

OFFICIAL COPY
Public Service Commission
Do Not Remove from this Office
FLORIDA PUBLIC SERVICE
COMMISSION

CLASS "C"

09 MAR 24 AM 10:00

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS551-04-AR
DAMON UTILITIES, INC.
47 Lake Damon Drive
Avon Park, FL 33825-8902

499-W 433-S
Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2008

Form PSC/ECR 006-W (Rev. 12/99)

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 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 pages 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 statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and 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 preceeding 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 (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes 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 utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

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

DEPRECIATION - The loss in 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 the 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)

TABLE OF CONTENTS

FINANCIAL SECTION	PAGE
Identification	F-2
Income Statement	F-3
Balance Sheet	F-4
Net Utility Plant	F-5
Accumulated Depreciation and Amortization of Utility Plant	F-5
Capital Stock	F-6
Retained Earnings	F-6
Proprietary Capital	F-6
Long Term Debt	F-6
Taxes Accrued	F-7
Payment for Services Rendered by Other Than Employees	F-7
Contributions in Aid of Construction	F-8
Cost of Capital Used for AFUDC Calculation	F-9
AFUDC Capital Structure Adjustments	F-10
WATER OPERATING SECTION	PAGE
Water Utility Plant Accounts	W-1
Analysis of Accumulated Depreciation by Primary Account - Water	W-2
Water Operation and Maintenance Expense	W-3
Water Customers	W-3
Pumping and Purchased Water Statistics and Mains	W-4
Wells and Well Pumps, Reservoirs, and High Service Pumping	W-5
Other Water System Information	W-6
WASTEWATER OPERATING SECTION	PAGE
Wastewater Utility Plant Accounts	S-1
Analysis of Accumulated Depreciation by Primary Account - Wastewater	S-2
Wastewater Operation and Maintenance Expense	S-3
Wastewater Customers	S-3
Pumping Equipment, Collecting and Force Mains and Manholes	S-4
Other Wastewater System Information	S-5
VERIFICATION SECTION	PAGE
Verification	V-1

FINANCIAL SECTION

REPORT OF

DAMON UTILITIES, INC.

(EXACT NAME OF UTILITY)

47 LAKE DAMON DRIVE AVON PARK, FLORIDA 33825-8902	47 LAKE DAMON DRIVE AVON PARK, FLORIDA 33825-8902
Mailing Address	Street Address County
Telephone Number (863) 453-0773	Date Utility First Organized 01/23/86
Fax Number (863) 453-7269	E-mail Address damonutilities@earthlink.net
Sunshine State One-Call of Florida, Inc. Member No. DU1055	

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

Individual
 Sub Chapter S Corporation
 1120 Corporation
 Partnership

Name, Address and phone where records are located: Same As Above

Name of subdivisions where services are provided: River Greens Golf Course Area and Casa Del Lago Condominiums

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Deborah B. Crews</u>	<u>Bookkeeper</u>	<u>47 Lake Damon Drive Avon Park, FL 33825</u>	\$ <u>0</u>
Person who prepared this report: <u>Deborah B. Crews</u>	<u>Bookkeeper</u>	<u>47 Lake Damon Drive Avon Park, FL 33825</u>	\$ <u>0</u>
Officers and Managers: <u>J. A. Harstine</u>	<u>President</u>	<u>47 Lake Damon Drive</u>	\$ <u>0</u>
<u>Rodney A. Davis</u>	<u>Secretary/Treasurer</u>	<u>47 Lake Damon Drive</u>	\$ <u>0</u>
<u>George Davis</u>	<u>Vice President</u>	<u>47 Lake Damon Drive</u>	\$ <u>0</u>
			\$
			\$

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
<u>J. A. Harstine</u>	<u>33 1/3</u>	<u>47 Lake Damon Drive</u>	\$ <u>0</u>
<u>Rodney A. Davis</u>	<u>33 1/3</u>	<u>47 Lake Damon Drive</u>	\$ <u>0</u>
<u>George Davis</u>	<u>33 1/3</u>	<u>47 Lake Damon Drive</u>	\$ <u>0</u>
			\$
			\$
			\$
			\$

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 48,808	\$ 37,175	\$ _____	\$ 85,983
Commercial _____		606	1,774	_____	2,380
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Hook up Fee _____		278	38	_____	316
Late Payment Fee _____		522	156	_____	678
Total Gross Revenue _____		\$ 50,214	\$ 39,143	\$ _____	\$ 89,357
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 73,851	\$ 33,666	\$ _____	\$ 107,517
Depreciation Expense _____	F-5	5,427	4,032	_____	9,459
CIAC Amortization Expense _____	F-8	2,508	2,736	_____	5,244
Taxes Other Than Income _____	F-7	3,690	2,158	_____	5,848
Income Taxes _____	F-7	0	0	_____	0
Total Operating Expense _____		\$ 85,476	\$ 42,592	\$ _____	\$ 128,068
Net Operating Income (Loss) _____		\$ (35,262)	\$ (3,449)	\$ _____	\$ (38,711)
Other Income:					
Nonutility Income _____		\$ 0	\$ 0	\$ _____	\$ 0
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ 0	\$ 0	\$ _____	\$ 0
Interest Expense _____		990	340	_____	1,330
Bank Loan _____		_____	_____	_____	0
_____		_____	_____	_____	0
_____		_____	_____	_____	_____
Net Income (Loss) _____		\$ (36,252)	\$ (3,789)	\$ _____	\$ (40,041)

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2008

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ <u>376,287</u>	\$ <u>375,000</u>
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u>250,392</u>	<u>243,767</u>
Net Utility Plant -----		\$ <u>125,895</u>	\$ <u>131,233</u>
Cash -----		<u>3,724</u>	<u>1,415</u>
Customer Accounts Receivable (141) -----		<u>4,549</u>	<u>4,870</u>
Other Assets (Specify): -----			
Security Deposit -----		<u>100</u>	<u>100</u>
Deferred Debits -----		<u>1,125</u>	
Total Assets -----		\$ <u>135,393</u>	\$ <u>137,618</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	<u>600</u>	<u>600</u>
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----		<u>14,400</u>	<u>14,400</u>
Retained Earnings (215) -----	F-6	<u>(57,753)</u>	<u>(37,318)</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ <u>(42,753)</u>	\$ <u>(22,318)</u>
Long Term Debt (224) -----	F-6	<u>\$ 16,386</u>	<u>\$ 27,141</u>
Accounts Payable (231) -----		<u>7,649</u>	<u>4,488</u>
Notes Payable (232) -----		<u>87,251</u>	<u>55,503</u>
Customer Deposits (235) -----			
Accrued Taxes (236) -----		<u>4,571</u>	<u>5,866</u>
Other Liabilities (Specify) -----			
Loans From Stockholders -----		<u>7,200</u>	<u>7,200</u>
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>55,089</u>	<u>59,738</u>
Total Liabilities and Capital -----		\$ <u>135,393</u>	\$ <u>137,618</u>

UTILITY NAME Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)_____	\$ <u>143,458</u>	\$ <u>232,739</u>	\$ <u>0</u>	\$ <u>376,197</u>
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ <u>143,458</u>	\$ <u>232,739</u>	\$ _____	\$ <u>376,197</u>

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

Account 108	Water	Wastewater	A/D & CIAC AM. Other Than Reporting Systems	Total
Balance First of Year_____	\$ <u>83,496</u>	\$ <u>160,271</u>	\$ _____	\$ <u>243,767</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account_____	\$ <u>5,427</u>	\$ <u>4,032</u>	\$ _____	\$ <u>9,459</u>
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
Total Credits_____	\$ <u>5,427</u>	\$ <u>4,032</u>	\$ _____	\$ <u>9,459</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired_____	\$ <u>2,834</u>	\$ _____	\$ _____	\$ _____
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
Total Debits_____	\$ <u>2,834</u>	\$ _____	\$ _____	\$ <u>2,834</u>
Balance End of Year_____	\$ <u>86,089</u>	\$ <u>164,303</u>	\$ _____	\$ <u>250,392</u>

UTILITY NAME Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$1.00	N/A
Shares authorized _____	600	
Shares issued and outstanding _____	600	
Total par value of stock issued _____	\$600.00	
Dividends declared per share for year _____	0	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ (37,318)
Changes during the year (Specify):		
Adjustments _____		19,606
NOL _____		(40,041)
Balance end of year _____	\$ _____	\$ (57,753)

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____ N/A	\$ _____	\$ _____
Changes during the year (Specify):		

Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
Highlands Independent Bank (Variable Rate)	5.00%	60	\$ 16,386

Total _____			\$ 16,386

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2008

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	_____	_____	_____
State income tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	957	319	_____	_____
Regulatory assessment fee _____	2,260	1,761	_____	4,021
Other (Specify) _____	113	38	_____	150
County Maintainance _____	360	40	_____	400
				0
Total Tax Expense _____	\$ 3,690	\$ 2,158	\$ 0	\$ 4,571

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

<p>Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the responent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.</p>			
Name of Recipient	Water Amount	Wastewater Amount	Description of Service
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Damon Utilities, Inc.

<p>YEAR OF REPORT DECEMBER 31, 2008</p>

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 67,535	\$ 65,728	\$ 133,263
2) Add credits during year _____			
	457	138	595
3) Total _____	\$ 67,992	\$ 65,866	\$ 133,858
4) Deduct charges during the year _____			
5) Balance end of year _____	67,992	65,866	133,858
6) Less Accumulated Amortization _____	42,234	36,535	78,769
7) Net CIAC _____	\$ 25,758	\$ 29,331	\$ 55,089

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
N/A			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Sub-total _____		\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
Meter Installation	1	\$ 155	\$ 155
Main Extensions	1	228	228
Plant Capacity	1	74	74
Main Extensions Sewer	1	138	138
Total Credits During Year (Must agree with line # 2 above.) _____		\$ 457	\$ 138

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ 39,726	\$ 33,799	\$ 73,525
Add Debits During Year: _____	2,508	2,736	5,244
Deduct Credits During Year: _____	0	0	
Balance End of Year (Must agree with line #6 above.) _____	\$ 42,234	\$ 36,535	\$ 78,769

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2008

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	<u>100.00</u> %		<u>N/A</u> %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	_____ %
Commission Order approving AFUDC rate:	_____ %

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted	_____	_____	_____	_____	_____
Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ N/A

(1) Explain below all adjustments made in Column (e):

**WATER
OPERATING
SECTION**

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Corrections Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ 6,226	\$ _____	\$ _____	\$ 6,226
302	Franchises_____	_____	_____	_____	_____
303	Land and Land Rights_____	_____	_____	_____	_____
304	Structures and Improvements__	4,656	62	_____	4,718
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	6,285	_____	_____	6,285
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	1,126	_____	_____	1,126
310	Power Generation Equipment__	12,739	64	_____	12,803
311	Pumping Equipment_____	9,016	3,779	(2,834)	9,961
320	Water Treatment Equipment__	10,105	_____	_____	10,105
330	Distribution Reservoirs and Standpipes_____	_____	_____	_____	_____
331	Transmission and Distribution Lines_____	54,503	_____	_____	54,503
333	Services_____	_____	_____	_____	_____
334	Meters and Meter Correction prior yr. Installations_____	33,427	(90) 217	_____	33,644
335	Hydrants_____	_____	_____	_____	_____
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
340	Office Furniture and Equipment_____	1,517	_____	_____	1,517
341	Transportation Equipment_____	_____	_____	_____	_____
342	Stores Equipment_____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment_____	2,660	_____	_____	2,660
344	Laboratory Equipment_____	_____	_____	_____	_____
345	Power Operated Equipment_____	_____	_____	_____	_____
346	Communication Equipment_____	_____	_____	_____	_____
347	Miscellaneous Equipment_____	_____	_____	_____	_____
348	Other Tangible Plant_____	_____	_____	_____	_____
	Total Water Plant_____	\$ 142,260	\$ 4,032	\$ _____	\$ 143,548

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (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	%	2.500 %	\$ 3,359	\$	\$ 156	\$ 3,515
304	Structures and Improvements	28	%	3.570 %	2,637		156	2,793
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	3.700 %	4,696		228	4,924
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains	32	%	3.130 %	516		36	552
310	Power Generating Equipment	17	%	5.880 %	6,016		744	6,760
311	Pumping Equipment	17	%	5.880 %	6,034	(2,834)	492	3,692
320	Water Treatment Equipment	17	%	5.880 %	10,209		0	10,209
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains	38	%	2.630 %	28,821		1,428	30,249
333	Services		%					
334	Meter & Meter Installations	17	%	5.880 %	18,155	0	1,911	20,066
335	Hydrants		%					
339	Other Plant and Miscellaneous Equipment		%		0			
340	Office Furniture and Equipment	15	%	6.670 %	884		96	980
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment	15	%	6.670 %	2,169		180	2,349
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 83,496	\$ (2,834)	\$ 5,427	\$ 86,089 *

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 24,174
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	6,900
604	Employee Pensions and Benefits	6,665
610	Purchased Water	
615	Purchased Power	3,024
616	Fuel for Power Production	87
618	Chemicals	3,649
620	Materials and Supplies	2,024
630	Contractual Services:	
	Bank Acct Fees	126
	Billing #630	1,125
	Professional #631	10,080
	Testing #635	3,958
	Other #636 Contract Labor	5,409
640	Rents	3,000
650	Transportation Expense	2,138
655	Insurance Expense	1,173
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	250
670	Bad Debt Expense	
675	Miscellaneous Expenses	69
	Total Water Operation And Maintenance Expense	\$ 73,851 *

* 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)	
5/8"	D	1.0	276	277	277
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5			
Unmetered Customers					
Other General Service			2	2	2
Total			278	279	279

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: _____ Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2008

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	(f) Water Sold To Customers (Omit 000's)
January _____	_____	1,060	69	991	991
February _____	_____	964	134	830	830
March _____	_____	1,051	56	995	995
April _____	_____	962	0	962	962
May _____	_____	1,068	106	962	962
June _____	_____	868	130	738	738
July _____	_____	770	82	688	688
August _____	_____	731	72	659	659
September _____	_____	815	92	723	723
October _____	_____	819	61	758	758
November _____	_____	966	87	879	879
December _____	_____	951	102	849	849
Total for Year _____	_____	11,025	991	10,034	10,034

If water is purchased for resale, indicate the following:

Vendor _____ N/A
 Point of delivery _____

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

 _____ N/A

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6 IN	825 LF	-	-	825 LF
PVC	4 IN	7782 LF	-	-	7782 LF
PVC	2 IN	3410 LF	-	-	3410 LF
PVC	1 IN	160 LF	-	-	160 LF
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

SYSTEM NAME: _____

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>2006</u>	<u>1987</u>	_____	_____
Types of Well Construction and Casing _____	<u>Steel & Concrete</u>	<u>Steel & Concrete</u>	_____	_____
Depth of Wells _____	<u>500 FT</u>	<u>500 FT</u>	_____	_____
Diameters of Wells _____	<u>4 IN</u>	<u>4 IN</u>	_____	_____
Pump - GPM _____	<u>100</u>	<u>100</u>	_____	_____
Motor - HP _____	<u>5 HP</u>	<u>5 HP</u>	_____	_____
Motor Type * _____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Yields of Wells in GPD _____	<u>130,000</u>	<u>130,000</u>	_____	_____
Auxiliary Power _____	<u>N/A</u>	<u>N/A</u>	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>Steel</u>	<u>Steel</u>	_____	_____
Capacity of Tank _____	<u>2,000</u>	<u>2,000</u>	_____	_____
Ground or Elevated _____	<u>Ground</u>	<u>Ground</u>	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	<u>Franklin</u>	<u>Sta-Rite</u>	_____	_____
Type _____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Rated Horsepower _____	<u>5 HP</u>	<u>5 HP</u>	_____	_____
Pumps				
Manufacturer _____	<u>Goulds</u>	<u>Sta-Rite</u>	_____	_____
Type _____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Capacity in GPM _____	<u>100</u>	<u>100</u>	_____	_____
Average Number of Hours Operated Per Day _____	<u>2 1/2</u>	<u>2 1/2</u>	_____	_____
Auxiliary Power _____	<u>N/A</u>	<u>N/A</u>	_____	_____

UTILITY NAME: _____ Damon Utilities, Inc. _____

YEAR OF REPORT DECEMBER 31, 2008

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals per day__	14,560 Each	_____	_____
Type of Source_____	2 Deep Wells	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	Wallace & Tierman	_____	_____
Make_____	V-100	_____	_____
Gals. per day capacity__	130,000	_____	_____
High service pumping	N/A	_____	_____
Gallons per minute_____	N/A	_____	_____
Reverse Osmosis_____	N/A	_____	_____
Lime Treatment		_____	_____
Unit Rating_____	N/A	_____	_____
Filtration		_____	_____
Pressure Sq. Ft._____	N/A	_____	_____
Gravity GPD/Sq.Ft._____	N/A	_____	_____
Disinfection		_____	_____
Chlorinator_____	Gas	_____	_____
Ozone_____	N/A	_____	_____
Other_____	N/A	_____	_____
Auxiliary Power_____	Generator (Portable)	_____	_____

GENERAL WATER SYSTEM INFORMATION

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

1. Present ERCs * now being served 279
2. Maximum ERCs ** that system can efficiently serve 294
3. Present system connection capacity (in ERC's) using existing lines _____
4. Future connection capacity (in ERC's) upon service area buildout _____
5. Estimated annual increase in ERCs: * 9
6. Is the utility required to have fire flow capacity? _____
If so, how much capacity is required? 2 @ 150 GPM
7. Attach a description of the fire fighting facilities. _____
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
None at this time
9. When did the company last file a capacity analysis report with the DEP? _____
10. If the present system does not meet the requirements of DEP rules, submit the following:
 - 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? _____
11. Department of Environmental Protection ID # 6284078
12. Water Management District Consumptive Use Permit # NONE
 - a. Is the system in compliance with the requirements of the CUP? _____
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on 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 (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 = (Total SRF Gallons Sold(omit 000 / 365 days / 350 Gallons Per Day).

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ 17,504	\$ _____	\$ _____	\$ 17,504
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	_____	_____	_____	_____
354	Structures and Improvements_____	2,249	_____	_____	2,249
355	Power Gereation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	17,337	_____	_____	17,337
361	Collection Sewers - Gravity_____	62,008	_____	_____	62,008
362	Special Collecting Structures_____	_____	_____	_____	_____
363	Services to Customers_____	_____	_____	_____	_____
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	6,900	_____	_____	6,900
371	Pumping Equipment_____	_____	_____	_____	_____
380	Treatment and Disposal Equipment_____	5,000 89,406	_____	_____	5,000 89,406
381	Plant Sewers_____	8,859	_____	_____	8,859
382	Outfall Sewer Lines_____	21,652	_____	_____	21,652
389	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
390	Office Furniture and Equipment_____	1,250	_____	_____	1,250
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	574	_____	_____	574
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ 232,739	\$ _____	\$ _____	\$ 232,739 *

* This amount should tie to sheet F-5.

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (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	2.500 %	%	\$ 9,459	\$	\$ 432	\$ 9,891
354	Structures and Improvements	27	3.700 %	%	\$ 707	\$	\$ 72	\$ 779
355	Power Generation Equipment							
360	Collection Sewers - Force	27	3.700 %	%	10,336		636	10,972
361	Collection Sewers - Gravity	40	2.500 %	%	25,890		1,548	27,438
362	Special Collecting Structures			%				
363	Services to Customers			%				
364	Flow Measuring Devices			%				
365	Flow Measuring Installations			%				
370	Receiving Wells	25	4.000 %	%	1,240		276	1,516
371	Pumping Equipment			%				
379	Treatment Expense							
380	Treatment and Disposal Equipment	15	6.670 %		140		36	36
381	Plant Sewers			%	89,538			89,538
382	Outfall Sewer Lines	32	3.130 %	%	5,433		276	5,709
389	Other Plant and Miscellaneous Equipment	30	3.330 %	%	15,764		720	16,484
390	Office Furniture and Equipment			%				
391	Equipment			%	1,250		36	1,286
392	Transportation Equipment			%				
393	Stores Equipment			%				
393	Tools, Shop and Garage Equipment			%				
394	Laboratory Equipment	15		%	514			514
395	Power Operated Equipment			%				
396	Communication Equipment			%				
397	Miscellaneous Equipment			%				
398	Other Tangible Plant			%				
	Totals				\$ 160,271	\$	\$ 4,032	\$ 164,303 *

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 7,976
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	2,588
704	Employee Pensions and Benefits	2,407
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	2,030
715	Purchased Power	3,275
716	Fuel for Power Production	
718	Chemicals	1,515
720	Materials and Supplies	871
730	Contractual Services:	0
	Billing - #730	536
	Professional - #731	505
	Testing - #735	3,170
	Contract Labor - #736	4,712
740	Rents	2,150
750	Transportation Expense	768
755	Insurance Expense	456
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	150
770	Bad Debt Expense	
775	Miscellaneous Expenses	557
	Total Wastewater Operation And Maintenance Expense	\$ 33,666 *

* 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)	
5/8"	D	1.0	101	102	101
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5			
Other (Specify):					
Unmetered Customers					
** D = Displacement C = Compound T = Turbine			Total		
			101	102	101

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2008

PUMPING EQUIPMENT

Lift Station Number _____	<u>1</u>	<u>2</u>	<u>3</u>	_____	_____	_____
Make or Type and nameplate data on pump _____	<u>2</u>	<u>2</u>	<u>2</u>	_____	_____	_____
_____	<u>Barnes</u>	_____	_____	_____	_____	_____
Year installed _____	<u>2004</u>	<u>1994</u>	<u>1989</u>	_____	_____	_____
Rated capacity _____	<u>190 GPM</u>	<u>117 GPM</u>	<u>117 GPM</u>	_____	_____	_____
Size _____	<u>2-3 HP</u>	<u>3 HP</u>	<u>3 HP</u>	_____	_____	_____
Power:				_____	_____	_____
Electric _____	<u>X</u>	<u>X</u>	<u>X</u>	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	<u>6 IN</u>	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	<u>PVC</u>	_____	_____	_____	_____	_____
Average length _____	<u>30 FT</u>	_____	_____	_____	_____	_____
Number of active service connections _____	_____	_____	_____	_____	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	<u>0</u>	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains			
Size (inches) _____	<u>8 IN</u>	<u>4 IN</u>	<u>8 IN</u>	_____	_____	_____	_____
Type of main _____	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>	_____	_____	_____	_____
Length of main (nearest foot) _____	<u>2,814</u>	<u>30</u>	<u>1,100</u>	_____	_____	_____	_____
Beginning of year _____	<u>2,814</u>	<u>30</u>	<u>1,100</u>	_____	_____	_____	_____
Added during year _____	<u>0</u>	<u>0</u>	<u>0</u>	_____	_____	_____	_____
Retired during year _____	<u>0</u>	<u>0</u>	<u>0</u>	_____	_____	_____	_____
End of year _____	<u>2,814</u>	<u>30</u>	<u>1,100</u>	_____	_____	_____	_____

MANHOLES

Size (inches) _____	<u>36 IN</u>	_____	<u>36 IN</u>	_____
Type of Manhole _____	<u>Concrete</u>	_____	<u>Concrete</u>	_____
Number of Manholes:				
Beginning of year _____	<u>10</u>	_____	<u>4</u>	_____
Added during year _____	<u>0</u>	_____	<u>0</u>	_____
Retired during year _____	<u>0</u>	_____	<u>0</u>	_____
End of Year _____	<u>10</u>	_____	<u>4</u>	_____

UTILITY NAME: _____ Damon Utilities, Inc.

SYSTEM NAME: _____

<p>YEAR OF REPORT DECEMBER 31, 2008</p>

TREATMENT PLANT

Manufacturer _____	Davco Defiance _____	_____	_____
Type _____	6131.73 _____	_____	_____
"Steel" or "Concrete" _____	Concrete _____	_____	_____
Total Capacity _____	50,000 Gallons _____	_____	_____
Average Daily Flow _____	7,294 Gallons _____	_____	_____
Effluent Disposal _____	Drainfield _____	_____	_____
Total Gallons of Wastewater treated _____	_____	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	N/A _____	_____	_____	_____	_____	_____
Capacity (GPM's) _____	_____	_____	_____	_____	_____	_____
Motor:						
Manufacturer _____	_____	_____	_____	_____	_____	_____
Horsepower _____	_____	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____	_____	_____	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	312,000 _____	0 _____	312,000 _____
February _____	285,000 _____	0 _____	285,000 _____
March _____	302,000 _____	0 _____	302,000 _____
April _____	244,000 _____	0 _____	244,000 _____
May _____	203,000 _____	0 _____	203,000 _____
June _____	214,000 _____	0 _____	214,000 _____
July _____	189,000 _____	0 _____	189,000 _____
August _____	217,000 _____	0 _____	217,000 _____
September _____	226,000 _____	0 _____	226,000 _____
October _____	218,000 _____	0 _____	218,000 _____
November _____	288,000 _____	0 _____	288,000 _____
December _____	255,000 _____	0 _____	255,000 _____
Total for year _____	2,953,000 _____	0 _____	2,953,000 _____

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
December 31, 2008

SYSTEM NAME: _____

GENERAL WASTEWATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

1. Present number ERCs * now being served. _____
2. Maximum number of ERCs * which can be served. _____
3. Present system connection capacity (in ERC's) using existing lines. _____
4. Future connection capacity (in ERC's) upon service area buildout _____
5. Estimated annual increase in ERCs * _____
6. Describe any plans and estimated completion dates for any enlargements of this system.
_____ None at this time _____
7. If the utility uses reuse as a means of effluent disposal, provide 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
If so, when? _____
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? _____

10. When did the company last file a capacity analysis report with the DEP? _____
11. If the present system does not meet the requirements of DEP rules, submit the following:
 - 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? _____
12. Department of Environmental Protection ID# _____

* An ERC is determined based on one of the following methods:

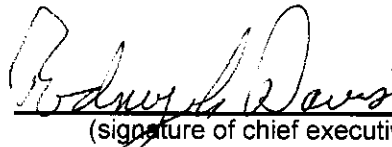
- (a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available use:
ERC = Total SFR gallons sold (omit 000/365 days/280 gallons per day).

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 in Rule 25-30.115 (1), Florida Administrative Code. |
| 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. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>	 Rodney A. Davis *
				(signature of chief executive officer of the utility)
1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>	4. <input type="checkbox"/>	_____ *
				(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
Wastewater Operations
Class C**

Company:

For the Year Ended December 31, 2008

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. F-3	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 37175.00	\$ 37174.54	\$ +.46
Commercial	1774.00	1774.28	-.28
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	194.00	193.50	+.50
Total Wastewater Operating Revenue	\$ 39143.00	\$ 39142.32	\$ +.68
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility			
Net Wastewater Operating Revenues	\$ 39143.00	\$ 39142.32	\$ +.68

Explanations:

Instructions:

For the current year, reconcile the gross wastewater revenues reported on Schedule F-3 with the gross wastewater 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
Water Operations
Class C**

Company:

For the Year Ended December 31, 2008

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 48808.00	\$ 48807.81	\$ +.19
Commercial	606.00	605.85	+.15
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	800.00	799.50	+.50
Total Water Operating Revenue	\$ 50214.00	\$ 50213.16	\$ +.50
LESS: Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenues	\$ 50214.00	\$ 50213.16	\$ +.50

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).