

CLASS "C"

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WATER and/or WASTEWATER UTILITIES

08 MAR 10 PM
DIVISION OF
ECONOMIC REGULATION

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

ANNUAL REPORT

WS446-07-AR

Paradise Lakes Utility LLC

EXACT LEGAL NAME OF RESPONDENT

458-W / 392-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2007



Carlstedt, 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.
James L. Wilson, C.P.A.

March 6, 2008

To the Member
Paradise Lakes Utility, LLC

We have compiled the balance sheet of Paradise Lakes Utility, LLC as of December 31, 2007 and 2006, and the statements of income and retained earnings for the year ended December 31, 2007, 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.

Carlstedt, Jackson, Nixon & Wilson
CARLSTEDT, JACKSON, NIXON & WILSON

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA) Commission Rules and the definitions on next page.
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.
7. Complete this report by means which will result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
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 in the report. Additional schedules 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. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceding year ending December 31.

Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
11. Pursuant to Rule 25-30.110 (7)(a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Water and Wastewater, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION - this account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement or construction costs of the utilities property, facilities, or equipment used to provide services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water and wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss of service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER)- (Rule 25-30.515 (8), Florida Administrative Code)
(a) 350 gallons per day
(b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
(c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER)- Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to, the cost of operation, maintenance, depreciation and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL - (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

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: Carlstedt, 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 _____		\$ 55,335	\$ 136,306		\$ 191,641
Commercial _____		21,732	27,847		49,579
Industrial _____					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____		30	30		60
Total Gross Revenue _____		77,097	164,183	N/A	241,280
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	78,219	116,866		195,085
Depreciation Expense _____	F-5	15,311	19,867		35,178
CIAC Amortization Expense _____	F-8	(2,218)	(1,073)		(3,291)
Taxes Other Than Income _____	F-7	6,259	10,178	-	16,437
Income Taxes _____	F-7	-	-		-
Total Operating Expenses _____		97,571	145,838		243,409
Net Operating Income (Loss)		(20,474)	18,345	-	(2,129)
Other Income:					
Nonutility Income _____		-	-		-
Interest Income _____		-	-		-
_____					-
Other Deductions:					
Miscellaneous Nonutility Expenses _____		1,208	1,208		2,415
Interest Expense _____		-	-		-
_____		-	-		-
_____					-
_____					-
Net Income (Loss)		\$ (21,682)	\$ 17,138	N/A	\$ (4,544)

COMPARATIVE BALANCE SHEET

Account Name	Reference Page	Current Year	Previous Year
ASSETS:			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 752,946	\$ 747,442
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(351,705)	(316,527)
Net Utility Plant _____		401,241	430,915
Cash _____		97,069	21,353
Customer Accounts Receivable (141) _____		13,362	39,527
Other Assets (Specify):			
Misc. Other Assets _____		2,407	1,826
Total Assets _____		\$ 514,079	\$ 493,621
LIABILITIES AND CAPITAL:			
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	426,084	430,630
Total Capital _____		426,084	430,630
Long Term Debt (224) _____	F-6		
Accounts Payable (231) _____		10,089	11,309
Notes Payable (232) _____			
Customer Deposits (235) _____		315	
Accrued Taxes (236) _____	F-7	10,858	11,328
Other Liabilities (Specify):			
Accounts Payable - Assoc Co _____		963	963
Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8	65,770	39,391
Total Liabilities and Capital _____		\$ 514,079	\$ 493,621

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 313,176	\$ 439,770	N/A	\$ 752,946
Construction Work In Progress (105) _____				-
Other (Specify) _____	-	-		-
_____				-
Total Utility Plant _____	\$ 313,176	\$ 439,770	N/A	\$ 752,946

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 167,923	\$ 148,604	N/A	\$ 316,527
Add Credits During Year:				
Accruals charged to depreciation account _____	15,311	19,867		35,178
Salvage _____	-	-		-
Other credits (specify) _____	-	-		-
_____	-	-		-
Total credits _____	15,311	19,867		35,178
Deduct Debits During Year:				
Book cost of plant retired _____	-	-		-
Cost of removal _____	-	-		-
Other debits (specify) _____				-

Total debits _____	-	-		-
Balance End of Year _____	\$ 183,234	\$ 168,471	N/A	\$ 351,705

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):		
_____	-	-

Balance end of year _____	\$	

PROPRIETARY CAPITAL (218)

	Proprietor or Partner	Partner
Balance first of year _____	\$ 430,630	N/A
Charges during the year (specify):		
Current year loss _____	(4,544)	-
Rounding _____	(2)	

Balance end of year _____	\$ 426,084	

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 _____	2,790	2,790		5,580
Regulatory assessment fee _____	3,469	7,388		10,857
Other (Specify):				
Total taxes accrued _____	\$ 6,259	\$ 10,178		\$ 16,437

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		\$ 3,657	Sludge Removal
C&A Services	12,425		Repairs & Maint
Carlstedt Jackson Nixon & Wilson	2,449	2,449	Regulatory and accounting matters
Davis Supply	1,298		Chemicals
Gator Water	4,605		Plant Operation
M&M Services		675	Repairs & Maint
Progress Energy	3,249	3,249	Power
Rose Sundtrom Bentley	6,836	6,836	Legal matters
Sunstate Meter	300	300	Meter Reading
Keith Gordon	813	813	Meter Reading
Eugene Tyner	500		Lawn Maint.

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	\$ 51,826	\$ 25,544	\$ 77,370
2. Add credits during year:			
_____	13,602	16,068	29,670
3. Total _____	65,428	41,612	107,040
4. Deduct charges during year _____	0	-	0
5. Balance end of year _____	65,428	41,612	107,040
6. Less Accumulated Amortization _____	(19,177)	(22,093)	(41,270)
7. Net CIAC _____	\$ 46,251	\$ 19,519	\$ 65,770

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
Report below all capacity charges, main extension charges and customer connections charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
Meter Fees	13	Actual Cost	4,632
Capacity Charge	39	230	8,970
Capacity Charge	39	412	16,068

Total Credits During Year (Must agree with line # 2 above) _____		\$ 13,602	\$ 16,068

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	\$ 16,959	\$ 21,020	\$ 37,979
Add Debits During Year: _____	2,218	1,073	3,291
_____	-	-	
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ 19,177	\$ 22,093	\$ 41,270

UTILITY NAME: Paradise Lakes Utility LLC

YEAR OF REPORT December 31, 2007
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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**

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	22,515	-	-	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	77,779	-	-	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	24,726	3,631	-	28,357
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	\$ 309,545	\$ 3,631	\$ -	\$ 313,176

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%	\$ 2,960	\$ -	\$ 528	\$ 3,488
302	Franchises	-	-	-	-	-	-	-
304	Structure and Improvements	28	-	3.57%	1,927	-	80	2,007
305	Collecting and Impounding Reservoirs	-	-	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-	-	-
307	Wells and Springs	27	-	3.70%	6,765	-	406	7,171
308	Infiltration Galleries and Tunnels	-	-	-	-	-	-	-
309	Supply Mains	32	-	3.13%	51,969	-	2,434	54,403
310	Power Generation Equipment	17	-	5.88%	2,354	-	187	2,541
311	Pumping Equipment	17	-	5.88%	18,970	-	1,249	20,219
320	Water Treatment Equipment	17	-	5.88%	39,158	-	2,945	42,103
330	Distribution Reservoirs and Standpipes	33	-	3.03%	6,008	-	241	6,249
331	Transmission and Distribution Mains	38	-	2.63%	15,421	-	962	16,383
333	Services	35	-	2.86%	4,971	-	238	5,209
334	Meters and Meter Installations	17	-	5.88%	10,327	-	1,561	11,888
335	Hydrants	-	-	-	-	-	-	-
339	Other Plant and Miscellaneous Equipment	-	-	-	-	-	-	-
340	Office Furniture and Equipment	-	-	-	-	-	-	-
341	Transportation Equipment	5	-	20.00%	6,641	-	4,427	11,068
342	Stores Equipment	-	-	-	-	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-	-	-	-	-
344	Laboratory Equipment	15	-	6.67%	131	-	-	131
345	Power Operated Equipment	10	-	10.00%	321	-	53	374
346	Communication Equipment	-	-	-	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-	-	-	-
348	Other Tangible Plant	-	-	-	-	-	-	-
	Totals				\$ 167,923	\$ -	\$ 15,311	\$ 183,234

* This amount should tie to Sheet F-5

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 _____	3,249
616	Fuel for Power Production _____	149
618	Chemicals _____	4,228
620	Materials and Supplies _____	1,943
630	Contractual Services:	
	Billing _____	1,112
	Operator and Management _____	30,000
	Testing _____	120
	Other _____	28,933
640	Rents _____	
650	Transportation Expense _____	555
655	Insurance Expense _____	4,457
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	3,473
	Total Water Operation and Maintenance Expense _____	\$ 78,219 *
	* 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)	
Residential Service					
5/8"	D	1.0	119	119	119
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
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	4	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	1.0	1.0	32
** D = Displacement C = Compound T = Turbine			Total	437	436
					492

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	-	2,386	1,406	980	980
February	-	2,094	1,292	802	802
March	-	2,445	1,601	844	844
April	-	1,031	99	932	932
May	-	2,491	2,172	319	319
June	-	1,538	791	747	747
July	-	2,828	2,035	793	793
August	-	2,930	2,330	600	600
September	-	2,456	1,907	549	549
October	-	2,877	2,323	554	554
November	-	1,530	828	702	702
December	-	2,640	1,991	649	649
Total for year	N/A	27,246	18,775	8,471	8,471

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)
MOTORS				
Manufacturer _____	Well #1 Franklin	Well #2 Franklin		
Type _____	Submersable	Submersable		
Rated Horsepower _____	15	7.5		
PUMPS				
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**

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	1,873	-	234,678
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	\$ 1,873	\$ -	\$ 439,770

* 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 %	1,443	-	310	1,753
352	Franchises	-	-	%	-	-	-	-
354	Structure and Improvements	27	-	3.70 %	2,639	-	289	2,928
355	Power Generation Equipment	-	-	%	-	-	-	-
360	Collection Sewers - Force	27	-	3.70 %	89,121	-	8,649	97,770
361	Collection Sewers - Gravity	40	-	2.50 %	22,941	-	2,415	25,356
362	Special Collecting Structures (Lift Stations)	-	-	%	-	-	-	-
363	Services to Customers	35	-	2.90 %	3,584	-	378	3,962
364	Flow Measuring Devices	-	-	%	-	-	-	-
365	Flow Measuring Installations	-	-	%	-	-	-	-
370	Receiving Wells (Lift Stations)	25	-	4.00 %	1,027	-	186	1,213
371	Pumping Equipment	40	-	2.50 %	176	-	50	226
380	Treatment and Disposal Equipment	-	-	%	-	-	-	-
381	Plant Sewers	15	-	6.70 %	19,713	-	3,023	22,736
382	Outfall Sewer Lines	15	-	6.70 %	729	-	108	837
389	Other Plant and Miscellaneous Equipment	-	-	%	-	-	-	-
390	Office Furniture and Equipment	-	-	%	-	-	-	-
391	Transportation Equipment	5	-	20.00 %	6,641	-	4,427	11,068
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 %	590	-	32	622
	Totals				148,604		19,867	168,471

* 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	60,787
711	Sludge Removal Expense	3,657
715	Purchased Power	1,303
716	Fule for Power Production	
718	Chemicals	
720	Materials and Supplies	434
730	Contractual Services:	
	Operator and Management	30,000
	Testing	
	Other	12,335
740	Rents	
750	Transportation Expense	555
755	Insurance Expense	4,457
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	
770	Bad Debt Expense	
775	Miscellaneous Expenses	3,338
	Total Wastewater Operation and Maintenance Expense	\$ 116,866 *

* 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)	
Residential Service					
5/8"	D	1.0	119	119	119
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
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	3	2	16
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					
Total			436	435	484

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) _____	_____	_____	_____	_____	_____	_____	_____
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 _____	38008		
Effluent Disposal _____	N/A		
Total Gallons of Wastewater Treated _____	13,873,000		

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 _____	1,444,000	None	1,444,000
February _____	1,435,000		1,435,000
March _____	1,665,000		1,665,000
April _____	1,284,000		1,284,000
May _____	1,148,000		1,148,000
June _____	1,100,000		1,100,000
July _____	237,000		237,000
August _____	1,257,000		1,257,000
September _____	990,000		990,000
October _____	1,448,000		1,448,000
November _____	1,474,000		1,474,000
December _____	391,000		391,000
Total for year _____	13,873,000		13,873,000

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. 484

2. Maximum number of ERC's * which can be served. 484

3. Present system connection capacity (in ERC's *) using existing lines. 484

4. Future system connection capacity (in ERC's *) upon service area buildout. 484

5. Estimated annual increase in ERC's * . None

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system. None

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? No
N/A

9. Has the utility been required by the DEP or water management district to implement reuse? N/A
If so, what are the utility's plans to comply with the DEP? N/A

10. When did the company last file a capacity analysis report with the DEP? N/A

11. If the present system does not meet the requirements of DEP rules:
 a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 b. Have these plans been approved by DEP? N/A
 c. When will cor N/A
 d. Attach plans for funding the required upgrading. N/A
 e. Is this system under any Consent Order of the DEP? N/A

11. Department of Environmental Protection ID # N/A

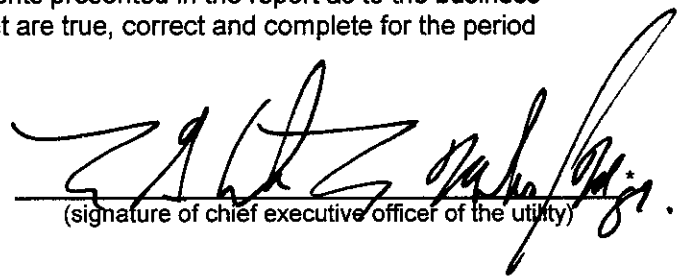
Use one of the following methods:
 (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
 (b) If no historical 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
(X) | NO
() | 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
(X) | NO
() | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
(X) | NO
() | 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
(X) | NO
() | 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, 2007

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 55,335	55,335	\$ -
Commercial	21,732	21,732	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other (Irrigation)	30	30	-
Total Water Operating Revenue	\$ 77,097	\$ 77,097	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 77,097	\$ 77,097	\$ -

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, 2007

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	136,306	\$ 136,306	\$ -
Commercial	27,847	27,847	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other	30	30	-
Total Wastewater Operating Revenue	\$ 164,183	\$ 164,183	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 164,183	\$ 164,183	\$ -

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).