

**CLASS "C"**

OPTIONAL CITY  
Public Utility Commission for  
The Regulation of Rates and Other

**WATER and/or WASTEWATER UTILITIES**

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

***ANNUAL REPORT***

*Keith + Clara Starkey* WS753-07-AR

*d/b/a*

**Heather Hills Estates**

EXACT LEGAL NAME OF RESPONDENT

**577-W / 498-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.*

April 4, 2008

Keith and Clara Starkey  
Heather Hills Estates

We have compiled the balance sheets of Heather Hills Estates (a sole proprietorship) 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 Heather Hills Estates. 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 Heather Hills Estates.

  
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**

## TABLE OF CONTENTS

Financial Section	
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
Payments 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	
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	W-4
Well and Well Pumps, Reservoirs, and High Service Pumping	W-5
Other Water System Information	W-6
Wastewater Operating Section	
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	
Verification	V-1

REPORT OF

Keith or Clara Starkey - Heather Hills Estates  
(Exact name of utility)

4925 3rd St W	4925 3rd St W
Bradenton, FL 34207	Bradenton FL 34207 Manatee
Mailing Address	Street Address County

Telephone Number (941) 755-0123 Date Utility First Organized 1967

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: 4925 3rd St W  
Bradenton FL 34207

Names of subdivisions where service is provided: Heather Hills Estates

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Keith Starkey	Owner	4925 3rd St W Bradenton FL 34207	
Person who prepared this report: Carlstedt, Jackson, Nixon & Wilson	CPA's	2560 Gulf-to-Bay Blvd. Clearwater, Fl.	
Officers and Managers: Keith Starkey	Owner	4925 3rd St W Bradenton FL 34207	\$ 8,500.00
Clara Starkey	Owner	Same	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
N/A			

**INCOME STATEMENT**

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 44,487	\$ 68,385		\$ 112,872
Commercial _____		314	581		895
Industrial (Agricultural Water)					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____		168	168		336
<b>Total Gross Revenue</b> _____		<b>44,969</b>	<b>69,134</b>	<b>N/A</b>	<b>114,103</b>
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	45,250	69,517		114,767
Depreciation Expense _____	F-5	62	62		124
CIAC Amortization Expense _____	F-8				-
Taxes Other Than Income _____	F-7	4,440	5,527	-	9,967
Income Taxes _____	F-7	-	-		-
<b>Total Operating Expenses</b> _____		<b>49,752</b>	<b>75,106</b>		<b>124,858</b>
<b>Net Operating Income (Loss)</b>		<b>(4,783)</b>	<b>(5,972)</b>	<b>-</b>	<b>(10,755)</b>
Other Income:					
Nonutility Income _____		277	277		554
Interest Income _____		5	5		10
_____					-
Miscellaneous Nonutility Interest Expense _____					-
Expenses _____					-
Other Deductions:					
_____		-	-		-
_____		-	-		-
_____					-
_____					-
<b>Net Income (Loss)</b>		<b>\$ (4,501)</b>	<b>\$ (5,690)</b>	<b>N/A</b>	<b>\$ (10,191)</b>



**COMPARATIVE BALANCE SHEET**

Account Name	Reference Page	Current Year	Previous Year
<b>ASSETS:</b>			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 118,910	\$ 120,118
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(118,008)	(117,984)
Net Utility Plant _____		902	2,134
Cash _____		1,029	(309)
Customer Accounts Receivable (141) _____		30,017	32,802
Other Assets (Specify):			
Inter-divisional Receivable _____		-	-
Total Assets _____		<u>\$ 31,948</u>	<u>\$ 34,627</u>
<b>LIABILITIES AND CAPITAL:</b>			
Common Stock Issued (201) _____	F-6		
Preferred Stock Issued (204) _____	F-6	-	-
Other Paid In Capital (211) _____			
Retained Earnings (215) _____	F-6		
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6	(25,311)	(15,120)
Total Capital _____		(25,311)	(15,120)
Long Term Debt (224) _____	F-6		
Accounts Payable (231) _____		2,302	2,302
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____	F-7	5,135	6,123
Other Liabilities (Specify):			
Interdivisional Payable _____		197	197
Accrued Salaries (241) _____		21,000	12,500
Accounts Payable - Related Party _____		14,000	14,000
Accrued Rent _____		14,625	14,625
Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8		
Total Liabilities and Capital _____		<u>\$ 31,948</u>	<u>\$ 34,627</u>

**GROSS UTILITY PLANT**

<b>Plant Accounts: (101 - 107) Inclusive</b>	<b>Water</b>	<b>Sewer</b>	<b>Plant Other Than Reporting Systems</b>	<b>Total</b>
Utility Plant In Service (101) _____	\$ 45,887	\$ 73,023	N/A	\$ 118,910
Construction Work In Progress (105) _____				-
Other (Specify) _____	-	-		-
_____				-
<b>Total Utility Plant</b> _____	\$ 45,887	\$ 73,023	N/A	\$ 118,910

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

<b>Account 108</b>	<b>Water</b>	<b>Wastewater</b>	<b>Other Than Reporting Systems</b>	<b>Total</b>
Balance First Of Year _____	\$ 45,424	\$ 72,560	N/A	\$ 117,984
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account _____	62	62		124
Salvage _____	-	-		-
Other credits (specify) _____	-	-		-
_____	-	-		-
<b>Total credits</b> _____	62	62		124
<b>Deduct Debits During Year:</b>				
Book cost of plant retired _____	-	-		-
Cost of removal _____	-	-		-
Other debits (specify) _____				
Correct Acct. Balance _____	50	50		100
_____				
<b>Total debits</b> _____	50	50		100
Balance End of Year _____	\$ 45,436	\$ 72,572	N/A	\$ 118,008

**UTILITY NAME:** Keith or Clara Starkey - Heather Hills Estates

**CAPITAL STOCK (201 - 204)**

	<b>Common Stock</b>	<b>Preferred Stock</b>
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)**

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

**PROPRIETARY CAPITAL (218)**

	<b>Proprietor or Partner</b>	<b>Partner</b>
Balance first of year _____	\$ (15,120)	N/A
Charges during the year (specify):		
Current year loss _____	(10,191)	-
_____		
_____		
Balance end of year _____	\$ (25,311)	

**LONG TERM DEBT (224)**

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

**TAXES 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 _____	1,214	1,214		2,428
Regulatory assessment fee _____	2,024	3,111		5,135
Other (Specify):				
Payroll Taxes	1,202	1,202		2,404
Total taxes accrued _____	\$ 4,440	\$ 5,527		\$ 9,967

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

<p>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.</p>			
Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Pool & Smith	\$ 898	\$ 898	System maintenance
Griggs Plumbing	517	517	System repairs
Carlstedt, Jackson, Nixon & Wilson CPA's	1,628	1,628	Accounting
Montgomery Law Firm	1,861	1,861	Legal
Benchmark Enviro, Inc.	970		Testing

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

**YEAR OF REPORT**  
December 31, 2007

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

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	N/A	N/A	\$ -
2. Add credits during year:			
_____	-	-	
3. Total _____	-		-
4. Deduct charges during year _____			-
5. Balance end of year _____	-		-
6. Less Accumulated Amortization _____			-
7. Net CIAC _____			

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

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

**ACCUMULATED AMORTIZATION OF CIAC**

	Water	Wastewater	Total
Balance First of Year _____	N/A	N/A	\$ -
Add Debits During Year: _____	-	-	
_____	-	-	
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ -	\$ -	





**WATER  
OPERATION  
SECTION**



**WATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)(1)	CURRENT YEAR (f)
301	Organization _____	\$ -	\$ -	\$ -	\$ -
302	Franchises _____	-	-	-	-
303	Land and Land Rights _____	389	-	-	389
304	Structure and Improvements _____	-	-	-	-
305	Collecting and Impounding Reservoirs _____	-	-	-	-
306	Lake, River and Other Intakes _____	-	-	-	-
307	Wells and Springs _____	-	-	-	-
308	Infiltration Galleries and Tunnels _____	-	-	-	-
309	Supply Mains _____	-	-	-	-
310	Power Generation Equipment _____	-	-	-	-
311	Pumping Equipment _____	-	-	-	-
320	Water Treatment Equipment _____	-	-	-	-
330	Distribution Reservoirs and Standpipes _____	-	-	-	-
331	Transmission and Distribution Mains _____	45,126	-	-	45,126
333	Services _____	-	-	-	-
334	Meters and Meter Installations _____	-	-	-	-
335	Hydrants _____	-	-	-	-
339	Other Plant and Miscellaneous Equipment _____	-	-	-	-
340	Office Furniture and Equipment _____	976	-	604	372
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 _____	\$ 46,491	\$ -	\$ 604	\$ 45,887

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.  
(1) \$604 is an adjustment to correct account balance

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)(1)	Credits (h)	Accum. Depr. Balance End of year (f-g+h=i) (i)
301	Organization	-	%	-	\$		\$	\$
302	Franchises	-	%	-				
304	Structure and Improvements	-	%	-				
305	Collecting and Impounding Reservoirs	-	%	-				
306	Lake, River and Other Intakes	-	%	-				
307	Wells and Springs	-	%	-				
308	Infiltration Galleries and Tunnels	-	%	-				
309	Supply Mains	-	%	-				
310	Power Generation Equipment	-	%	-				
311	Pumping Equipment	-	%	-				
320	Water Treatment Equipment	-	%	-				
330	Distribution Reservoirs and Standpipes	-	%	-				
331	Transmission and Distribution Mains	40	%	2.50	45,126	-		45,126
333	Services	-	%	-				
334	Meters and Meter Installations	-	%	-				
335	Hydrants	-	%	-				
339	Other Plant and Miscellaneous Equipment	-	%	-				
340	Office Furniture and Equipment	6	%	16.67	298	50	62	310
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				\$ 45,424	\$ 50	\$ 62	\$ 45,436

\* This amount should tie to Sheet F-5  
Note: (1) \$50 debit is to correct account balance

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 8,593
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	4,250
604	Employee Pensions and Benefits _____	
610	Purchased Water _____	24,158
615	Purchased Power _____	
616	Fuel for Power Production _____	
618	Chemicals _____	
620	Materials and Supplies _____	
630	Contractual Services:	
	Billing _____	175
	Operator and Management _____	
	Testing _____	960
	Other _____	5,274
640	Rents _____	
650	Transportation Expense _____	
655	Insurance Expense _____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	1,840
	Total Water Operation and Maintenance Expense _____	\$ 45,250 *
	* This amount should tie to Sheet F-3.	

**WATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
<b>Residential Service</b>					
5/8"	D	1.0	353	353	353
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
<b>General Service</b>					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5	1	1	3
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		1.0			
Other (Specify):					
<b>** D = Displacement C = Compound T = Turbine</b>					
<b>Total</b>			<b>354</b>	<b>354</b>	<b>356</b>

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates  
 SYSTEM NAME: Heather Hills Estates

**YEAR OF REPORT**  
 December 31, 2007

**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 _____	837			837	
February _____	975			975	
March _____	928			928	2,301
April _____	929			929	
May _____	652			652	
June _____	583			583	1,819
July _____	518			518	
August _____	436			436	
September _____	374			374	1,189
October _____	565			565	
November _____	555			555	
December _____	862			862	1,741
Total for year _____	8,214	N/A		8,214	7,050

If water is purchased for resale, indicate the following:

Vendor Manatee County Utilities  
 Point of Delivery 5th St W

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

Note: Meters read/billed quarterly

**MAINS (Feet)**

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	3/4"	15,300			15,300

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	None	_____	_____	_____
Types of Well Construction and Casing _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	_____	_____	_____	_____
Diameters of Wells _____	_____	_____	_____	_____
Pump - GPM _____	_____	_____	_____	_____
Motor - HP _____	_____	_____	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yeilds of Wells in GPD _____	_____	_____	_____	_____
Auxillary Power _____	_____	_____	_____	_____
* Submersable, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	None	_____	_____	_____
Capacity of Tank _____	_____	_____	_____	_____
Ground of Elevated _____	_____	_____	_____	_____

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b><u>MOTORS</u></b>				
Manufacturer _____	None	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
(a)	(b)	(c)	(d)	(e)
<b><u>PUMPS</u></b>				
Manufacturer _____	None	_____	_____	_____
Type _____	_____	_____	_____	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

**SOURCE OF SUPPLY**

List for each source of supply (Ground, Surface, Purchased Water, etc):			
Gallons per day of source _____	24,700	_____	_____
Type of source _____	Purchased	_____	_____

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type _____	None	_____	_____
Make _____	_____	_____	_____
Permitted Capacity (GPD)	_____	_____	_____
High service pumping	_____	_____	_____
Gallons per minute _____	_____	_____	_____
Reverse Osmosis _____	_____	_____	_____
Lime treatment	_____	_____	_____
Unit Rating _____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft. _____	_____	_____	_____
Gravity GPD/Sq. Ft. _____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator _____	_____	_____	_____
Ozone _____	_____	_____	_____
Other _____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____



**WASTEWATER  
OPERATION  
SECTION**



**WASTEWATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)(1)	Current Year (f)
351	Organization	\$ -	\$ -	\$ -	\$ -
352	Franchises	-	-	-	-
353	Land and Land Rights	389	-	-	389
354	Structure and Improvements	-	-	-	-
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	-	-	-	-
361	Collection Sewers - Gravity	72,262	-	-	72,262
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	-	-	-	-
364	Flow Measuring Devices	-	-	-	-
365	Flow Measuring Installations	-	-	-	-
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	-	-	-	-
380	Treatment and Disposal Equipment	-	-	-	-
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-
389	Other Plant and Miscellaneous Equipment	-	-	-	-
390	Office Furniture and Equipment	976	-	604	372
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	-	-	-	-
	Total Sewer Plant	\$ 73,627	\$ -	\$ 604	\$ 73,023

\* This amount should tie to Sheet F-5  
 Note: (1) \$604 is adjustment to correct account balance

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)(1)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
351	Organization	-	-	%	-	-	-	-
352	Franchises	-	-	%	-	-	-	-
354	Structure and Improvements	-	-	%	-	-	-	-
355	Power Generation Equipment	-	-	%	-	-	-	-
360	Collection Sewers - Force	-	-	%	-	-	-	-
361	Collection Sewers - Gravity	40	-	2.50 %	72,262	-	-	72,262
362	Special Collecting Structures (Lift Stations)	-	-	%	-	-	-	-
363	Services to Customers	-	-	%	-	-	-	-
364	Flow Measuring Devices	-	-	%	-	-	-	-
365	Flow Measuring Installations	-	-	%	-	-	-	-
370	Receiving Wells (Lift Stations)	-	-	%	-	-	-	-
371	Pumping Equipment	-	-	%	-	-	-	-
380	Treatment and Disposal Equipment	-	-	%	-	-	-	-
381	Plant Sewers	-	-	%	-	-	-	-
382	Outfall Sewer Lines	-	-	%	-	-	-	-
389	Other Plant and Miscellaneous Equipment	-	-	%	-	-	-	-
390	Office Furniture and Equipment	6	-	16.70 %	298	50	62	310
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	-	-	%	-	-	-	-
	Totals				72,560	50	62	72,572

\* This amount should tie to Sheet F-5  
Note: (1) \$50 debit is to correct account balance

**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ 8,593
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	4,250
704	Employee Pensions and Benefits _____	
710	Purchased Wastewater Treatment _____	57,972
711	Sludge Removal Expense _____	
715	Purchased Power _____	
716	Fule for Power Production _____	
718	Chemicals _____	
720	Materials and Supplies _____	
730	Contractual Services:	
	Operator and Management _____	
	Testing _____	
	Other _____	5,215
740	Rents _____	
750	Transportation Expense _____	
755	Insurance Expense _____	
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
770	Bad Debt Expense _____	
775	Miscellaneous Expenses _____	(6,513)
	Total Wastewater Operation and Maintenance Expense _____	\$ 69,517 *

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

**WASTEWATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
<b>Residential Service</b>					
5/8"	D	1.0	353	353	353
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
<b>General Service</b>					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5	1	1	3
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		1.0			
Other (Specify):					
<b>Total</b>			<b>354</b>	<b>354</b>	<b>356</b>

\*\* D = Displacement  
C = Compound  
T = Turbine

**PUMPING EQUIPMENT**

Lift station number _____	None	_____	_____	_____	_____	_____	_____
Make or type and nameplate data of pump _____	_____	_____	_____	_____	_____	_____	_____
Year installed _____	_____	_____	_____	_____	_____	_____	_____
Rated capacity (GPM) _____	_____	_____	_____	_____	_____	_____	_____
Size (HP) _____	_____	_____	_____	_____	_____	_____	_____
Power:	_____	_____	_____	_____	_____	_____	_____
Electric _____	_____	_____	_____	_____	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____	_____

**SERVICE CONNECTIONS**

Size (inches) _____	4"	_____	_____	_____	_____	_____	_____
Type (PVC, VCP, etc) _____	PVC	_____	_____	_____	_____	_____	_____
Average length _____	5'	_____	_____	_____	_____	_____	_____
Number of active service connections _____	355	_____	_____	_____	_____	_____	_____
Beginning of year _____	354	_____	_____	_____	_____	_____	_____
Added during year _____	1	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	355	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____	_____

**COLLECTING AND FORCE MAINS AND MANHOLES**

	Collecting Mains			Force Mains			
Size (inches) _____	6"	_____	_____	_____	_____	_____	_____
Type of main _____	PVC	_____	_____	_____	_____	_____	_____
Length of main (nearest foot):		_____	_____	_____	_____	_____	_____
Beginning of year _____	15,300	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	15,300	_____	_____	_____	_____	_____	_____

**MANHOLES:**

Size _____	_____	_____	_____
Type _____	Brick	_____	_____
Number:		_____	_____
Beginning of year _____	38	_____	_____
Added during year _____	_____	_____	_____
Retired during year _____	_____	_____	_____
End of year _____	38	_____	_____

**TREATMENT PLANT**

Manufacturer _____	None	_____	_____
Type _____	N/A	_____	_____
"Steel" or "Concrete" _____	N/A	_____	_____
Total Capacity _____	N/A	_____	_____
Average Daily Flow _____	19130	_____	_____
Effluent Disposal _____	Purchased	_____	_____
Total Gallons of Wastewater Treated _____	6,982,500	_____	_____

**MASTER LIFT STATION PUMPS**

Manufacturer _____	N/A	_____	_____	_____	_____	_____
Capacity _____ (PM)	_____	_____	_____	_____	_____	_____
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 _____	711,600	None	711,600
February _____	829,000	_____	829,000
March _____	788,500	_____	788,500
April _____	789,900	_____	789,900
May _____	554,400	_____	554,400
June _____	495,500	_____	495,500
July _____	440,600	_____	440,600
August _____	370,600	_____	370,600
September _____	317,900	_____	317,900
October _____	480,400	_____	480,400
November _____	471,400	_____	471,400
December _____	732,700	_____	732,700
Total for year _____	6,982,500	_____	6,982,500

If Wastewater Treatment is purchased, indicate the vendor: Manatee County Utilities

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

**OTHER WASTEWATER SYSTEM INFORMATION**

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

1. Present ERC's * that system can efficiently serve.	<u>356</u>
2. Maximum number of ERC's * which can be served.	<u>355</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>356</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>355</u>
5. Estimated annual increase in ERC's * .	<u>None</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.	
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	<u>No</u>
	<u>N/A</u>
9. Has the utility been required by the DEP or water management district to implement reuse?	<u>N/A</u>
If so, what are the utility's plans to comply with the DEP?	<u>N/A</u>
10. When did the company last file a capacity analysis report with the DEP?	<u>N/A</u>
11. If the present system does not meet the requirements of DEP rules:	
a. Attach a description of the plant upgrade necessary to meet the DEP rules.	
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will cor	<u>N/A</u>
d. Attach plans for funding the required upgrading.	<u>N/A</u>
e. Is this system under any Consent Order of the DEP?	<u>N/A</u>
11. Department of Environmental Protection ID #	<u>N/A</u>

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:  

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

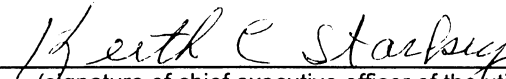
# CERTIFICATION OF ANNUAL REPORT

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

- |              |           |  |
|--------------|-----------|--|
| YES<br>( X ) | NO<br>( ) | 1. The utility is in substantial compliance with the Uniform System Of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.  |
| YES<br>( X ) | NO<br>( ) | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES<br>( X ) | NO<br>( ) | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.  |
| YES<br>( X ) | NO<br>( ) | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

ITEMS CERTIFIED

1. ( X )	2. ( X )	3. ( X )	4. ( X )
-------------	-------------	-------------	-------------

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

1. ( )	2. ( )	3. ( )	4. ( )
-----------	-----------	-----------	-----------

  
 \_\_\_\_\_  
 (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: Heather Hills Estates**

**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:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales ((461.1 - 461.5)	44,801	44,801	-
Total Fire Protection Revenue (462.1 - 462.2)	-	-	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	-	-	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	168	168	-
<b>Total Water Operating Revenue</b>	<b>\$ 44,969</b>	<b>\$ 44,969</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Water Operating Revenues</b>	<b>\$ 44,969</b>	<b>\$ 44,969</b>	<b>\$ -</b>

Explanations:

Instructions:

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



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

**Company: Heather Hills Estates**

**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:			
Total Flat-Rate revenues (521.1 - 521.6)	\$ -	\$ -	\$ -
Total Measured Revenues (522.1 - 522.5)	68,966	68,966	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	168	168	-
Reclaimed Water Sales (540.1 - 544)	-	-	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 69,134</b>	<b>\$ 69,134</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Wastewater Operating Revenues</b>	<b>\$ 69,134</b>	<b>\$ 69,134</b>	<b>\$ -</b>

Explanations:

Instructions:

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