

**CLASS "C"**

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**WATER and/or WASTEWATER UTILITIES**

(Gross Revenue of Less Than \$200,000 Each)

**ANNUAL REPORT**

**WS446-06-AR**

**Paradise Lakes Utility LLC**

EXACT LEGAL NAME OF RESPONDENT

**458-W / 392-S**

Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**



07 MAR 15 AM 8:29  
ECC:CHAS REGULATION  
PUBLIC SERVICE

**PUBLIC SERVICE COMMISSION**

**FOR THE**

**YEAR ENDED DECEMBER 31, 2006**

***Cronin, Jackson, Nixon & Wilson***  
**CERTIFIED PUBLIC ACCOUNTANTS, P.A.**

*JAMES L. CARLSTEDT, C.P.A.*  
*PAUL E. DECHARIO, C.P.A.*  
*KATHERINE U. JACKSON, C.P.A.*  
*ROBERT H. JACKSON, C.P.A.*  
*CHERYL T. LOSEE, C.P.A.*  
*ROBERT C. NIXON, C.P.A.*  
*JEANETTE SUNG, C.P.A.*  
*HOLLY M. TOWNER, C.P.A.*  
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March 7, 2007

To the Member  
Paradise Lakes Utility, LLC

We have compiled the balance sheet of Paradise Lakes Utility, LLC as of December 31, 2006 and 2005, and the statements of income and retained earnings for the year ended December 31, 2006, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of Paradise Lakes Utility, LLC. We have not audited or reviewed the accompanying financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any form of assurance on them.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

We are not independent with respect to Paradise Lakes Utility, LLC.

*Cronin, Jackson, Nixon & Wilson*  
CRONIN, JACKSON, NIXON & WILSON

# **FINANCIAL SECTION**

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REPORT OF

Paradise Lakes Utility LLC  
(Exact name of utility)

2348 Raden Drive	2348 Raden Drive	
Land O' Lakes, FL 34639	Land O' Lakes, FL 34639	Pasco
Mailing Address	Street Address	County

Telephone Number (813) 949-2167 Date Utility First Organized May, 1985

Fax Number (813) 949-2146 E-mail Address

Sunshine State One-Call of Florida, Inc. Member No.

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

Individual  Sub Chapter S Corporation  1120 Corporation  Partnership

Location where books and records are located: 2348 Raden Drive  
Land O' Lakes, FL 34639

Names of subdivisions where service is provided: Paradise Lakes

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Janice Delucenay		2348 Raden Drive Land O' Lakes, FL, 34639	
Person who prepared this report: Cronin, Jackson, Nixon & Wilson	CPA's	2560 Gulf-to-Bay Blvd. Clearwater, FL 33765	
Officers and Managers: Larry DeLucenay	Managing Member	2348 Raden Drive	None
Janice Delucenay	Managing Member	Land O' Lakes, FL, 34639	None
			None

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership In Utility	Principle Business Address	Salary Charged Utility
Larry & Janice DeLucenay	100%	Same As Above	None

**INCOME STATEMENT**

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 54,293	\$ 131,890		\$ 186,183
Commercial _____		21,997	43,551		65,548
Industrial _____					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____					-
Total Gross Revenue _____		76,290	175,441	N/A	251,731
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	59,242	162,007		221,249
Depreciation Expense _____	F-5	14,996	19,861		34,857
CIAC Amortization Expense _____	F-8	(1,518)	(776)		(2,294)
Taxes Other Than Income _____	F-7	6,097	10,559	-	16,656
Income Taxes _____	F-7	-	-		-
Total Operating Expenses _____		78,817	191,651		270,468
Net Operating Income (Loss)		(2,527)	(16,210)	-	(18,737)
Other Income:					
Nonutility Income _____		341	340		681
Interest Income _____		-	-		-
_____					-
Other Deductions:					
Miscellaneous Nonutilty Expenses _____		2,413	2,413		4,825
Interest Expense _____		-			-
AFUDC _____		-	-		-
_____					-
_____					-
Net Income (Loss)		\$ (4,599)	\$ (18,283)	N/A	\$ (22,881)

**COMPARATIVE BALANCE SHEET**

Account Name	Reference Page	Current Year	Previous Year
<b>ASSETS:</b>			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 747,442	\$ 736,316
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(316,527)	(281,670)
Net Utility Plant _____		430,915	454,646
Cash _____		21,353	34,138
Customer Accounts Receivable (141) _____		39,527	33,683
Other Assets (Specify):			
Misc. Other Assets _____		1,826	2,635
Unamortized Extraord. Property Loss _____			2,560
<b>Total Assets</b> _____		<b>\$ 493,621</b>	<b>\$ 527,662</b>
<b>LIABILITIES AND CAPITAL:</b>			
Common Stock Issued (201) _____	F-6		
Preferred Stock Issued (204) _____	F-6	-	-
Other Paid In Capital (211) _____			
Retained Earnings (215) _____	F-6	-	
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6	430,630	453,509
<b>Total Capital</b> _____		<b>430,630</b>	<b>453,509</b>
Long Term Debt (224) _____	F-6		
Accounts Payable (231) _____		11,309	3,170
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____	F-7	11,328	9,217
Other Liabilities (Specify):			
Accounts Payable - Assoc Co _____		963	35,857
Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8	39,391	25,909
<b>Total Liabilities and Capital</b> _____		<b>\$ 493,621</b>	<b>\$ 527,662</b>

UTILITY NAME: Paradise Lakes Utility LLC

**GROSS UTILITY PLANT**

<b>Plant Accounts: (101 - 107) Inclusive</b>	<b>Water</b>	<b>Sewer</b>	<b>Plant Other Than Reporting Systems</b>	<b>Total</b>
Utility Plant In Service (101) _____	\$ 309,545	\$ 437,897	N/A	\$ 747,442
Construction Work In Progress (105) _____				-
Other (Specify) _____	-	-		-
_____				-
<b>Total Utility Plant</b> _____	\$ 309,545	\$ 437,897	N/A	\$ 747,442

**ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT**

<b>Account 108</b>	<b>Water</b>	<b>Wastewater</b>	<b>Other Than Reporting Systems</b>	<b>Total</b>
Balance First Of Year _____	\$ 152,927	\$ 128,743	N/A	\$ 281,670
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account _____	14,996	19,861		34,857
Salvage _____	-	-		-
Other credits (specify) _____	-	-		-
_____	-	-		-
<b>Total credits</b> _____	14,996	19,861		34,857
<b>Deduct Debits During Year:</b>				
Book cost of plant retired _____	-	-		-
Cost of removal _____	-			-
Other debits (specify) _____				-
_____				-
<b>Total debits</b> _____	-	-		-
<b>Balance End of Year</b> _____	\$ 167,923	\$ 148,604	N/A	\$ 316,527



UTILITY NAME: Paradise Lakes Utility LLC

**YEAR OF REPORT**  
December 31, 2006

**CAPITAL STOCK (201 - 204)**

	Common Stock	Preferred Stock
Par or stated value per share _____	N/A	N/A
Shares authorized _____		
Shares issued and outstanding _____		
Total par value of stock issued _____		
Dividends declared per share for year _____		

**RETAINED EARNINGS (215)**

	Appropriated	Un-Appropriated
Balance first of year _____	N/A	\$ -
Charges during the year (specify):		
Current Year Income _____	-	-
_____		
_____		
Balance end of year _____	\$	

**PROPRIETARY CAPITAL (218)**

	Proprietor or Partner	Partner
Balance first of year _____	\$ 453,509	N/A
Charges during the year (specify):		
Current year loss _____	(22,881)	-
Rounding _____	2	
_____		
Balance end of year _____	\$ 430,630	

**LONG TERM DEBT (224)**

Description of Obligation (Including Nominal Date of Issue and Date of Maturity)	Interest		Principal Per Balance Sheet Date
	Rate	# of Payments	
_____	%		\$ -
_____	%		-
_____	%		-
_____	%		
Total _____			N/A

**TAX EXPENSE**

(a)	WATER (b)	SEWER (c)	OTHER (d)	TOTAL (e)
Income Taxes:				
Federal income tax _____	\$ -	\$ -	N/A	\$ -
State income tax _____	-	-		
Taxes Other Than Income:				
State ad valorem tax _____				
Local property tax _____	2,664	2,664		5,328
Regulatory assessment fee _____	3,433	7,895		11,328
Other (Specify): _____				
_____				
_____				
_____				
Total taxes accrued _____	\$ 6,097	\$ 10,559		\$ 16,656

**PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES**

Report all information concerning rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever, amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Arthur Price		\$ 1,905	Repairs & Maint
Cronin Jackson Nixon & Wilson	1,565	1,565	Regulatory and accounting matters
Davis Supply	1,013		Chemicals
Gator Water	5,995		Plant Operation
M&M Services		2,459	Construction
Rose Sundstrom & Bentley	10,003	10,003	Legal matters
Keith Gordon	613	613	Meter Reading
Eugene Tyner	500		Lawn Maintenance
_____			
_____			
_____			

UTILITY NAME: Paradise Lakes Utility LLC

**CONTRIBUTIONS IN AID OF CONSTRUCTION (271)**

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	\$ 36,050	\$ 25,544	\$ 61,594
2. Add credits during year:			
	15,776	-	15,776
3. Total _____	51,826	25,544	77,370
4. Deduct charges during year _____			
		-	-
5. Balance end of year _____	51,826	25,544	77,370
6. Less Accumulated Amortization _____	(16,959)	(21,020)	(37,979)
7. Net CIAC _____	\$ 34,867	\$ 4,524	\$ 39,391

**ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)**

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
_____			
_____			
_____			
_____			
Sub-total _____		NONE	NONE
<b>Report below all capacity charges, main extension charges and customer connections charges received during the year.</b>			
Description of Charge	Number of Connections	Charge per Connection	
Meter Fees	13	Actual Cost	15,776
_____			
_____			
Total Credits During Year (Must agree with line # 2 above) _____			\$ 15,776
			\$ -

**ACCUMULATED AMORTIZATION OF CIAC**

	Water	Wastewater	Total
Balance First of Year _____	\$ 15,441	\$ 20,244	\$ 35,685
Add Debits During Year: _____	1,518	776	2,294
Rounding _____	-	-	
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ 16,959	\$ 21,020	\$ 37,979

UTILITY NAME: Paradise Lakes Utility LLC

<b>YEAR OF REPORT</b> December 31, 2006
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**SCHEDULE "A"**

**SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)**

CLASS OF CAPITAL (a)	Dollar Amount (1) (b)	Percentage of Capital 0	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	N/A	%	%	%
Preferred Stock	-	%	%	%
Long Term Debt	-	%	%	%
Customer Deposits	-	%	%	%
Tax Credits - Zero Cost	-	%	%	%
Tax Credits - Weighted Cost	-	%	%	%
Deferred Income Taxes	-	%	%	%
Other (Explain)	-	%	%	%
Total	\$ -	%		%

- (1) Should equal amounts on schedule B, Column (f), Page F-10.
- (2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

**APPROVED AFUDC RATE**

Current Commission approved AFUDC rate:	<u>None</u> %
Commission order approving AFUDC rate:	_____



**WATER  
OPERATION  
SECTION**

UTILITY NAME: Paradise Lakes Utility LLC

**WATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization _____	\$ 21,124	\$ -	\$ -	\$ 21,124
302	Franchises _____	-	-	-	-
303	Land and Land Rights _____	20,400	2,115	-	22,515
304	Structure and Improvements _____	2,242	-	-	2,242
305	Collecting and Impounding Reservoirs _____	-	-	-	-
306	Lake, River and Other Intakes _____	-	-	-	-
307	Wells and Springs _____	10,979	-	-	10,979
308	Infiltration Galleries and Tunnels _____	-	-	-	-
309	Supply Mains _____	73,851	3,928	-	77,779
310	Power Generation Equipment _____	3,182	-	-	3,182
311	Pumping Equipment _____	21,244	-	-	21,244
320	Water Treatment Equipment _____	50,079	-	-	50,079
330	Distribution Reservoirs and Standpipes _____	7,955	-	-	7,955
331	Transmission and Distribution Mains _____	36,593	-	-	36,593
333	Services _____	8,327	-	-	8,327
334	Meters and Meter Installations _____	19,643	5,083	-	24,726
335	Hydrants _____	-	-	-	-
339	Other Plant and Miscellaneous Equipment _____	-	-	-	-
340	Office Furniture and Equipment _____	-	-	-	-
341	Transportation Equipment _____	22,137	-	-	22,137
342	Stores Equipment _____	-	-	-	-
343	Tools, Shop and Garage Equipment _____	-	-	-	-
344	Laboratory Equipment _____	131	-	-	131
345	Power Operated Equipment _____	532	-	-	532
346	Communication Equipment _____	-	-	-	-
347	Miscellaneous Equipment _____	-	-	-	-
348	Other Tangible Plant _____	-	-	-	-
	Total Water Plant _____	\$ 298,419	\$ 11,126	\$ -	\$ 309,545

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

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

ACCT. NO. (a)	ACCOUNT NAME (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of year (f-g+h=i) (i)
301	Organization	40	-	2.50	2,432	-	528	2,960
302	Franchises	-	-	-	-	-	-	-
304	Structure and Improvements	28	-	3.57	1,847	-	80	1,927
305	Collecting and Impounding Reservoirs	-	-	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-	-	-
307	Wells and Springs	27	-	3.70	6,358	-	407	6,765
308	Infiltration Galleries and Tunnels	-	-	-	-	-	-	-
309	Supply Mains	32	-	3.13	49,596	-	2,373	51,969
310	Power Generation Equipment	17	-	5.88	2,167	-	187	2,354
311	Pumping Equipment	17	-	5.88	17,720	-	1,250	18,970
320	Water Treatment Equipment	17	-	5.88	36,214	-	2,944	39,158
330	Distribution Reservoirs and Standpipes	33	-	3.03	5,767	-	241	6,008
331	Transmission and Distribution Mains	38	-	2.63	14,458	-	963	15,421
333	Services	35	-	2.86	4,732	-	239	4,971
334	Meters and Meter Installations	17	-	5.88	9,023	-	1,304	10,327
335	Hydrants	-	-	-	-	-	-	-
339	Other Plant and Miscellaneous Equipment	-	-	-	-	-	-	-
340	Office Furniture and Equipment	-	-	-	-	-	-	-
341	Transportation Equipment	5	-	20.00	2,214	-	4,427	6,641
342	Stores Equipment	-	-	-	-	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-	-	-	-	-
344	Laboratory Equipment	15	-	6.67	131	-	-	131
345	Power Operated Equipment	10	-	10.00	268	-	53	321
346	Communication Equipment	-	-	-	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-	-	-	-
348	Other Tangible Plant	-	-	-	-	-	-	-
	Totals				152,927		14,996	167,923

\* This amount should tie to Sheet F-5



UTILITY NAME: Paradise Lakes Utility LLC

**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	_____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	_____
604	Employee Pensions and Benefits _____	_____
610	Purchased Water _____	_____
615	Purchased Power _____	3,967
616	Fuel for Power Production _____	_____
618	Chemicals _____	1,013
620	Materials and Supplies _____	553
630	Contractual Services:	
	Billing _____	613
	Operator and Management _____	34,195
	Testing _____	_____
	Other _____	14,359
640	Rents _____	_____
650	Transportation Expense _____	_____
655	Insurance Expense _____	3,988
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
670	Bad Debt Expense _____	_____
675	Miscellaneous Expenses _____	554
	Total Water Operation and Maintenance Expense _____	\$ 59,242 *
	* This amount should tie to Sheet F-3.	

**WATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
<b>Residential Service</b>					
5/8"	D	1.0	119	119	119
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
<b>General Service</b>					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	1	5
2"	D,C,T	8.0	1	4	32
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers	_____	1.0	312	312	312
Other (Specify):	Gen Serv Flat	31.5	1.0	1.0	32
** D = Displacement C = Compound T = Turbine			<b>Total</b>	<b>433</b>	<b>437</b>
					<b>500</b>

**PUMPING AND PURCHASED WATER STATISTICS**

MONTH (a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January	-	1,601	375	1,226	1,226
February	-	1,758	768	990	990
March	-	1,692	563	1,129	1,129
April	-	1,697	640	1,057	1,057
May	-	1,396	89	1,307	1,307
June	-	2,127	1,348	779	779
July	-	1,451	422	1,029	1,029
August	-	1,500	404	1,096	1,096
September	-	1,946	1,022	924	924
October	-	2,743	1,757	986	986
November	-	1,560	361	1,199	1,199
December	-	2,328	1,413	915	915
Total for year	N/A	21,799	9,162	12,637	12,637

If water is purchased for resale, indicate the following:

Vendor N/A  
 Point of Delivery N/A

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

Note: Column (d) reflects estimated sales to flat rate customers; Column (f) reflects measured gallonage sold to metered customers.

**MAINS (Feet)**

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	2"	Unknown		-	Unknown
PVC	3"	939		-	939
PVC	4"	1,600		-	1,600
				-	
				-	
				-	
				-	
				-	

**WELLS AND WELL PUMPS**  
 (If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1991	1985		
Types of Well Construction and Casing _____	Steel Cased	Steel Cased		
Depth of Wells _____	450'	Unknown		
Diameters of Wells _____	6"	Unknown		
Pump - GPM _____	350	Unknown		
Motor - HP _____	15	7.5		
Motor Type * _____	Submersable	Submersable		
Yeilds of Wells in GPD _____	70,000	Unknown		
Auxillary Power _____	LP Generator			
* Submersable, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Hydro-pnuematic Steel			
Capacity of Tank _____	10,000 gal			
Ground of Elevated _____	Ground			

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b>MOTORS</b>				
Manufacturer _____	Well #1 Franklin	Well #2 Franklin		
Type _____	Submersable	Submersable		
Rated Horsepower _____	15	7.5		
<b>PUMPS</b>				
Manufacturer _____				
Type _____	Submersable	Submersable		
Capacity in GPM _____	350	130		
Average Number of Hours Operated Per Day _____	<1			
Auxiliary Power _____	LP Generator			

**SOURCE OF SUPPLY**

List for each source of supply (Ground, Surface, Purchased Water, etc):

Gallons per day of source _____	Unknown	_____	_____
Type of source _____	Ground	_____	_____

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:

Type _____	Unknown	_____	_____
Make _____	Unknown	_____	_____
Permitted Capacity (GPD)	110,000	_____	_____
High service pumping Gallons per minute _____	Unknown	_____	_____
Reverse Osmosis _____	N/A	_____	_____
Lime treatment Unit Rating _____	N/A	_____	_____
Filtration Pressure Sq. Ft. _____	N/A	_____	_____
Gravity GPD/Sq. Ft. _____	N/A	_____	_____
Disinfection Chlorinator _____	Chlorine Gas	_____	_____
Ozone _____	N/A	_____	_____
Other _____	N/A	_____	_____
Auxiliary Power _____	LP Generator	_____	_____



**WASTEWATER  
OPERATION  
SECTION**

UTILITY NAME: Paradise Lakes Utility LLC

**WASTEWATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 12,381	\$ -	\$ -	\$ 12,381
352	Franchises	-	-	-	-
353	Land and Land Rights	-	-	-	-
354	Structure and Improvements	7,805	-	-	7,805
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	232,805	-	-	232,805
361	Collection Sewers - Gravity	96,593	-	-	96,593
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	13,200	-	-	13,200
364	Flow Measuring Devices	-	-	-	-
365	Flow Measuring Installations	-	-	-	-
370	Receiving Wells	4,654	-	-	4,654
371	Pumping Equipment	754	-	-	754
380	Treatment and Disposal Equipment	-	-	-	-
381	Plant Sewers	45,326	-	-	45,326
382	Outfall Sewer Lines	1,620	-	-	1,620
389	Other Plant and Miscellaneous Equipment	-	-	-	-
390	Office Furniture and Equipment	-	-	-	-
391	Transportation Equipment	22,137	-	-	22,137
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-
394	Laboratory Equipment	-	-	-	-
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	622	-	-	622
	Total Sewer Plant	\$ 437,897	\$ -	\$ -	\$ 437,897

\* This amount should tie to Sheet F-5

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account Name (b)	Average Service Life in Years (c)	Average Salvage In Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
351	Organization	40	-	2.50 %	1,134	-	309	1,443
352	Franchises	-	-	%	-	-	-	-
354	Structure and Improvements	27	-	3.70 %	2,350	-	289	2,639
355	Power Generation Equipment	-	-	%	-	-	-	-
360	Collection Sewers - Force	27	-	3.70 %	80,507	-	8,614	89,121
361	Collection Sewers - Gravity	40	-	2.50 %	20,526	-	2,415	22,941
362	Special Collecting Structures (Lift Stations)	-	-	%	-	-	-	-
363	Services to Customers	35	-	2.90 %	3,207	-	377	3,584
364	Flow Measuring Devices	-	-	%	-	-	-	-
365	Flow Measuring Installations	-	-	%	-	-	-	-
370	Receiving Wells (Lift Stations)	25	-	4.00 %	840	-	187	1,027
371	Pumping Equipment	40	-	2.50 %	126	-	50	176
380	Treatment and Disposal Equipment	-	-	%	-	-	-	-
381	Plant Sewers	15	-	6.70 %	16,690	-	3,023	19,713
382	Outfall Sewer Lines	15	-	6.70 %	621	-	108	729
389	Other Plant and Miscellaneous Equipment	-	-	%	-	-	-	-
390	Office Furniture and Equipment	-	-	%	-	-	-	-
391	Transportation Equipment	5	-	20.00 %	2,214	-	4,427	6,641
392	Stores Equipment	-	-	%	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	%	-	-	-	-
394	Laboratory Equipment	-	-	%	-	-	-	-
395	Power Operated Equipment	-	-	%	-	-	-	-
396	Communication Equipment	-	-	%	-	-	-	-
397	Miscellaneous Equipment	-	-	%	-	-	-	-
398	Other Tangible Plant	5	-	20.00 %	528	-	62	590
	Totals				128,743		19,861	148,604

\* This amount should tie to Sheet F-5



**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	_____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	_____
704	Employee Pensions and Benefits _____	_____
710	Purchased Wastewater Treatment _____	108,656
711	Sludge Removal Expense _____	1,905
715	Purchased Power _____	1,730
716	Fule for Power Production _____	_____
718	Chemicals _____	_____
720	Materials and Supplies _____	_____
730	Contractual Services:	
	Operator and Management _____	28,200
	Testing _____	_____
	Other _____	14,660
740	Rents _____	_____
750	Transportation Expense _____	_____
755	Insurance Expense _____	3,988
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
770	Bad Debt Expense _____	_____
775	Miscellaneous Expenses _____	2,868
	Total Wastewater Operation and Maintenance Expense _____	\$ 162,007 *

\* This amount should tie to Sheet F-3.

**WASTEWATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
<b>Residential Service</b>					
5/8"	D	1.0	118	119	119
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
<b>General Service</b>					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0	1	1	5
2"	D,C,T	8.0	1	3	24
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0	312	312	312
Other (Specify):	Gen Serv Flat	31.5	1	1	32
** D = Displacement C = Compound T = Turbine			<b>Total</b>	<b>433</b>	<b>436</b>
				<b>436</b>	<b>492</b>

UTILITY NAME: Paradise Lakes Utility LLC

**PUMPING EQUIPMENT**

Lift station number _____	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	_____	_____	_____
Make or type and nameplate data of pump _____	<u>Hydromatic</u>	<u>Hydromatic</u>	<u>Ebara</u>	<u>Ebara</u>	_____	_____	_____
Year installed _____	<u>1997</u>	<u>1997</u>	<u>1997</u>	<u>1997</u>	_____	_____	_____
Rated capacity (GPM) _____	<u>15</u>	<u>15</u>	<u>5</u>	<u>5</u>	_____	_____	_____
Size (HP) _____	<u>15</u>	<u>15</u>	<u>5</u>	<u>5</u>	_____	_____	_____
Power:							
Electric _____	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____	_____

**SERVICE CONNECTIONS**

Size (inches) _____	<u>4"</u>	_____	_____	_____	_____	_____	_____
Type (PVC, VCP, etc) _____	<u>PVC</u>	_____	_____	_____	_____	_____	_____
Average length _____	<u>30'</u>	_____	_____	_____	_____	_____	_____
Number of active service connections _____	<u>339</u>	_____	_____	_____	_____	_____	_____
Beginning of year _____	<u>339</u>	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	<u>339</u>	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____	_____

**COLLECTING AND FORCE MAINS AND MANHOLES**

	Collecting Mains				Force Mains			
Size (inches) _____	_____	_____	_____	_____	<u>6"</u>	<u>3"</u>	<u>2"</u>	_____
Type of main _____	_____	_____	_____	_____	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>	_____
Length of main (nearest foot):								
Beginning of year _____	_____	_____	_____	_____	<u>600</u>	<u>250</u>	<u>0</u>	_____
Added during year _____	_____	_____	_____	_____	_____	_____	<u>60</u>	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	<u>600</u>	<u>250</u>	<u>60</u>	_____

**MANHOLES:**

Size _____	<u>48"</u>	_____	_____	_____
Type _____	<u>Concrete</u>	_____	_____	_____
Number:				
Beginning of year _____	<u>14</u>	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of year _____	<u>14</u>	_____	_____	_____

**TREATMENT PLANT**

Manufacturer_____	None	_____	_____
Type_____	Purchased	_____	_____
"Steel" or "Concrete"_____	N/A	_____	_____
Total Capacity_____	N/A	_____	_____
Average Daily Flow_____	40241	_____	_____
Effluent Disposal_____	N/A	_____	_____
Total Gallons of Wastewater Treated_____	14,688,000	_____	_____

**MASTER LIFT STATION PUMPS**

Manufacturer_____	Hydromatic	Hydromatic	_____	_____	_____	_____
Capacity (GPM)_____	Unknown	Unknown	_____	_____	_____	_____
Motor:						
Manufacturer_____	Unknown	Unknown	_____	_____	_____	_____
Horsepower_____	15	15	_____	_____	_____	_____
Power (Electric or Mechanical)_____	Electric	Electric	_____	_____	_____	_____

**PUMPING WASTEWATER STATISTICS**

Months	Gallons of Treated (Purchased) Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	149,000	None	149,000
February_____	776,000	_____	776,000
March_____	653,000	_____	653,000
April_____	1,228,000	_____	1,228,000
May_____	1,547,000	_____	1,547,000
June_____	1,393,000	_____	1,393,000
July_____	1,358,000	_____	1,358,000
August_____	1,363,000	_____	1,363,000
September_____	1,466,000	_____	1,466,000
October_____	1,769,000	_____	1,769,000
November_____	1,459,000	_____	1,459,000
December_____	1,507,000	_____	1,507,000
Total for year_____	14,668,000	_____	14,668,000

If Wastewater Treatment is purchased, indicate the vendor:  
 All wastewater treatment is purchased from Pasco County Utilities

**OTHER WASTEWATER SYSTEM INFORMATION**

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

1. Present ERC's * that system can efficiently serve.	<u>492</u>
2. Maximum number of ERC's * which can be served.	<u>492</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>492</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>492</u>
5. Estimated annual increase in ERC's * .	<u>None</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
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.	
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	<u>No</u>
<u>N/A</u>	
9. Has the utility been required by the DEP or water management district to implement reuse?	<u>N/A</u>
If so, what are the utility's plans to comply with the DEP?	<u>N/A</u>
10. When did the company last file a capacity analysis report with the DEP?	<u>N/A</u>
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?	<u>N/A</u>
c. When will cor	<u>N/A</u>
d. Attach plans for funding the required upgrading.	<u>N/A</u>
e. Is this system under any Consent Order of the DEP?	<u>N/A</u>
11. Department of Environmental Protection ID #	<u>N/A</u>

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:  

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

# CERTIFICATION OF ANNUAL REPORT

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

- |              |           |  |
|--------------|-----------|--|
| YES<br>( X ) | NO<br>( ) | 1. The utility is in substantial compliance with the Uniform System Of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.  |
| YES<br>( X ) | NO<br>( ) | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES<br>( X ) | NO<br>( ) | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.  |
| YES<br>( X ) | NO<br>( ) | 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.
( X )	( X )	( X )	( X )
( )	( )	( )	( )

  
 \_\_\_\_\_  
 (signature of chief executive officer of the utility)

\_\_\_\_\_  
 (signature of chief financial officer of the utility)

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

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

**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Water Operations  
Class C**

**Company:**

Paradise Lakes Utility LLC

**For the Year Ended December 31, 2006**

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 54,293	\$ 54,293	\$ -
Commercial	21,997	21,997	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other			
<b>Total Water Operating Revenue</b>	<b>\$ 76,290</b>	<b>\$ 76,290</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Net Water Operating Reveunes</b>	<b>\$ 76,290</b>	<b>\$ 76,290</b>	<b>\$ -</b>

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Wastewater Operations  
Class C**

**Company:**

Paradise Lakes Utility LLC

**For the Year Ended December 31, 2006**

	(a)	(b)	(c)	(d)
Accounts		Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:				
Residential		\$ 131,890	\$ 131,890	\$ -
Commercial		43,551	43,551	-
Industrial		-	-	-
Multiple Family		-	-	-
Guaranteed Revenues		-	-	-
Other		-	-	-
<b>Total Wastewater Operating Revenue</b>		<b>\$ 175,441</b>	<b>\$ 175,441</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Wastewater Operating Revenues</b>		<b>\$ 175,441</b>	<b>\$ 175,441</b>	<b>\$ -</b>

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).