

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS728-06-AR
Shangri-La by the Lake Utilities, Inc.
1214 West IL Route 72
Leaf River, IL 61047-9614

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



07 APR -2 AM 10:20
ELECTRONIC REGISTRATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2006

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FINANCIAL SECTION

Shangri-La By The Lake Utilities, Inc.

(EXACT NAME OF UTILITY)

1214 W. RT 72 100 SHANGRI-LA BLVD
LEAF REVER FL 61047 LEESBURG FLA. 34788 LAKE
 Mailing Address Street Address County

Telephone Number 815 738 2508 Date Utility First Organized 1-1-94
 Fax Number 815 738 2508 E-mail Address JAY@LAUREL@SUNO.COM
 Sunshine State One-Call of Florida, Inc. Member No. 680

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: JAY E. WARNER 1214 W. RT 72
LEAF REVER FL 61047

Name of subdivisions where services are provided: WARNER + WARNER ENG. DBA SHANGRI-LA
BY THE LAKE, BACLO POINT

CONTACTS

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>JAY E. WARNER</u>	<u>PRESIDENT</u>	<u>1214 W. RT 72</u> <u>LEAF REVER FL</u>	
Person who prepared this report: <u>BHT + D</u>	<u>CPA FIRM</u>	<u>356 E. MAIN ST</u> <u>PO BOX 60</u> <u>SARASOTA ME. 48851</u>	
Officers and Managers: <u>JAY E. WARNER</u>	<u>PRESIDENT</u>	<u>LEAF REVER FL</u>	\$ <u>0</u>
<u>ANDREW WARNER</u>	<u>VICE PRESIDENT</u>	<u>LEESBURG FL</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	Principal Business Address	Salary Charged Utility
<u>MERTIS L. WARNER</u>	<u>100%</u>	<u>SPARTA ME.</u>	\$ <u>0</u>
			\$ _____
			\$ _____
			\$ _____
			\$ _____
			\$ _____

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ 36,705	\$ 28,571	\$ _____	\$ 65,276
Commercial -----		_____	_____	_____	_____
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues -----		_____	_____	_____	_____
Other (Specify) -----		_____	_____	_____	_____
Total Gross Revenue -----		\$ 36,705	\$ 28,571	\$ _____	\$ 65,276
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 29,969	\$ 40,739	\$ _____	\$ 70,708
Depreciation Expense -----	F-5	3,902	10,567	_____	14,469
CIAC Amortization Expense -----	F-8	_____	_____	_____	_____
Taxes Other Than Income -----	F-7	_____	_____	_____	_____
Income Taxes -----	F-7	_____	_____	_____	_____
Total Operating Expense -----		\$ 33,871	51,306	_____	\$ 85,177
Net Operating Income (Loss)		\$ 2,834	\$ (22,735)	\$ _____	\$ (19,901)
Other Income:					
Nonutility Income -----		\$ _____	\$ _____	\$ _____	\$ _____
-----		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses -----		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense -----		(11,596)	(23,191)	_____	(34,787)
-----		_____	_____	_____	_____
-----		_____	_____	_____	_____
Net Income (Loss)		\$ (8762)	\$ (45976)	\$ _____	\$ (54,738)

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME. _____

YEAR OF REPORT
DECEMBER 31, 2006

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other than Reporting Systems	Total
Utility Plant in Service (101)	\$ 164,259	\$ 245,227	\$ _____	\$ 409,486
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 164,259	\$ 245,227	\$ _____	\$ 409,486

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

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year _____	\$ 28,218	\$ 94,525	\$ _____	\$ 122,743
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 3,902	\$ 10,567	\$ _____	\$ 14,469
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ 32,120	\$ 105,092	\$ _____	\$ 137,212
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 32,120	\$ 105,092	\$ _____	\$ 137,212

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31, <u>2006</u>
--

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	
Shares authorized _____	300	
Shares issued and outstanding _____	100	
Total par value of stock issued _____	100	
Dividends declared per share for year _____	0	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ (340,378)	\$ _____
Changes during the year (Specify):		
<u>NET LOSS (2006)</u>	<u>(54,738)</u>	
<u>PREVIOUS YEAR O.P.E.C. CLOSED TO RETAINED EARNINGS</u>	<u>+70,800</u>	
Balance end of year _____	\$ (364,316)	\$ _____

PROPRIETARY CAPITAL (218)

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

Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
<u>NOTE PAYABLE - WBRNWA & WBRNWA</u>	<u>6.0</u>	<u>360</u>	\$ <u>386,087</u>

Total _____			\$ <u>386,087</u>

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

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 _____	_____	_____	_____	_____
Regulatory assessment fee _____	918	1557	_____	2775
Other (Specify) <u>Payroll</u> _____	348	348	_____	696
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ <u>1,266</u>	\$ <u>2,205</u>	\$ _____	\$ <u>3471</u>

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar 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
<u>GENERAL UTILITY</u>	\$ <u>4998</u>	\$ <u>7282</u>	<u>OPERATOR MET</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31, <u>2006</u>
--

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ <u>5919</u>	\$ <u>11,836</u>	\$ <u>17,755</u>
2) Add credits during year _____	\$ <u>542</u>	\$ <u>1,083</u>	\$ <u>1,625</u>
3) Total _____	<u>6461</u>	<u>12,919</u>	<u>19,380</u>
4) Deduct charges during the year _____	<u>0</u>	<u>0</u>	<u>0</u>
5) Balance end of year _____	<u>6461</u>	<u>12,919</u>	<u>19,380</u>
6) Less Accumulated Amortization _____			
7) Net CIAC _____	\$ <u>6461</u>	\$ <u>12,919</u>	\$ <u>19,380</u>

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 _____		\$ _____	\$ _____
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	
<u>METER INSTALL FEE</u>	<u>13</u>	\$ <u>122</u>	\$ <u>542</u> \$ <u>1083</u>
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ <u>542</u> \$ <u>1083</u>

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ _____	\$ _____	\$ _____
Add Debits During Year: _____	_____	_____	_____
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ _____	\$ _____	\$ <u>0</u>

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

UTILITY NAME: Shangri-La By The Lake Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2001

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	\$ <u>N/A</u>	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ <u>N/A</u>	<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 Number approving AFUDC rate: _____

**WATER
OPERATING
SECTION**

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____	_____
303	Land and Land Rights _____	_____	_____	_____	_____
304	Structures and Improvements _____	5,000	_____	_____	5,000
305	Collecting and Impounding Reservoirs _____	_____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____	_____
307	Wells and Springs _____	36,412	_____	_____	36,412
308	Infiltration Galleries and Tunnels _____	_____	_____	_____	_____
309	Supply Mains _____	_____	_____	_____	_____
310	Power Generation Equipment _____	_____	_____	_____	_____
311	Pumping Equipment _____	21,750	_____	_____	21,750
320	Water Treatment Equipment _____	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____	_____
331	Transmission and Distribution Lines _____	24,350	_____	_____	24,350
333	Services _____	_____	_____	_____	_____
334	Meters and Meter Installations _____	23,523	_____	_____	23,523
335	Hydrants _____	_____	_____	_____	_____
336	Backflow Prevention Devices _____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	3,224	_____	_____	3,224
340	Office Furniture and Equipment _____	_____	_____	_____	_____
341	Transportation Equipment _____	_____	_____	_____	_____
342	Stores Equipment _____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	_____	_____	_____	_____
344	Laboratory Equipment _____	_____	_____	_____	_____
345	Power Operated Equipment _____	_____	_____	_____	_____
346	Communication Equipment _____	_____	_____	_____	_____
347	Miscellaneous Equipment _____	_____	_____	_____	_____
348	Other Tangible Plant _____	_____	_____	_____	_____
	Total Water Plant _____	\$ 164,259	\$ _____	\$ _____	\$ 164,259

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

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)
304	Structures and Improvements		%	%	\$ 650	\$	\$ 100	\$ 750
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%	1,754		288	2,042
307	Wells and Springs		%	%				
308	Infiltration Galleries & Tunnels		%	%	4,130		551	4,681
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment		%	%				
320	Water Treatment Equipment		%	%				
330	Distribution Reservoirs & Standpipes		%	%	12,804		1,487	14,291
331	Trans. & Dist. Mains		%	%				
333	Services		%	%	3,504		575	4,079
334	Meter & Meter Installations		%	%				
335	Hydrants		%	%				
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%	1,376		461	1,837
340	Office Furniture and Equipment		%	%				
341	Transportation Equipment		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ 28,218	\$	\$ 3,907	\$ 32,125*

* This amount should tie to Sheet F-5.

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ <u>5617</u>
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
604	Employee Pensions and Benefits	_____
610	Purchased Water	_____
615	Purchased Power	_____
616	Fuel for Power Production	<u>178</u>
618	Chemicals	_____
620	Materials and Supplies	<u>1491</u>
630	Contractual Services:	
	Billing	_____
	Professional	<u>3124</u>
	Testing	_____
	Other	<u>707</u>
640	Rents	<u>2750</u>
650	Transportation Expense	_____
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
670	Bad Debt Expense	<u>61</u>
675	Miscellaneous Expenses	<u>16841</u>
	Total Water Operation And Maintenance Expense	\$ <u>29,969</u> *

* 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	<u>158</u>	<u>166</u>	<u>166</u>
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
General Service					
5/8"	D	1.0	<u>2</u>	<u>2</u>	<u>2</u>
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	_____	_____	_____
Unmetered Customers Other (Specify)	_____	_____	_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	<u>160</u>	<u>168</u>

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2004

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(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		776			542
February		732			532
March		791			1,075
April		1,146			658
May		1,072			712
June		990			1071
July		697			438
August		809			598
September		947			1225
October		1,593			828
November		736			648
December		870			1382
Total for Year		11,363			10,297

If water is purchased for resale, indicate the following:

Vendor _____
Point of delivery _____

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

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	Unknown	Unknown		0	Unknown

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31, 2006

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1982	2001	_____	_____
Types of Well Construction and Casing _____	Submersible CIST	Submersible CIST	_____	_____
Depth of Wells _____	370	330	_____	_____
Diameters of Wells _____	6"	8"	_____	_____
Pump - GPM _____	325	850	_____	_____
Motor - HP _____	10	30	_____	_____
Motor Type * _____	Submersible	Submersible	_____	_____
Yields of Wells in GPD _____	6508	4855	_____	_____
Auxiliary Power _____	NO	YES	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	STEEL	CONCRETE	STEEL	_____
Capacity of Tank _____	3,000	15,000	5,000	_____
Ground or Elevated _____	GROUND	GROUND	GROUND	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	BALDOR	BALDOR	_____	_____
Type _____	SM 3219	SM 3514T	_____	_____
Rated Horsepower _____	7.5	30	_____	_____
Pumps				
Manufacturer _____	GOULD	SACCOZZE	_____	_____
Type _____	3456	20DC4	_____	_____
Capacity in GPM _____	125	545	_____	_____
Average Number of Hours Operated Per Day _____	UNKNOWN	UNKNOWN	_____	_____
Auxiliary Power _____	NO	YES	_____	_____

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day _____	<u>54,109</u>	_____	_____
Type of Source _____	<u>GROUND</u>	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	<u>AERATION</u>	_____	_____
Make _____	<u>S03</u>	_____	_____
Permitted Capacity (GPD) _____	<u>54,109</u>	_____	_____
High service pumping			
Gallons per minute _____	<u>665</u>	_____	_____
Reverse Osmosis _____	<u>NONE</u>	_____	_____
Lime Treatment			
Unit Rating _____	<u>NONE</u>	_____	_____
Filtration			
Pressure Sq. Ft. _____	<u>NO</u>	_____	_____
Gravity GPD/Sq.Ft. _____	<u>NO</u>	_____	_____
Disinfection			
Chlorinator _____	<u>YES</u>	_____	_____
Ozone _____	<u>NO</u>	_____	_____
Other _____	<u>NO</u>	_____	_____
Auxiliary Power _____	<u>YES</u>	_____	_____

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

SYSTEM NAME: _____

GENERAL WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve. 185

2. Maximum number of ERCs * which can be served. 322

3. Present system connection capacity (in ERCs *) using existing lines. 322

4. Future connection capacity (in ERCs *) upon service area buildout. 137

5. Estimated annual increase in ERCs *. UNKNOWN

6. Is the utility required to have fire flow capacity? NO
If so, how much capacity is required? _____

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.
THERE ARE 84 LOTS FOR FUTURE EXPANSION

9. When did the company last file a capacity analysis report with the DEP? ~~XXXXXX~~ FEB, 23, 2006

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 # WC 35-2031

12. Water Management District Consumptive Use Permit # 6781

a. Is the system in compliance with the requirements of the CUP? YES

b. If not, what are the utility's plans to gain compliance? _____

* 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 SFR 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/350 gallons per day).

**WASTEWATER
OPERATING
SECTION**

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises _____	_____	_____	_____	_____
353	Land and Land Rights _____	_____	_____	_____	_____
354	Structures and Improvements _____	_____	_____	_____	_____
355	Power Generation Equipment _____	_____	_____	_____	_____
360	Collection Sewers - Force _____	_____	_____	_____	_____
361	Collection Sewers - Gravity _____	164,000	_____	_____	164,000
362	Special Collecting Structures _____	_____	_____	_____	_____
363	Services to Customers _____	_____	_____	_____	_____
364	Flow Measuring Devices _____	_____	_____	_____	_____
365	Flow Measuring Installations _____	_____	_____	_____	_____
370	Receiving Wells _____	_____	_____	_____	_____
371	Pumping Equipment _____	33,902	_____	_____	33,902
380	Treatment and Disposal Equipment _____	26,000	_____	_____	26,000
381	Plant Sewers _____	_____	_____	_____	_____
382	Outfall Sewer Lines _____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment _____	2,463	_____	_____	2,463
390	Office Furniture and Equipment _____	1,500	_____	_____	1,500
391	Transportation Equipment _____	_____	_____	_____	_____
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 _____	17,362	_____	_____	17,362
	Total Wastewater Plant _____	\$ 245,227	\$ _____	\$ _____	\$ 245,227*

* This amount should tie to sheet F-5.

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2006

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)
354	Structures and Improvements		%	%	\$	\$		
355	Power Generation Equipment		%	%				
360	Collection Sewers - Force		%	%				
361	Collection Sewers - Gravity		%	%	64,916		6,834	71,750
362	Special Collecting Structures		%	%				
363	Services to Customers		%	%				
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%	10,415		1,333	11,748
371	Pumping Equipment		%	%	10,365		1,230	11,595
380	Treatment and Disposal Equipment		%	%				
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%	987		233	1,220
390	Office Furniture and Equipment		%	%	1,250		214	1,464
391	Transportation Equipment		%	%				
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		%	%	6,592		773	7,365
	Totals				\$ 94,525	\$	\$ 10,567	\$ 105,022*

* This amount should tie to Sheet F-5.

Shangri-La By The Lake Utilities, Inc.

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31, <u>2006</u>
--

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ <u>5,617</u>
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	_____
704	Employee Pensions and Benefits _____	_____
710	Purchased Wastewater Treatment _____	_____
711	Sludge Removal Expense _____	_____
715	Purchased Power _____	_____
716	Fuel for Power Production _____	_____ <u>44</u>
718	Chemicals _____	_____
720	Materials and Supplies _____	_____ <u>3,135</u>
730	Contractual Services:	
	Billing _____	_____
	Professional _____	_____ <u>3,124</u>
	Testing _____	_____
	Other _____	_____ <u>2,201</u>
740	Rents _____	_____ <u>2,750</u>
750	Transportation Expense _____	_____
755	Insurance Expense _____	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
770	Bad Debt Expense _____	_____ <u>61</u>
775	Miscellaneous Expenses _____	_____ <u>23,807</u>
	Total Wastewater Operation And Maintenance Expense _____	\$ <u>40,739</u> *

* 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					
All meter sizes	D	1.0	<u>152</u>	_____	<u>161</u>
General Service					
5/8"	D	1.0	_____	_____	_____
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	_____	_____	_____
Unmetered Customers	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	<u>152</u>	<u>161</u>

UTILITY NAME: SHAWARI - LA BY THE LAKE UTILITIES YEAR OF REPORT
 DECEMBER 31, 2006

PUMPING EQUIPMENT

Lift Station Number	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>		
Make or Type and nameplate data on pump	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>		
Year installed	<u>1983</u>	<u>1983</u>	<u>2002</u>	<u>2004</u>		
Rated capacity						
Size	<u>2 HP</u>	<u>2 HP</u>	<u>3 HP</u>	<u>3 HP</u>		
Power:						
Electric	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>		
Mechanical						
Nameplate data of motor	<u>2 HP</u>	<u>2 HP</u>	<u>3 HP</u>	<u>3 HP</u>		

SERVICE CONNECTIONS

Size (inches)	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>		
Type (PVC, VCP, etc.)	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>		
Average length	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>		
Number of active service connections	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>24</u>	<u>9</u>		
Beginning of year	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>20</u>	<u>4</u>		
Added during year	<u>0</u>	<u>3</u>				
Retired during year	<u>0</u>	<u>0</u>				
End of year	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>24</u>	<u>9</u>		
Give full particulars concerning inactive connections	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>		

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches)	<u>4</u>				<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Type of main	<u>PVC</u>				<u>PVC</u>	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>
Length of main (nearest foot)	<u>UNKNOWN</u>				<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>
Beginning of year	<u>UNKNOWN</u>				<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>
Added during year	<u>0</u>				<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Retired during year	<u>0</u>				<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
End of year	<u>UNKNOWN</u>				<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>

MANHOLES

Size (inches)	<u>36</u>			
Type of Manhole	<u>CONCRETE</u>			
Number of Manholes:				
Beginning of year	<u>15</u>			
Added during year	<u>0</u>			
Retired during year	<u>0</u>			
End of Year	<u>15</u>			

UTILITY NAME: SHAWNEE-LA BUTTE LAKE UTILITIES

YEAR OF REPORT
DECEMBER 31, 2006

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>GENERAL ENVIRONMENTAL</u>	_____	_____
Type _____	<u>FAC. MOD 75</u>	_____	_____
"Steel" or "Concrete" _____	<u>ACTIVATED SLUDGE</u>	_____	_____
Total Permitted Capacity _____	<u>STEEL</u>	_____	_____
Average Daily Flow _____	<u>50,000 GPD</u>	_____	_____
Method of Effluent Disposal _____	<u>SPRAY FIELD PERCOLATION POND</u>	_____	_____
Permitted Capacity of Disposal _____	<u>50,000 GPD</u>	_____	_____
Total Gallons of Wastewater treated _____	_____	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	_____	_____	_____	_____	_____
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 _____	<u>900,000 EST</u>	_____	<u>900,000 EST</u>
February _____	<u>688,000</u>	_____	<u>688,000</u>
March _____	<u>980,000</u>	_____	<u>980,000</u>
April _____	<u>994,000</u>	_____	<u>994,000</u>
May _____	<u>1,051,000</u>	_____	<u>1,051,000</u>
June _____	<u>818,000</u>	_____	<u>818,000</u>
July _____	<u>727,000</u>	_____	<u>727,000</u>
August _____	<u>845,000</u>	_____	<u>845,000</u>
September _____	<u>969,000</u>	_____	<u>969,000</u>
October _____	<u>1,680,000</u>	_____	<u>1,680,000</u>
November _____	<u>983,000</u>	_____	<u>983,000</u>
December _____	<u>756,000</u>	_____	<u>756,000</u>
Total for year _____	<u>11,391,000</u>	_____	<u>11,391,000</u>

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: SANWATER-LA BY THE LAKE UTILITIES

YEAR OF REPORT
DECEMBER 31, 2006

SYSTEM NAME: _____

GENERAL WASTEWATER SYSTEM INFORMATION

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

- 1. Present number of ERCs* now being served. 111
- 2. Maximum number of ERCs* which can be served. 171
- 3. Present system connection capacity (in ERCs*) using existing lines. 171
- 4. Future connection capacity (in ERCs*) upon service area buildout. 171
- 5. Estimated annual increase in ERCs*. UNKNOWN
- 6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
THERE ARE 54 LOTS FOR EXPANSION
- 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? FEB 23, 2006
- 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 # FLA 010521

* 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 SFR 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 type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>	<u>Jim W. Sermon</u> *
				(signature of Chief Executive Officer of the utility)
Date:				<u>3-27-07</u>

1. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>	<u>Jim W. Sermon</u> *
				(signature of Chief Financial Officer of the utility)
Date:				<u>3-27-07</u>

* 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:

For the Year Ended December 31, _____

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 36,705	\$ 36,705	\$ _____
Commercial	_____	_____	_____
Industrial	_____	_____	_____
Multiple Family	_____	_____	_____
Guaranteed Revenues	_____	_____	_____
Other	_____	_____	_____
Total Water Operating Revenue	\$ 36,705	\$ 36,705	\$ _____
LESS: Expense for Purchased Water from FPSC-Regulated Utility	_____	_____	_____
Net Water Operating Revenues	\$ 36,705	\$ 36,705	\$ _____

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).

