

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

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)	\$ (30,712)
Reconciling items for the year:		
Taxable income not reported on books:		
Tap Fees		

Deductions recorded on books not deducted for return:		
Amortization ITC		(706)
Excess Tax Depreciation over Book Depreciation		19,377
Tap in Fees		
CIA Property		
Int During Construction		
Def. Maint. CY additions		(341)
Def. Maint. CY amortization		23,576
Def. Rate Case CY additions		(129,465)
Def. Rate Case CY amortization		
Organization Exp-Amort		(40,341)
Bad Debts CY		
Current FIT (725)		(56,728)
Deferred FIT (731)		40,866
Deferred SIT (732)		6,996
Current SIT		0
Income recorded on books not included in return:		
Interest During Construction		

Misc.		

Deduction on return not charged against book income:		
Meals		631

Federal tax net income		\$ (166,847)

Computation of tax :		
	(166,847)	
	34%	
	(56,728)	

**WATER
OPERATION
SECTION**

UTILITY NAME:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-15) must be filed for each system in the group.

All of the following water pages (W-2 through W-15) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
MILES GRANT / MARTIN	352W	

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,193,397
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	606,310
110	Accumulated Amortization	F-8	-
271	Contributions In Aid of Construction	W-7	517,998
252	Advances for Construction	F-20	-
Subtotal			\$ 1,069,088
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 217,825
Subtotal			\$ 1,286,913
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		31,745
	Other (Specify):		
WATER RATE BASE			\$ 1,318,657
WATER OPERATING INCOME		W-3	\$ (12,821)
RN (Water Operating Income / Water Rate Base)			<u>-0.97%</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: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 328,893
469	Less: Guaranteed Revenue and AFPI	W-9	-
	Net Operating Revenues		\$ 328,893
401	Operating Expenses	W-10(a)	\$ 253,957
403	Depreciation Expense	W-6(a)	81,826
	Less: Amortization of CIAC	W-8(a)	(15,171)
	Net Depreciation Expense		\$ 66,655
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		79
408.11	Property Taxes		3,835
408.12	Payroll Taxes		6,786
408.13	Other Taxes and Licenses		15,407
408	Total Taxes Other Than Income		\$ 26,107
409.1	Income Taxes		(29,663)
410.1	Deferred Federal Income Taxes		21,369
410.11	Deferred State Income Taxes		3,658
411.1	Deferred Income Taxes - Credit		-
412.1	Investment Tax Credits Deferred to Future Periods		-
412.11	Investment Tax Credits Amortized		(369)
	Utility Operating Expenses		\$ 341,714
	Utility Operating Income		\$ (12,821)
	Add Back:		
469	Guaranteed Revenue (and AFPI)	W-9	\$ -
413	Income From Utility Plant Leased to Others		-
414	Gains (losses) From Disposition of Utility Property		331
420	Allowance for Funds Used During Construction		858
	Total Utility Operating Income		\$ (11,631)

UTILITY NAME:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 21,067	\$ 215,663	\$ -	\$ 236,730
302	Franchises	-	-	-	-
303	Land and Land Rights	33,866	(360)	-	33,506
304	Structures and Improvements	121,970	100,561	-	222,531
305	Collecting and Impounding Reservoirs	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-
307	Wells and Springs	86,058	(190)	-	85,868
308	Infiltration Galleries and Tunnels	-	-	-	-
309	Supply Mains	-	4,365	-	4,365
310	Power Generation Equipment	-	1,857	-	1,857
311	Pumping Equipment	181,380	46,765	-	228,145
320	Water Treatment Equipment	197,925	14,729	-	212,654
330	Distribution Reservoirs and Standpipes	262,103	872	-	262,975
331	Transmission and Distribution Mains	360,624	(35,761)	-	324,863
333	Services	130,263	2,935	-	133,198
334	Meters and Meter Installations	161,549	48,341	-	209,890
335	Hydrants	14,183	(137)	-	14,046
336	Backflow Prevention Devices	-	330	-	330
339	Other Plant Miscellaneous Equipment	-	20,829	-	20,829
340	Office Furniture and Equipment	30,509	83,727	-	114,236
341	Transportation Equipment	66,973	(34,112)	-	32,861
342	Stores Equipment	-	-	-	-
343	Tools, Shop and Garage Equipment	70,693	(30,611)	-	40,082
344	Laboratory Equipment	19,014	(8,339)	-	10,675
345	Power Operated Equipment	-	-	-	-
346	Communication Equipment	5,320	(1,565)	-	3,755
347	Miscellaneous Equipment	-	-	-	-
348	Other Tangible Plant	9,532	(9,532)	-	-
TOTAL WATER PLANT		\$ 1,773,029	\$ 420,368	\$ -	\$ 2,193,397

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

W-4(a)

GROUP _____

UTILITY NAME:

MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY : Martin County

YEAR OF REPORT
31-Dec-08

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
(a)		(c)	(d)	(e)	(f)	(g)	(h)
301	Organization	\$ 236,730	\$ 236,730				
302	Franchises	-					
303	Land and Land Rights	33,506		33,506			
304	Structures and Improvements	222,531		26,380	161,107	485	34,559
305	Collecting and Impounding Reservoirs	-					
306	Lake, River and Other Intakes	-					
307	Wells and Springs	85,868		85,868			
308	Infiltration Galleries and Tunnels	-					
309	Supply Mains	4,365		4,365			
310	Power Generation Equipment	1,857		1,857			
311	Pumping Equipment	228,145		228,145			
320	Water Treatment Equipment	212,654			212,654		
330	Distribution Reservoirs and Standpipes	262,975				262,975	
331	Transmission and Distribution Mains	324,863				324,863	
333	Services	133,198				133,198	
334	Meters and Meter Installations	209,890				209,890	
335	Hydrants	14,046				14,046	
336	Backflow Prevention Devices	330				330	
339	Other Plant Miscellaneous Equipment	20,829				20,829	
340	Office Furniture and Equipment	114,236					114,236
341	Transportation Equipment	32,861					32,861
342	Stores Equipment	-					
343	Tools, Shop and Garage Equipment	40,082					40,082
344	Laboratory Equipment	10,675					10,675
345	Power Operated Equipment	-					
346	Communication Equipment	3,755					3,755
347	Miscellaneous Equipment	-					
348	Other Tangible Plant	-					
TOTAL WATER PLANT		\$ 2,193,397	\$ 236,730	\$ 380,121	\$ 373,761	\$ 966,615	\$ 236,169

W-4(b)
GROUP _____

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

BASIS FOR WATER 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%
304	Structures and Improvements	32		3.13%
304	Structures and Improvements - General	40		2.50%
305	Collecting and Impounding Reservoirs	50		2.00%
306	Lake, River and Other Intakes	40		2.50%
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels	40		2.50%
309	Supply Mains	35		2.86%
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants	45		2.22%
336	Backflow Prevention Devices	15		6.67%
339	Other Plant Miscellaneous Equipment	25		4.00%
340	Office Furniture and Equipment	15		6.67%
340	Office Furniture and Equipment - Computers	6		16.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment	18		5.56%
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment	15		6.67%
345	Power Operated Equipment	12		8.33%
346	Communication Equipment	10		10.00%
347	Miscellaneous Equipment	15		6.67%
348	Other Tangible Plant	10		10.00%
Water 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: MILES GRANT WATER & SEWER CO
 SYSTEM NAME / COUNTY : Martin County

YEAR OF REPORT
 31-Dec-08

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION					
ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization	\$	5,554	16,425	\$ 21,979
302	Franchises		-		
304	Structures and Improvements	46,161	7,102	(4,786)	2,316
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	39,997	2,869	(1,049)	1,820
308	Infiltration Galleries and Tunnels				
309	Supply Mains		131		131
310	Power Generation Equipment		18		18
311	Pumping Equipment	53,315	10,742	(2,493)	8,249
320	Water Treatment Equipment	86,877	10,208	(2,350)	7,858
330	Distribution Reservoirs and Standpipes	21,025	7,175	(2,744)	4,431
331	Transmission and Distribution Mains	172,176	8,443	(4,368)	4,075
333	Services	(359)	3,368	(1,580)	1,788
334	Meters and Meter Installations	71,091	8,678	(1,790)	6,888
335	Hydrants	694	315	(137)	178
336	Backflow Prevention Devices		1		1
339	Other Plant Miscellaneous Equipment		613		613
340	Office Furniture and Equipment	8,724	10,534	22,739	33,273
341	Transportation Equipment	45,211	3,535	(62,462)	(58,927)
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	16,608	2,503	(4,062)	(1,559)
344	Laboratory Equipment	4,042	22	(1,924)	(1,902)
345	Power Operated Equipment				
346	Communication Equipment	4,262	18	5,237	5,255
347	Miscellaneous Equipment				
348	Other Tangible Plant	7,089		(7,085)	
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 576,913	\$ 81,826	\$ (52,429)	\$ 29,397

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

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

W-6(a)
 GROUP _____

UTILITY NAME: MILES GRANT WATER & SEWER CO
 SYSTEM NAME / COUNTY : Martin County

YEAR OF REPORT
 31-Dec-08

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO.	ACCOUNT NAME	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	\$ -	\$ -	\$ -	\$ -	\$ 21,979
302	Franchises	-	-	-	-	-
304	Structures and Improvements	-	-	-	-	48,477
305	Collecting and Impounding Reservoirs	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-
307	Wells and Springs	-	-	-	-	41,817
308	Infiltration Galleries and Tunnels	-	-	-	-	-
309	Supply Mains	-	-	-	-	131
310	Power Generation Equipment	-	-	-	-	18
311	Pumping Equipment	-	-	-	-	61,564
320	Water Treatment Equipment	-	-	-	-	94,735
330	Distribution Reservoirs and Standpipes	-	-	-	-	25,456
331	Transmission and Distribution Mains	-	-	-	-	176,251
333	Services	-	-	-	-	1,429
334	Meters and Meter Installations	-	-	-	-	77,979
335	Hydrants	-	-	-	-	872
336	Backflow Prevention Devices	-	-	-	-	1
339	Other Plant Miscellaneous Equipment	-	-	-	-	613
340	Office Furniture and Equipment	-	-	-	-	41,997
341	Transportation Equipment	-	-	-	-	(13,716)
342	Stores Equipment	-	-	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-	-	15,049
344	Laboratory Equipment	-	-	-	-	2,140
345	Power Operated Equipment	-	-	-	-	-
346	Communication Equipment	-	-	-	-	9,517
347	Miscellaneous Equipment	-	-	-	-	-
348	Other Tangible Plant	-	-	-	-	4
TOTAL WATER ACCUMULATED DEPRECIATION						\$ 606,310

W-6(b)
 GROUP _____

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>457,173</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>-</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>-</u>
Total Credits		\$ <u>-</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>(60,825)</u>
Total Contributions In Aid of Construction		\$ <u>517,998</u>

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

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

Beginning Balance Adjustment. Beginning Balance S/B 517,998.20

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER 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)
WATER CONNECTIONS FEES		\$	\$ -
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ _____

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 202,655
Debits during the year:	
Accruals charged to Account 272	\$ 15,171
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 15,171
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ _____
Balance end of year	\$ <u>217,825</u>

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER 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		\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Credits		\$ _____ 0

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$ -
	Metered Water Revenue:			
461.1	Sales to Residential Customers	1,134	1,137	308,872
461.2	Sales to Commercial Customers	8		18,889
461.3	Sales to Industrial Customers			-
461.4	Sales to Public Authorities			-
461.5	Sales Multiple Family Dwellings			-
461.6	Other Revenues			-
Total Metered Sales		1,142	1,137	\$ 327,761
	Fire Protection Revenue:			
462.1	Public Fire Protection			-
462.2	Private Fire Protection			-
Total Fire Protection Revenue				\$ -
464	Other Sales To Public Authorities			-
465	Sales To Irrigation Customers			-
466	Sales For Resale			-
467	Interdepartmental Sales			-
Total Water Sales		1,142	1,137	\$ 327,761
	Other Water Revenues:			
469	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ -
470	Forfeited Discounts			-
471	Miscellaneous Service Revenues			630
472	Rents From Water Property			-
473	Interdepartmental Rents			-
474	Other Water Revenues			502
Total Other Water Revenues				\$ 1,132
Total Water Operating Revenues				\$ 328,893

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.
Accruals are recorded in account 461.1.



UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 95,500	\$ 11,893	\$ 11,893
603	Salaries and Wages - Officers, Directors and Majority Stockholders	6,465	-	-
604	Employee Pensions and Benefits	21,142	2,466	2,466
610	Purchased Water	-	-	-
615	Purchased Power	15,816	-	-
616	Fuel for Power Purchased	-	-	-
618	Chemicals	17,515	4,379	4,379
620	Materials and Supplies	12,537	2,090	2,090
631	Contractual Services-Engineering	2,013	-	-
632	Contractual Services - Accounting	1,182	-	-
633	Contractual Services - Legal	1,156	-	-
634	Contractual Services - Mgt. Fees	-	-	-
635	Contractual Services - Testing	9,236	2,309	2,309
636	Contractual Services - Other	2,654	442	442
641	Rental of Building/Real Property	-	-	-
642	Rental of Equipment	-	-	-
650	Transportation Expenses	8,941	1,490	1,490
656	Insurance - Vehicle	-	-	-
657	Insurance - General Liability	-	-	-
658	Insurance - Workman's Comp.	-	-	-
659	Insurance - Other	9,071	1,512	1,512
660	Advertising Expense	7	-	-
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	-	-	-
667	Regulatory Commission Exp.-Other	255	-	-
668	Water Resource Conservation Exp.	-	-	-
670	Bad Debt Expense	707	-	-
675	Miscellaneous Expenses	49,761	8,293	8,293
Total Water Utility Expenses		\$ 253,957	\$ 34,874	\$ 34,874

W-10(a)
GROUP _____

UTILITY NAME:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY :

Martin County

WATER EXPENSE ACCOUNT MATRIX					
.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 11,893	\$ 11,893	\$ 11,893	\$ 11,893	\$ 5,743	\$ 18,397
-	-	-	-	-	6,465
2,466	2,466	2,466	2,466	1,191	5,155
15,816					
-					
-		4,379	4,379		
-		2,090	2,090	2,090	2,090
-		2,013			
-					1,182
-					1,156
-					
-		2,309	2,309		
-		442	442	442	442
-					
-					
-		1,490	1,490	1,490	1,490
-					
-					
-		1,512	1,512	1,512	1,512
					7
					255
				707	
		8,293	8,293	8,293	8,293
\$ 30,175	\$ 14,359	\$ 36,887	\$ 34,874	\$ 21,468	\$ 46,444

W-10(b)
GROUP _____

UTILITY NAME:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY :

MILES GRANT / MARTIN

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		4.645	0.111	4.534	0
February		4.252	0.144	4.108	6,565
March		3.634	0.084	3.550	0
April		3.682	0.108	3.574	7,121
May		4.395	0.110	4.285	0
June		3.479	0.103	3.376	0
July		4.126	0.176	3.950	11,027
August		3.612	0.296	3.316	928
September		3.179	0.233	2.946	911
October		3.251	0.194	3.057	4,030
November		3.585	0.197	3.388	4,254
December		3.773	0.295	3.478	753
Total for Year		45.613	2.051	43.562	35,589

If water is purchased for resale, indicate the following:

Vendor NONE

Point of delivery NONE

If water is sold to other water utilities for redistribution, list names of such utilities below:

NONE

**Customers billed bi-monthly.

A new billing system was placed into service in June 2008. Monthly water sold values were impacted by the effect of changes to the historical billing process.

Based on 16hrs/day

or each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
WELL #1	150GPM	144,000	Groundwater
WELL #2	150GPM	144,000	Groundwater
WELL #3	150GPM	144,000	Groundwater
WELL #4	150GPM	144,000	Groundwater
WELL #5	150GPM	144,000	Groundwater
WELL #6	150GPM	144,000	Groundwater

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : MILES GRANT / MARTIN

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD): 300,000 gpd

Location of measurement of capacity
(i.e. Wellhead, Storage Tank): Treatment Plant

Type of treatment (reverse osmosis,
(sedimentation, chemical, aerated, etc.): Lime Softening/Filtration/Chloramination

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon): N/A Manufacturer: N/A

FILTRATION

Type and size of area:

Pressure (in square feet): N/A Manufacturer: N/A

Gravity (in GPM/square feet): 3 Manufacturer: Infilco-Degremont

UTILITY NAME:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY :

MILES GRANT / MARTIN

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,241	1,240
5/8"	Displacement	1.0	43	43
3/4"	Displacement	1.5		
1"	Displacement	2.5	1	5
1 1/2"	Displacement or Turbine	5.0	3	15
2"	Displacement, Compound or Turbine	8.0	3	24
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				<u>1,327</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water 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:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC Calculation:

$$35.753/365/350=280$$

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY MILES GRANT / MARTIN

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve. 857
2. Maximum number of ERCs * which can be served. 857
3. Present system connection capacity (in ERCs *) using existing lines. 857
4. Future connection capacity (in ERCs *) upon service area buildout. 857
5. Estimated annual increase in ERCs *. 0-2
6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? 500 gpm
7. Attach a description of the fire fighting facilities. 0.100 MG GST; 1,600 gpm HSP capacity; 51 hydrants
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____
9. When did the company last file a capacity analysis report with the DEP? None
10. 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? N/A
11. Department of Environmental Protection ID # 4430917
12. Water Management District Consumptive Use Permit # 43-00086-W
 - a. Is the system in compliance with the requirements of the CUP? Yes
 - b. If not, what are the utility's plans to gain compliance? N/A

* An ERC is determined based on the calculation on the bottom of Page W-13.

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY : Martin 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	\$ 2,783,768
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6B	772,182
110	Accumulated Amortization	F-8	-
271	Contributions In Aid of Construction	S-7	383,997
252	Advances for Construction	F-20	
Subtotal			\$ 1,627,589
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8A	\$ 137,537
Subtotal			\$ 1,765,126
114	Plus or Minus: Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		34,202
	Other (Specify):		-
WASTEWATER RATE BASE			\$ 1,799,328
WASTEWATER OPERATING INCOME		S-3	\$ 70,926
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>3.94%</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: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY : Martin County

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9A	\$ 448,225
530	Less: Guaranteed Revenue (and AFPI)	S-9A	-
	Net Operating Revenues		\$ 448,225
401	Operating Expenses	S-10A	\$ 273,617
403	Depreciation Expense	S-6A	91,952
	Less: Amortization of CIAC	S-8A	(7,524)
	Net Depreciation Expense		\$ 84,428
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		72
408.11	Property Taxes		3,499
408.12	Payroll Taxes		6,191
408.13	Other Taxes and Licenses		14,058
408	Total Taxes Other Than Income		\$ 23,821
409.1	Income Taxes		(27,065)
410.1	Deferred Federal Income Taxes		19,497
410.11	Deferred State Income Taxes		3,338
411.1	Provision for Deferred Income Taxes - Credit		-
412.1	Investment Tax Credits Deferred to Future Periods		(337)
412.11	Investment Tax Credits Restored to Operating Income		-
	Utility Operating Expenses		\$ 377,299
	Utility Operating Income		\$ 70,926
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		302
420	Allowance for Funds Used During Construction		783
	Total Utility Operating Income		\$ 72,011

UTILITY NAME: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY : Martin County

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 17,838	\$ (254)	\$ -	\$ 17,584
352	Franchises				
353	Land and Land Rights	35,303	(510)		34,793
354	Structures and Improvements	1,501,461	271,077		1,772,538
355	Power Generation Equipment		2,170		2,170
360	Collection Sewers - Force	56,533	(41,913)		14,620
361	Collection Sewers - Gravity	585,582	(313,507)		272,075
361	Manholes				35,155
362	Special Collecting Structures				
363	Services to Customers		40,385		40,385
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
374	Reuse Distribution Reservoirs		5,966		5,966
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	326,274	96		96
381	Plant Sewers		62,272	5,386	383,160
382	Outfall Sewer Lines		2,991		2,991
389	Other Plant Miscellaneous Equipment		(96)		
390	Office Furniture and Equipment		18,284		18,284
391	Transportation Equipment		104,230		104,230
392	Stores Equipment		29,983		29,983
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment		36,572		36,572
395	Power Operated Equipment		9,740		9,740
396	Communication Equipment				
397	Miscellaneous Equipment		3,426		3,426
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 2,523,087	\$ 230,912	\$ 5,386	\$ 2,783,768

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

UTILITY NAME: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY: Martin County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$ 17,584						
352	Franchises							
353	Land and Land Rights		34,793					
354	Structures and Improvements		2,633	79,670				31,532
355	Power Generation Equipment		2,170		1,658,703			
360	Collection Sewers - Force		14,620					
361	Collection Sewers - Gravity		272,075					
361	Manholes		35,155					
362	Special Collecting Structures							
363	Services to Customers		40,385					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			5,966				
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System			96				
380	Treatment and Disposal Equipment				383,160			
381	Plant Sewers					2,991		
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment		1,166	15,085	1,434	599		104,230
390	Office Furniture and Equipment							29,983
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							36,572
394	Laboratory Equipment							9,740
395	Power Operated Equipment							
396	Communication Equipment							3,426
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 17,584	\$ 402,997	\$ 100,817	\$ 2,043,297	\$ 3,590	\$ -	\$ 215,483

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

UTILITY NAME: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY : Martin 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.

YEAR OF REPORT
31-Dec-08

UTILITY NAME: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY : Martin 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	\$	6	5,719	\$ 5,725
302	Franchises		-		-
354	Structures and Improvements	482,051	58,160	(18,550)	39,610
355	Power Generation Equipment		5		5
360	Collection Sewers - Force	6,858	494	(6,780)	(6,286)
361	Collection Sewers - Gravity	97,911	6,872	(3,303)	3,569
362	Special Collecting Structures		-		-
363	Services to Customers		1,365	215	1,580
364	Flow Measuring Devices		-		-
365	Flow Measuring Installations		-		-
366	Reuse Services		-		-
367	Reuse Meters and Meter Installations		-		-
370	Receiving Wells		-		-
371	Pumping Equipment		21		21
375	Reuse Transmission and Distribution System		2	4	6
380	Treatment and Disposal Equipment	90,522	9,624	(4,046)	5,578
381	Plant Sewers		60		60
382	Outfall Sewer Lines		-		-
389	Other Plant Miscellaneous Equipment		188		188
390	Office Furniture and Equipment		9,611	28,708	38,319
391	Transportation Equipment		3,225	(15,740)	(12,515)
392	Stores Equipment		-		-
393	Tools, Shop and Garage Equipment		2,284	11,447	13,731
394	Laboratory Equipment		20	1,933	1,953
395	Power Operated Equipment		-		-
396	Communication Equipment	4	17	8,663	8,680
397	Miscellaneous Equipment		-		-
398	Other Tangible Plant		-		-
Total Depreciable Wastewater Plant in Service		\$ 677,346	\$ 91,952	\$ 8,270	\$ 100,222

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

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

S-6(a)
GROUP _____

YEAR OF REPORT
31-Dec-08

UTILITY NAME: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY: Martin County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	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	\$ -	\$ -	\$ -	\$ -	\$ 5,725
302	Franchises	-	-	-	-	-
354	Structures and Improvements	-	-	-	-	521,661
355	Power Generation Equipment	-	-	-	-	5
360	Collection Sewers - Force	-	-	-	-	572
361	Collection Sewers - Gravity	-	-	-	-	101,480
362	Special Collecting Structures	-	-	-	-	-
363	Services to Customers	-	-	-	-	1,580
364	Flow Measuring Devices	-	-	-	-	-
365	Flow Measuring Installations	-	-	-	-	-
366	Reuse Services	-	-	-	-	-
367	Reuse Meters and Meter Installations	-	-	-	-	-
370	Receiving Wells	-	-	-	-	-
371	Pumping Equipment	-	-	-	-	21
375	Reuse Transmission and Distribution System	-	-	-	-	-
380	Treatment and Disposal Equipment	5,386	-	-	5,386	90,713
381	Plant Sewers	-	-	-	-	60
382	Outfall Sewer Lines	-	-	-	-	-
389	Other Plant Miscellaneous Equipment	-	-	-	-	188
390	Office Furniture and Equipment	-	-	-	-	38,319
391	Transportation Equipment	-	-	-	-	(12,515)
392	Stores Equipment	-	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-	13,731
394	Laboratory Equipment	-	-	-	-	1,953
395	Power Operated Equipment	-	-	-	-	-
396	Communication Equipment	-	-	-	-	8,684
397	Miscellaneous Equipment	-	-	-	-	-
398	Other Tangible Plant	-	-	-	-	-
Total Depreciable Wastewater Plant in Service		\$ 5,386	\$ -	\$ -	\$ 5,386	\$ 772,182

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

UTILITY NAME:

MILES GRANT WATER & SEWER CO

<p>YEAR OF REPORT 31-Dec-08</p>
--

SYSTEM NAME / COUNTY : Martin County

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>294,822</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8A	\$ <u>-</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8B	<u>-</u>
Total Credits		\$ <u>-</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>(89,175)</u>
Total Contributions In Aid of Construction		\$ <u>383,997</u>

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

Beginning Balance Adjustment. Beginning Balance S/B 383,997.00

UTILITY NAME:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin 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 CONNECTIONS FEES (NONE)</u>		\$ _____	\$ _____ -
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ _____ -

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ <u>130,013</u>
Debits during the year:	
Accruals charged to Account 272	\$ <u>7,524</u>
Other debits (specify) :	_____
_____	_____
_____	_____
Total debits	\$ <u>7,524</u>
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ _____ -
Balance end of year	\$ <u><u>137,537</u></u>

UTILITY NAME: MILES GRANT WATER & SEWER CO

<p>YEAR OF REPORT 31-Dec-08</p>

SYSTEM NAME / COUNTY : Martin 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: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues	1,054	1,037	\$ 141,126
521.2	Commercial Revenues	4		3,455
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	<u>1,058</u>	<u>1,037</u>	\$ <u>144,581</u>
522.1	Measured Revenues: Residential Revenues			293,261
522.2	Commercial Revenues			9,098
522.3	Industrial Revenues			-
522.4	Revenues From Public Authorities			-
522.5	Multiple Family Dwelling Revenues			-
522	Total Measured Revenues			\$ 302,358
523	Revenues From Public Authorities			-
524	Revenues From Other Systems			-
525	Interdepartmental Revenues			-
Total Wastewater Sales		<u>1,058</u>	<u>1,037</u>	\$ <u>446,939</u>
OTHER WASTEWATER REVENUES				
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)			1,033
Total Other Wastewater Revenues				\$ 1,033

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

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY Martin 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				
	Flat Rate Reuse Revenues:			
540.1	Residential Reuse Revenues	_____	_____	\$ _____ 0
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	_____	_____	\$ _____ 0
	Measured Reuse Revenues:			
541.1	Residential Reuse Revenues	_____	_____	_____ -
541.2	Commercial Reuse Revenues	_____	_____	_____ 253
541.3	Industrial Reuse Revenues	_____	_____	_____ -
541.4	Reuse Revenues From Public Authorities	_____	_____	_____ -
541	Total Measured Reuse Revenues	_____	_____	\$ _____ 253
544	Reuse Revenues From Other Systems	_____	_____	_____
Total Reclaimed Water Sales				\$ _____ 253
Total Wastewater Operating Revenues				\$ _____ 448,225

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

UTILITY NAME: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY : Martin County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1	.2	.3	.4	.5	.6
(a)	(b)	(c)	COLLECTION EXPENSES- OPERATIONS (d)	COLLECTION EXPENSES- MAINTENANCE (e)	PUMPING EXPENSES - OPERATIONS (f)	PUMPING EXPENSES - MAINTENANCE (g)	TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 87,135	\$ 10,852	\$ 10,852	\$ 10,852	\$ 10,852	\$ 10,852	\$ 10,852
703	Salaries and Wages - Officers, Directors and Majority Stockholders	5,898	-	-	-	-	-	-
704	Employee Pensions and Benefits	19,290	2,250	2,250	2,250	2,250	2,250	2,250
710	Purchased Sewage Treatment	-	-	-	-	-	-	-
711	Sludge Removal Expense	31,018	-	-	-	-	31,018	-
715	Purchased Power	27,983	9,328	-	9,328	-	9,328	-
716	Fuel for Power Purchased	-	-	-	-	-	-	-
718	Chemicals	15,981	2,663	2,663	2,663	2,663	2,663	2,663
720	Materials and Supplies	9,112	1,139	1,139	1,139	1,139	1,139	1,139
731	Contractual Services-Engineering	1,837	-	-	-	-	-	-
732	Contractual Services - Accounting	1,079	-	-	-	-	-	-
733	Contractual Services - Legal	1,055	-	-	-	-	-	-
734	Contractual Services - Mgt. Fees	-	-	-	-	-	-	-
735	Contractual Services - Testing	15,745	1,968	1,968	1,968	1,968	1,968	1,968
736	Contractual Services - Other	2,319	290	290	290	290	290	290
741	Rental of Building/Real Property	-	-	-	-	-	-	-
742	Rental of Equipment	-	-	-	-	-	-	-
750	Transportation Expenses	8,158	1,020	1,020	1,020	1,020	1,020	1,020
756	Insurance - Vehicle	-	-	-	-	-	-	-
757	Insurance - General Liability	-	-	-	-	-	-	-
758	Insurance - Workman's Comp.	-	-	-	-	-	-	-
759	Insurance - Other	8,277	1,035	1,035	1,035	1,035	1,035	1,035
760	Advertising Expense	6	-	-	-	-	-	-
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	-	-	-	-	-	-	-
767	Regulatory Commission Exp.-Other	232	-	-	-	-	-	-
770	Bad Debt Expense	645	-	-	-	-	-	-
775	Miscellaneous Expenses	37,847	4,731	4,731	4,731	4,731	4,731	4,731
Total Wastewater Utility Expenses		\$ 273,617	\$ 35,275	\$ 25,947	\$ 35,275	\$ 25,947	\$ 66,293	\$ 25,947

S-10(a)
GROUP

UTILITY NAME: MILES GRANT WATER & SEWER CO

SYSTEM NAME / COUNTY : Martin County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	.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	\$ 5,240	\$ 16,786	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	-	5,898	-	-	-	-
704	Employee Pensions and Benefits	1,086	4,704	-	-	-	-
710	Purchased Sewage Treatment	-	-	-	-	-	-
711	Sludge Removal Expense	-	-	-	-	-	-
715	Purchased Power	-	-	-	-	-	-
716	Fuel for Power Purchased	-	-	-	-	-	-
718	Chemicals	-	-	-	-	-	-
720	Materials and Supplies	1,139	1,139	-	-	-	-
731	Contractual Services-Engineering	-	1,837	-	-	-	-
732	Contractual Services - Accounting	-	1,079	-	-	-	-
733	Contractual Services - Legal	-	1,055	-	-	-	-
734	Contractual Services - Mgt. Fees	-	-	-	-	-	-
735	Contractual Services - Testing	1,968	1,968	-	-	-	-
736	Contractual Services - Other	290	290	-	-	-	-
741	Rental of Building/Real Property	-	-	-	-	-	-
742	Rental of Equipment	-	-	-	-	-	-
750	Transportation Expenses	1,020	1,020	-	-	-	-
756	Insurance - Vehicle	-	-	-	-	-	-
757	Insurance - General Liability	-	-	-	-	-	-
758	Insurance - Workman's Comp.	-	-	-	-	-	-
759	Insurance - Other	1,035	1,035	-	-	-	-
760	Advertising Expense	6	6	-	-	-	-
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	-	-	-	-	-	-
767	Regulatory Commission Exp.-Other	-	232	-	-	-	-
770	Bad Debt Expense	645	-	-	-	-	-
775	Miscellaneous Expenses	4,731	4,731	-	-	-	-
Total Wastewater Utility Expenses		\$ 17,153	\$ 41,779	\$ -	\$ -	\$ -	\$ -

UTILITY NAME:

MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY :

MILES GRANT / MARTIN

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	1,201	1,201
5/8"	Displacement	1.0	12	12
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	1	8
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5		0
4"	Displacement or Compound	25.0		0
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>1,226</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 pe

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

ERC Calculation: 31.511/365/280=308
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UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : MILES GRANT / MARTIN

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>0.300 MGD</u>		
Basis of Permit Capacity (1)	<u>AADF</u>		
Manufacturer	<u>Infilco Degremont DAVCO</u>		
Type (2)	<u>Extended Aeration</u>		
Hydraulic Capacity	<u>0.300 mgd</u>		
Average Daily Flow	<u>0.086 mgd</u>		
Total Gallons of Wastewater Treated	<u>31.511 mgd</u>		
Method of Effluent Disposal	<u>Reuse on the Golf Course</u>		

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME: MILES GRANT WATER & SEWER CO

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : MILES GRANT / MARTIN

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 1,214

2. Maximum number of ERCs* which can be served 1,500

3. Present system connection capacity (in ERCs*) using existing lines 1,500

4. Future connection capacity (in ERCs*) upon service area buildout 1,500

5. Estimated annual increase in ERCs* 0 - 2

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

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. Miles Grant Golf Course - 0.10 mgd

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

9. Has the utility been required by the DEP or water management district to implement reuse? No
If so, what are the utility's plans to comply with this requirement? N/A
The WWTP produces effluent that meets Part III public access reuse regulations.

10. When did the company last file a capacity analysis report with the DEP? 2004

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? _____
c. When will construction begin? _____
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 # FLA 013842

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

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations

YEAR OF REPORT 31-Dec-08

UTILITY NAME: MILES GRANT WATER & SEWER CO

	(A)	(B)	(C)	(D)
Accounts		Gross Water Revenues per Sch W-9	Gross Water Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:				
Unmetered Water Revenues		-		
Total Metered Sales		327,761		327,761
Total Fire Protection Revenue		-		-
Other Sales to Public Authorities		-		-
Sales to Irrigation Customers		-		-
Sales for Resale		-		-
Interdepartmental Sales		-		-
Total Other Water Revenue		1,132	-	1,132
Total Water Operating Revenue		328,893	-	328,893
Less: Expense for Purchased Water from FPSC Regulated Utility				-
Net Water Operating Revenues		328,893	-	328,893

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations

YEAR OF REPORT 31-Dec-08

UTILITY NAME: MILES GRANT WATER & SEWER CO

(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	144,581		144,581
Total Measured Revenues	302,358		302,358
Revenues from Public Authorities	-		
Revenues from Other Systems	-		
Interdepartmental Revenues	-		
Total Other Wastewater Revenues	1,033		1,033
Reclaimed Water Sales			
Total Wastewater Operating Revenue	447,972	-	447,972
Less: Expense for Purchased Wastewater from FPSC Regulated Utility			
Net Wastewater Operating Revenues	447,972	-	447,972