

CLASS "C"

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WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

Keith + Clara Starkey
d/b/a

WS753-08-AR

Heather Hills Estates

EXACT LEGAL NAME OF RESPONDENT

577-W / 498-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
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DIVISION OF
ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2008



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.

February 17, 2009

Chris Stephens
Heather Hills Estates

We have compiled the balance sheets of Heather Hills Estates (a sole proprietorship) as of December 31, 2008 and 2007, and the statements of income and retained earnings for the year ended December 31, 2008, 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
CARLSTEDT, JACKSON, NIXON & WILSON

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA) Commission Rules and the definitions on next page.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which will result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional schedules should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceding year ending December 31.

Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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

GENERAL DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

FINANCIAL SECTION

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REPORT OF

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

4925 3rd St W	4925 3rd St W
Bradenton, FL 34207 Mailing Address	Bradenton FL 34207 Manatee 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	
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 _____		\$ 43,930	\$ 67,530		\$ 111,460
Commercial _____		310	572		882
Industrial (Agricultural Water) _____					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____					-
Total Gross Revenue _____		44,240	68,102	N/A	112,342
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	44,401	76,670		121,071
Depreciation Expense _____	F-5	304	62		366
CIAC Amortization Expense _____	F-8				-
Taxes Other Than Income _____	F-7	3,023	4,097	-	7,120
Income Taxes _____	F-7	-	-		-
Total Operating Expenses _____		47,728	80,829		128,557
Net Operating Income (Loss)		(3,488)	(12,727)	-	(16,215)
Other Income:					
Nonutility Income _____		248	248		496
Interest Income _____		-	-		-
Miscellaneous Nonutility Interest Expense _____					-
Other Deductions:					
_____		-	-		-
_____		-	-		-
_____					-
Net Income (Loss)		\$ (3,240)	\$ (12,479)	N/A	\$ (15,719)

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 65,271	\$ 73,023	N/A	\$ 138,294
Construction Work In Progress (105) _____				-
Other (Specify) _____				-
_____				-
_____				-
Total Utility Plant _____	\$ 65,271	\$ 73,023	N/A	\$ 138,294

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 45,436	\$ 72,572	N/A	\$ 118,008
Add Credits During Year:				
Accruals charged to depreciation account _____	304	62		366
Salvage _____	-	-		-
Other credits (specify) _____	-	-		-
_____	-	-		-
Total credits _____	304	62		366
Deduct Debits During Year:				
Book cost of plant retired _____	3,616	-		3,616
Cost of removal _____	-	-		-
Other debits (specify) _____				-

Total debits _____	3,616	-		3,616
Balance End of Year _____	\$ 42,124	\$ 72,634	N/A	\$ 114,758

UTILITY NAME:

Keith or Clara Starkey - Heather Hills Estates

YEAR OF REPORT
December 31, 2008

CAPITAL STOCK (201 - 204)

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

RETAINED EARNINGS (215)

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

Balance end of year _____	\$	

PROPRIETARY CAPITAL (218)

	Proprietor or Partner	Partner
Balance first of year _____	\$ (25,311)	N/A
Charges during the year (specify):		
Current year loss _____	(15,719)	-

Balance end of year _____	\$ (41,030)	

LONG TERM DEBT (224)

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

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

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 _____				
Regulatory assessment fee _____	1,991	3,065		5,056
Other (Specify):				
Payroll Taxes	1,032	1,032		2,064
Total taxes accrued _____	\$ 3,023	\$ 4,097		\$ 7,120

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

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

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Carlstedt, Jackson, Nixon & Wilson CPA's	2,859	2,859	Accounting Services
Florida Utility Group	23,000		Replaced turn off valves
Griggs Plumbing	257	257	Plumbing Services
John Tyson	585		Meter reader
Montgomery Law Firm	3,626	3,626	Legal services
Poole & Associates	1,027	1,027	Accounting services
Rick and Chris Stephens	1,500	1,500	Management

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
Report below all capacity charges, main extension charges and customer connections charges received during the year.			Water	Wastewater
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) _____	\$ -	\$ -	

YEAR OF REPORT December 31, 2008
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UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

SCHEDULE "A"

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

CLASS OF CAPITAL (a)	Dollar Amount (1) (b)	Percentage of Capital 0	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ -	\$ - %	- %	- %
Preferred Stock	-	- %	- %	- %
Long Term Debt	-	- %	- %	- %
Customer Deposits	-	- %	- %	- %
Tax Credits - Zero Cost	-	- %	- %	- %
Tax Credits - Weighted Cost	-	- %	- %	- %
Deferred Income Taxes	-	- %	- %	- %
Other (Explain)	-	- %	- %	- %
Total	\$ -	100.00 %		- %

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

APPROVED AFUDC RATE

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

**WATER
OPERATION
SECTION**

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

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	23,000	3,616	64,510
333	Services	-	-	-	-
334	Meters and Meter Installations	-	-	-	-
335	Hydrants	-	-	-	-
339	Other Plant and Miscellaneous Equipment	-	-	-	-
340	Office Furniture and Equipment	372	-	-	372
341	Transportation Equipment	-	-	-	-
342	Stores Equipment	-	-	-	-
343	Tools, Shop and Garage Equipm	-	-	-	-
344	Laboratory Equipment	-	-	-	-
345	Power Operated Equipment	-	-	-	-
346	Communication Equipment	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-
348	Other Tangible Plant	-	-	-	-
	Total Water Plant	\$ 45,887	\$ 23,000	\$ 3,616	\$ 65,271

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.
(1) Retirement of plant replaced.

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

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	(3,616)	242	41,752
333	Services	-	%	-	-	-	-	-
334	Meters and Meter Installations	-	%	-	-	-	-	-
335	Hydrants	-	%	-	-	-	-	-
339	Other Plant and Miscellaneous Equipment	-	%	-	-	-	-	-
340	Office Furniture and Equipment	6	%	16.67	310	-	62	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	-	%	-	-	-	-	-
	Totals				\$ 45,436	\$ (3,616)	\$ 304	\$ 42,124

* This amount should tie to Sheet F-5

Note:
(1) Retirement of plant replaced

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

WATER OPERATION AND MAINTENANCE EXPENSE

Acct No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 2,581
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	
610	Purchased Water _____	25,677
615	Purchased Power _____	
616	Fuel for Power Production _____	
618	Chemicals _____	
620	Materials and Supplies _____	
630	Contractual Services:	
	Billing _____	585
	Operator and Management _____	1,500
	Testing _____	855
	Other _____	8,169
640	Rents _____	
650	Transportation Expense _____	
655	Insurance Expense _____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	5,034
	Total Water Operation and Maintenance Expense _____	\$ 44,401 *

* 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	353	353	353
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5	1	1	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):					
** D = Displacement C = Compound T = Turbine			Total		
			354	354	356

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

YEAR OF REPORT
 December 31, 2008

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_-----	880			880	
February_-----	1,061			1,061	
March_-----	1,110			1,110	2,816
April_-----	488			488	
May_-----	600			600	
June_-----	467			467	1,588
July_-----	529			529	
August_-----	50			50	
September_-----	392			392	1,116
October_-----	541			541	
November_-----	860			860	
December_-----	940			940	1,789
Total for year_-----	7,918	N/A		7,918	7,309

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)
MOTORS				
Manufacturer _____	None			
Type _____				
Rated Horsepower _____				
PUMPS				
Manufacturer _____	None			
Type _____				
Capacity in GPM _____				
Average Number of Hours Operated Per Day _____				
Auxiliary Power _____				

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

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**

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

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	372	-	-	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	\$ 73,023	\$ -	\$ -	\$ 73,023

* This amount should tie to Sheet F-5
Note:

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account Name (b)	Average Service Life in Years (c)	Average Salvage In Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
351	Organization	-	%		-	-	-	-
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	310	-	62	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	-	%		-	-	-	-
	Totals				72,572		62	72,634

* This amount should tie to Sheet F-5
Note:

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ 2,581
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
704	Employee Pensions and Benefits _____	
710	Purchased Wastewater Treatment _____	59,394
711	Sludge Removal Expense _____	
715	Purchased Power _____	
716	Fule for Power Production _____	
718	Chemicals _____	
720	Materials and Supplies _____	
730	Contractual Services:	
	Operator and Management _____	1,500
	Testing _____	25
	Other _____	8,169
740	Rents _____	
750	Transportation Expense _____	
755	Insurance Expense _____	
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
770	Bad Debt Expense _____	
775	Miscellaneous Expenses _____	5,001
	Total Wastewater Operation and Maintenance Expense _____	\$ 76,670 *

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

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

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

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	_____	_____

UTILITY NAME: Keith or Clara Starkey - Heather Hills Estates

TREATMENT PLANT

Manufacturer _____	None	_____	_____
Type _____	N/A	_____	_____
"Steel" or "Concrete" _____	N/A	_____	_____
Total Capacity _____	N/A	_____	_____
Average Daily Flow _____	18439	_____	_____
Effluent Disposal _____	Purchased	_____	_____
Total Gallons of Wastewater Treated _____	6,730,200	_____	_____

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 _____	747,700	None	747,700
February _____	901,500	_____	901,500
March _____	943,500	_____	943,500
April _____	414,500	_____	414,500
May _____	510,300	_____	510,300
June _____	396,600	_____	396,600
July _____	449,800	_____	449,800
August _____	42,600	_____	42,600
September _____	333,400	_____	333,400
October _____	459,900	_____	459,900
November _____	731,100	_____	731,100
December _____	799,300	_____	799,300
Total for year _____	6,730,200	_____	6,730,200

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

OTHER WASTEWATER SYSTEM INFORMATION

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

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

ITEMS CERTIFIED

1. (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, 2008

(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)	44,240	44,240	-
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)	-	-	-
Total Water Operating Revenue	\$ 44,240	\$ 44,240	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 44,240	\$ 44,240	\$ -

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, 2008

(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)	68,102	68,102	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	-	-	-
Reclaimed Water Sales (540.1 - 544)	-	-	-
Total Wastewater Operating Revenue	\$ 68,102	\$ 68,102	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 68,102	\$ 68,102	\$ -

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).