

CLASS "C"

**OFFICIAL COPY
DIVISION OF
WATER AND SEWER
DEPARTMENT OF REVENUE
Office**

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

WS755-03-AR
Water Oak Utility
The American Center
27777 Franklin Road, Suite 200
Southfield, MI 48034-8205

431-W / 364-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2003

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

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April 6, 2004

Officers and Directors
Sun Communities Finance LLC
d/b/a Water Oak Utility

We have compiled the 2003 Annual Report of Sun Communities Finance, LLC d/b/a Water Oak Utility 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.

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 Sun Communities Finance LLC d/b/a Water Oak Utility. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

Cronin, Jackson, Nixon & Wilson
CRONIN, JACKSON, NIXON & WILSON

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FINANCIAL

SECTION

REPORT OF

Sun Communities Finance LLC d/b/a Water Oak Utility

(Exact name of utility)

106 Evergreen Lane

106 Evergreen Lane

Lady Lake, Fl. 32159

Lady Lake, Fl. 32159

Mailing Address

Street Address

Telephone Number

(352) - 753-3000

Date Utility First Organized

April, 1981

Individual

Sub Chapter S Corporation

1120 Corporation

Partnership

Location where books and records are located:

31700 Middlebelt Road, Suite 145

Farmington Hills, MI, 48334 (248) - 208-2500

Names of subdivisions where service is provided:

Water Oak Country Club

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Gabriele Umbel	Utility Manager	106 Evergreen Lane Lady Lake , Florida 32159	
Person who prepared this report: Cronin, Jackson, Nixon & Wilson	CPA's	2560 Gulf-to-Bay Blvd. Clearwater, Fl.	
Officers and Managers: Gabriele Umbel	Utility Manager	106 Evergreen Lane Lady Lake , Florida 32159	\$ 13,407
Mark Smyth	Assistant Controller	Farmington Hills address (above)	-
	Sun Communities Finance, LLC		

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
Sun Communities Finance, LLC	100%	31700 Middlebelt Road Suite 145 Farmington Hills, MI. 48334	N/A

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 116,063	\$ 174,095		\$ 290,158
Commercial _____		7,359	11,039		18,398
Industrial _____					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____					-
Total Gross Revenue _____		123,422	185,134	N/A	308,556
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	121,373	160,029		281,402
Depreciation Expense _____	F-5	15,625	22,736		38,361
CIAC Amortization Expense _____	F-8	(5,750)	(6,415)		(12,165)
Taxes Other Than Income _____	F-7	15,041	13,676	-	28,717
Income Taxes _____	F-7	-	-		-
Total Operating Expenses _____		146,289	190,026		336,315
Net Operating Income (Loss)		(22,867)	(4,892)	-	(27,759)
Other Income:					
Nonutility Income _____		56,699	56,699		113,397
Interest Income _____		-	-		-
_____					-
Other Deductions:					
Miscellaneous Nonutility Expenses _____		4,498	4,497		8,995
Interest Expense _____		-			-
AFUDC _____		-	-		-
_____					-
_____					-
Net Income (Loss)		\$ 29,334	\$ 47,310	N/A	\$ 76,643

COMPARATIVE BALANCE SHEET

Account Name	Reference Page	Current Year	Previous Year
ASSETS:			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 1,014,490	\$ 844,919
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(540,050)	(501,689)
Net Utility Plant _____		474,440	343,230
Cash _____		33,885	70,581
Customer Accounts Receivable (141) _____		33,476	47,034
Other Assets (Specify):			
Accounts Receivable - Assoc Co's		616,695	616,895
Deferred rate case exp. (Order No. PSC-00-1165-PAA-WS)		67,559	4,121
Deferred charges - other		9,940	85,162
Prepayments		200	
Total Assets _____		\$ 1,236,195	\$ 1,167,023
LIABILITIES AND CAPITAL:			
Common Stock Issued (201) _____	F-6		
Preferred Stock Issued (204) _____	F-6	-	-
Other Paid In Capital (211) _____			
Retained Earnings (215) _____	F-6		
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6	120,691	44,048
Total Capital _____		120,691	44,048
Long Term Debt (224) _____	F-6		
Accounts Payable (231) _____		3,464	10,193
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____	F-7	13,885	13,131
Other Liabilities (Specify):			
Accounts Payable - Assoc Co		880,753	771,265
_____			119,595

Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8	217,402	208,791
Total Liabilities and Capital _____		\$ 1,236,195	\$ 1,167,023

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 375,784	\$ 572,515	N/A	\$ 948,299
Construction Work In Progress (105) _____	27,841	38,350		66,191
Other (Specify) _____	-	-		-
_____				-
Total Utility Plant _____	\$ 403,625	\$ 610,865	N/A	\$ 1,014,490

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 146,156	\$ 355,533	N/A	\$ 501,689
Add Credits During Year:				
Accruals charged to depreciation account _____	15,625	22,736		38,361
Salvage _____		-		-
Other credits (specify) _____		-		-
_____		-		-
Total credits _____	15,625	22,736		38,361
Deduct Debits During Year:				
Book cost of plant retired _____	-	-		-
Cost of removal _____		-		-
Other debits (specify) _____				-
_____				-
Total debits _____	-	-		-
Balance End of Year _____	\$ 161,781	\$ 378,269	N/A	\$ 540,050

UTILITY NAME: Sun Communities Finance LLC d/b/a Water Oak Utility

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 _____	\$ 44,048	N/A
Charges during the year (specify): Current year income _____	76,643	

Balance end of year _____	\$ 120,691	\$

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: Sun Communities Finance LLC d/b/a Water Oak Utility

TAXES ACCRUED (236)

(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 _____	5,554	8,331		13,885
Other (Specify): _____				

Total taxes accrued _____	\$ 5,554	\$ 8,331		\$ 13,885

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
Mid-State	14,151	11,079	Utility operations
J & B Accounting - Billings	3,361	3,028	Customer monthly billings
Excel Engineering	6,896	310	Various professional engineering services
Rose, Sundstrom & Bentley	5,518	5,774	Various legal matters
C, J, N & W, CPA's	10,431	9,736	Accounting services

UTILITY NAME: Sun Communities Finance LLC d/b/a Water Oak Utility

YEAR OF REPORT
December 31, 2003

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	\$ 128,979	\$ 215,341	\$ 344,320
2. Add credits during year:			
_____	15,115	5,661	20,776
3. Total _____	144,094	221,002	365,096
4. Deduct charges during year _____			-
5. Balance end of year _____	144,094	221,002	365,096
6. Less Accumulated Amortization _____	(62,866)	(84,828)	(147,694)
7. Net CIAC _____	\$ 81,228	\$ 136,174	\$ 217,402

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

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
_____		\$ -	\$ -

Sub-total _____		NONE	NONE
Report below all capacity charges, main extension charges and customer connections charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
Meter Fees	37	100	3,700
Capacity Fees - Water	37	141	5,217
Capacity Fees - sewer	37	153	5,661
Deferred revenue - PSC-03-0416-PAA-WS			6,198
Total Credits During Year (Must agree with line # 2 above) _____		\$ 15,115	\$ 5,661

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	\$ 57,116	\$ 78,413	\$ 135,529
Add Debits During Year: _____	5,750	6,415	12,165
_____	-	-	
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ 62,866	\$ 84,828	\$ 147,694

UTILITY NAME: Sun Communities Finance LLC d/b/a Water Oak Utility

YEAR OF REPORT December 31, 2003
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SCHEDULE "A"

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

CLASS OF CAPITAL (a)	Dollar Amount (1) (b)	Percentage of Capital 0	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ 120,691	\$ 100.00 %	11.88 %	11.88 %
Preferred Stock	-	- %	- %	- %
Long Term Debt	-	- %	- %	- %
Customer Deposits	-	- %	6.00 %	- %
Tax Credits - Zero Cost	-	- %	- %	- %
Tax Credits - Weighted Cost	-	- %	- %	- %
Deferred Income Taxes	-	- %	- %	- %
Other (Explain)	-	- %	- %	- %
Total	\$ 120,691	100.00 %		11.88 %

- (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
OPERATING
SECTION**

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 1,350	\$ -	\$ -	\$ 1,350
302	Franchises	-	-	-	-
303	Land and Land Rights	3,050	-	-	3,050
304	Structure and Improvements	3,830	255	-	4,085
305	Collecting and Impounding Reservoirs	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-
307	Wells and Springs	26,371	4,274	-	30,645
308	Infiltration Galleries and Tunnels	-	-	-	-
309	Supply Mains	6,231	4,472	-	10,703
310	Power Generation Equipment	16,803	-	-	16,803
311	Pumping Equipment	11,850	9,749	-	21,599
320	Water Treatment Equipment	18,435	1,747	-	20,182
330	Distribution Reservoirs and Standpipes	81,153	250	-	81,403
331	Transmission and Distribution Mains	66,590	8,545	-	75,135
333	Services	-	4,645	-	4,645
334	Meters and Meter Installations	55,309	7,669	-	62,978
335	Hydrants	4,667	3,600	-	8,267
339	Other Plant and Miscellaneous Equipment	20,480	-	-	20,480
340	Office Furniture and Equipment	684	-	-	684
341	Transportation Equipment	400	-	-	400
342	Stores Equipment	-	-	-	-
343	Tools, Shop and Garage Equipment	1,744	-	-	1,744
344	Laboratory Equipment	-	-	-	-
345	Power Operated Equipment	-	11,631	-	11,631
346	Communication Equipment	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-
348	Other Tangible Plant	-	-	-	-
	Total Water Plant	\$ 318,947	\$ 56,837	\$ -	\$ 375,784

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

ACCT. NO. (a)	ACCOUNT NAME (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of year (f-g+h=i) (i)
301	Organization	32	-	3.13	716	-	42	758
302	Franchises	-	-	-	-	-	-	-
304	Structure and Improvements	33	-	3.03	2,032	-	120	2,152
305	Collecting and Impounding Reservoirs	-	-	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-	-	-
307	Wells and Springs	27	-	3.70	17,971	-	1,056	19,027
308	Infiltration Galleries and Tunnels	-	-	-	-	-	-	-
309	Supply Mains	32	-	3.13	1,054	-	265	1,319
310	Power Generation Equipment	17	-	5.88	14,557	-	988	15,545
311	Pumping Equipment	15	-	6.67	9,356	-	1,115	10,471
320	Water Treatment Equipment	7	-	14.29	18,435	-	2,759	21,194
330	Distribution Reservoirs and Standpipes	40	-	2.50	9,776	-	2,032	11,808
331	Transmission and Distribution Mains	40	-	2.50	24,589	-	1,772	26,361
333	Services	-	-	-	-	-	-	-
334	Meters and Meter Installations	17	-	5.88	(2,385)	-	3,479	1,094
335	Hydrants	40	-	2.50	283	-	162	445
339	Other Plant and Miscellaneous Equipment	20	-	5.00	12,753	-	1,024	13,777
340	Office Furniture and Equipment	15	-	6.67	623	-	46	669
341	Transportation Equipment	6	-	16.67	400	-	67	467
342	Stores Equipment	-	-	-	-	-	-	-
343	Tools, Shop and Garage Equipment	15	-	6.67	1,732	-	116	1,848
344	Laboratory Equipment	-	-	-	-	-	-	-
345	Power Operated Equipment	-	-	-	-	-	582	582
346	Communication Equipment	-	-	-	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-	-	-	-
348	Other Tangible Plant	-	-	-	34,264	-	-	34,264
	Totals				146,156		15,625	161,781

* This amount should tie to Sheet F-5

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 27,274
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	14,307
604	Employee Pensions and Benefits _____	4,320
610	Purchased Water _____	
615	Purchased Power _____	14,102
616	Fuel for Power Production _____	
618	Chemicals _____	1,494
620	Materials and Supplies _____	3,412
630	Contractual Services:	
	Billing _____	6,245
	Operator and Management _____	
	Testing _____	1,995
	Other _____	40,011
640	Rents _____	
650	Transportation Expense _____	
655	Insurance Expense _____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	4,062
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	4,151
	Total Water Operation and Maintenance Expense _____	\$ 121,373 *

* 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	830	839	839
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0	14	15	15
3/4"	D	1.5			
1"	D	2.5	1	1	3
1 1/2"	D,T	5.0	3	3	15
2"	D,C,T	8.0	10	10	80
3"	D	15.0	2	2	30
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0			
Other (Specify): _____	Model Homes	5/8 X 3/4"	8	7	7
		1.0			
Total			868	877	989

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Sun Communities Finance LLC d/b/a Water Oak Utility
 SYSTEM NAME: Water Oaks

YEAR OF REPORT
 December 31, 2003

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	-	6,015	-	6,015	6,015
February	-	4,670	-	4,670	4,670
March	-	5,519	-	5,519	5,519
April	-	9,164	-	9,164	9,645
May	-	10,624	-	10,624	9,912
June	-	6,447	-	6,447	5,451
July	-	6,667	-	6,667	5,155
August	-	5,273	350	4,923	4,610
September	-	8,667	175	8,492	7,443
October	-	9,008	75	8,933	8,861
November	-	8,629	275	8,354	7,361
December	-	12,173	550	11,623	7,493
Total for year	N/A	92,856	1,425	91,431	82,135

If water is purchased for resale, indicate the following:

Vendor N/A
 Point of Delivery N/A

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

MAINS (Feet)

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
Asbestos/Concrete	2"	28,895		-	28,895
Asbestos/Concrete	3"	3,530		-	3,530
Asbestos/Concrete	4"	14,700		-	14,700
Asbestos/Concrete	6"	27,558		-	27,558
Galvanized/PVC	8"	430		-	430
Galvanized/PVC	10"	370		-	370
		-		-	-
				-	

UTILITY NAME: Sun Communities Finance LLC d/b/a Water Oak Utility
 SYSTEM NAME: Water Oaks

YEAR OF REPORT
 December 31, 2003

WELLS AND WELL PUMPS
 (If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1980	1984		
Types of Well Construction and Casing _____				
Depth of Wells _____	360'	270'		
Diameters of Wells _____	10"	10"		
Pump - GPM _____	1,000	400		
Motor - HP _____	40	40		
Motor Type * _____	Centrifugal	Submersible		
Yeilds of Wells in GPD _____				
Auxillary Power _____	Generator	Generator		
* Submersable, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Steel	Steel		
Capacity of Tank _____	20,000	20,000		
Ground of Elevated _____	Hydro	Hydro		

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
MOTORS				
Manufacturer _____	None			
Type _____				
Rated Horsepower _____				
(a)	(b)	(c)	(d)	(e)
PUMPS				
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 _____	392,304		
Type of source _____	Well		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

Type _____	Chlorination		
Make _____	Unk.		
Permitted Capacity (GPD)	1.08m.g.d.		
High service pumping Gallons per minute _____ See Page W-5			
Reverse Osmosis _____			
Lime treatment Unit Rating _____			
Filtration Pressure Sq. Ft. _____			
Gravity GPD/Sq. Ft. _____			
Disinfection Chlorinator _____	Gas		
Ozone _____			
Other _____			
Auxiliary Power _____	Generator		

UTILITY NAME: Sun Communities Finance LLC d/b/a Water Oak Utility
 SYSTEM NAME: Water Oaks

YEAR OF REPORT
 December 31, 2003

OTHER WATER SYSTEM INFORMATION

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

1.	Present ERC's * the system can efficiently serve	<u>989</u>
2.	Maximum number of ERC's * which can be served	<u>1,121</u>
3.	Present system connection capacity (in ERC's *) using existing lines	<u>989</u>
4.	Future connection capacity (in ERC's *) upon service area buildout	<u>1,121</u>
5.	Estimated annual increase in ERC's*	<u>None - System is built-out</u>
6.	Is the utility required to have fire flow capacity? If so, how much capacity is required?	<u>Yes</u> <u>500 gpm</u>
7.	Attach a description of the fire fighting facilities.	<u>15 fire hydrants</u>
8.	Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
9.	When did the company last file a capacity analysis report with the DEP?	<u>None</u>
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 DEP rules.	
	b. Have these plans been approved by DEP?	<u>N/A</u>
	c. When will construction begin?	<u>N/A</u>
	d. Attach plans for funding the required upgrading.	<u>N/A</u>
	e. Is this system under any Consent Order with DEP?	<u>No</u>
11.	Department of Environmental Protection ID #	<u>PWS No. 3354010</u>
12.	Water Management District Consumptive Use Permit #	<u>20-069-0161M</u>
	a. Is the system in compliance with the requirements of the CUP?	<u>Yes</u>
	b. If not, what are the utility's plans to gain compliance?	<u>N/A</u>

* An ERC is determined based on one of the following methods:
 (a) if actual flow data are available from the preceding 12 months:
 Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
 (b) If no historical flow data available are available for use:
 ERC = (Total SFR gallons sold (omit 000)/365 days/350 gallons per day).

**WASTEWATER
OPERATING
SECTION**

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 1,350	\$ -	\$ -	\$ 1,350
352	Franchises	-	-	-	-
353	Land and Land Rights	120,500	-	-	120,500
354	Structure and Improvements	11,151	-	-	11,151
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	94,998	124	-	95,122
361	Collection Sewers - Gravity	-	1,598	-	1,598
362	Special Collecting Structures	3,578	-	-	3,578
363	Services to Customers	4,902	14,549	-	19,451
364	Flow Measuring Devices	211	-	-	211
365	Flow Measuring Installations	-	-	-	-
370	Receiving Wells	71,485	-	-	71,485
371	Pumping Equipment	-	-	-	-
380	Treatment and Disposal Equipment	159,405	18,641	-	178,046
381	Plant Sewers	1,051	-	-	1,051
382	Outfall Sewer Lines	5,572	-	-	5,572
389	Other Plant and Miscellaneous Equipment	48,332	-	-	48,332
390	Office Furniture and Equipment	684	-	-	684
391	Transportation Equipment	734	-	-	734
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	1,745	-	-	1,745
394	Laboratory Equipment	274	-	-	274
395	Power Operated Equipment	-	11,631	-	11,631
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	-	-	-	-
	Total Sewer Plant	\$ 525,972	\$ 46,543	\$ -	\$ 572,515

* This amount should tie to Sheet F-5

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account Name (b)	Average Service Life in Years (c)	Average Salvage In Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
351	Organization	27	-	3.70 %	870	-	50	920
352	Franchises	-	-	%	-	-	-	-
354	Structure and Improvements	27	-	3.70 %	6,263	-	413	6,676
355	Power Generation Equipment	-	-	%	-	-	-	-
360	Collection Sewers - Force	27	-	3.70 %	51,071	-	3,520	54,591
361	Collection Sewers - Gravity	-	-	%	-	-	18	18
362	Special Collecting Structures (Lift Stations)	37	-	2.70 %	1,481	-	97	1,578
363	Services to Customers	35	-	2.90 %	380	-	348	728
364	Flow Measuring Devices	5	-	20.00 %	190	-	42	232
365	Flow Measuring Installations	-	-	%	-	-	-	-
370	Receiving Wells (Lift Stations)	25	-	4.00 %	14,611	-	2,859	17,470
371	Pumping Equipment	18	-	5.60 %	8,669	-	949	9,618
380	Treatment and Disposal Equipment	15	-	6.70 %	130,504	-	10,110	140,614
381	Plant Sewers	32	-	3.10 %	99	-	33	132
382	Outfall Sewer Lines	30	-	3.30 %	465	-	186	651
389	Other Plant and Miscellaneous Equipment	15	-	6.70 %	45,348	-	3,222	48,570
390	Office Furniture and Equipment	15	-	6.70 %	621	-	46	667
391	Transportation Equipment	6	-	16.70 %	734	-	122	856
392	Stores Equipment	-	-	%	-	-	-	-
393	Tools, Shop and Garage Equipment	15	-	6.70 %	1,727	-	116	1,843
394	Laboratory Equipment	12	-	8.30 %	268	-	23	291
395	Power Operated Equipment	-	-	%	-	-	582	582
396	Communication Equipment	-	-	%	-	-	-	-
397	Miscellaneous Equipment	-	-	%	-	-	-	-
398	Other Tangible Plant	-	-	%	92,232	-	-	92,232
	Totals				355,533		22,736	378,269

* This amount should tie to Sheet F-5

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ 24,578
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	12,892
704	Employee Pensions and Benefits _____	3,893
710	Purchased Wastewater Treatment _____	
711	Sludge Removal Expense _____	18,911
715	Purchased Power _____	24,277
716	Fule for Power Production _____	
718	Chemicals _____	2,986
720	Materials and Supplies _____	2,309
730	Contractual Services:	
	Operator and Management _____	
	Testing _____	5,774
	Other _____	60,426
740	Rents _____	
750	Transportation Expense _____	
755	Insurance Expense _____	
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	2,275
770	Bad Debt Expense _____	
775	Miscellaneous Expenses _____	1,708
	Total Wastewater Operation and Maintenance Expense _____	\$ 160,029 *

* 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	13	15	15
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	3	3	15
2"	D,C,T	8.0	3	10	80
3"	D	15.0		2	30
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0			-
Other (Specify):	Residential	1	820	839	839
	Model Homes	1	8	7	7
Total			848	877	989

** D = Displacement
C = Compound
T = Turbine

PUMPING EQUIPMENT

	#1	#2	#3	#4	#5	#6	
Lift station number _____							
Make or type and nameplate data of pump _____	Hydro-Matic	Hydro-Matic	Hydro-Matic	Hydro-Matic	Hydro-Matic	Hydro-Matic	
Year installed _____	1995	1986	1984	1987	1987	1997	
Rated capacity (GPM) _____	1,006	206	206		200	350	
Size (HP) _____							
Power:							
Electric _____	230V	230V	230V	230V	230V	230V	
Mechanical _____	20HP	60HP	60HP	60HP	15HP		
Nameplate data of motor _____							

SERVICE CONNECTIONS

Size (inches) _____	4"						
Type (PVC, VCP, etc) _____	PVC						
Average length _____	20'						
Number of active service connections _____							
Beginning of year _____	831						
Added during year _____	17						
Retired during year _____							
End of year _____	848						
Give full particulars concerning inactive connections _____							

COLLECTING AND FORCE MAINS AND MANHOLES

	Collecting Mains				Force Mains		
	8"	10"			3"	4"	6"
Size (inches) _____	8"	10"			3"	4"	6"
Type of main _____	PVC	PVC			PVC	PVC	PVC
Length of main (nearest foot):							
Beginning of year _____	49,174	2,449			425	575	6,410
Added during year _____							
Retired during year _____							
End of year _____	49,174	2,449			425	575	6,410

MANHOLES:

Size _____	8"	10"		
Type _____	Precast	Precast		
Number:				
Beginning of year _____	214	12		
Added during year _____				
Retired during year _____				
End of year _____	214	12		

UTILITY NAME: Sun Communities Finance LLC d/b/a Water Oak Utility

YEAR OF REPORT
December 31, 2003

TREATMENT PLANT

Manufacturer _____	Waste Tech	_____	_____
Type _____	Extended Aeration	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Capacity _____	200,000gpd	_____	_____
Average Daily Flow _____	67707 gpd	_____	_____
Effluent Disposal _____	Sprayfield	_____	_____
Total Gallons of Wastewater Treated _____	24713000	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	_____	_____	_____	_____	_____	_____
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 _____	2232000	None	2232000
February _____	1876000	_____	1876000
March _____	2325000	_____	2325000
April _____	1860000	_____	1860000
May _____	2077000	_____	2077000
June _____	1620000	_____	1620000
July _____	1643000	_____	1643000
August _____	1860000	_____	1860000
September _____	2370000	_____	2370000
October _____	3038000	_____	3038000
November _____	1890000	_____	1890000
December _____	1922000	_____	1922000
Total for year _____	24,713,000	_____	24,713,000

If Wastewater Treatment is purchased, indicate the vendor:

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>989</u>
2. Maximum number of ERC's * which can be served.	<u>989</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>989</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>989</u>
5. Estimated annual increase in ERC's * .	<u>None - System is built-out</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>FLA010529-001</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:


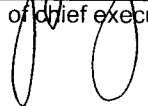
$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

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.	2.	3.	4.
(X)	(X)	(X)	(X)
()	()	()	()

	 _____ * (signature of chief executive officer of the utility)
	 _____ * (signature of chief financial officer of the utility)

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.