

CLASS "A" OR "B"

OFFICIAL COPY
Public Service Commission
The And... ..

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS800-06-AR

CYPRESS LAKES UTILITIES INC

Exact Legal Name of Respondent

592W 509S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED

31-Dec-2006

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EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

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

YES NO
 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO
 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES 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 the financial statement of the utility.

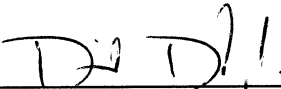
YES NO
 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified

1.	2.	3.	4.

(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.

ANNUAL REPORT OF

YEAR OF REPORT
31-Dec-06

CYPRESS LAKES UTILITIES INC

County: **Polk County**

(Exact Name of Utility)

List below the exact mailing address of the utility for which normal correspondence should be sent:

2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: **847-498-6440**

E Mail Address: **NONE**

WEB Site: **NONE**

Sunshine State One-Call of Florida, Inc. Member Number **CLU879**

Name and address of person to whom correspondence concerning this report should be addressed:

CHRISTINE KIM
2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: **847-498-6440**

List below the address of where the utility's books and records are located:

2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: **847-498-6440**

List below any groups auditing or reviewing the records and operations:

PRICEWATERHOUSECOOPERS

Date of original organization of the utility: **1996**

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

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	UTILITIES INC	100%
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
LISA CROSSETT	CHIEF OPERATING OFFICER		OPERATIONS
STEVE LUBERTOZZI	CHIEF REGULATORY OFFICER		RATE CASE
JOHN HOY	REGIONAL VP		OPERATIONS
PATRICK FLYNN	REGIONAL DIRECTOR		OPERATIONS
CHRISTINE KIM	MANAGER, CORPORATE ACCOUNTING		FINANCIAL

(1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
(2) Provide individual telephone numbers if the person is not normally reached at the company.
(3) Name of company employed by if not on general payroll.

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

A.	Formed in 1996, Cypress Lakes Utilities, Inc. was acquired by Utilities Inc.
B.	Cypress Lakes Utilities, Inc. performs water and wastewater services
C.	Maintain a high quality of service and earn a fair return.
D.	Only one subdivision is served
E.	We expect modest growth currently with anticipated higher growth in the future
F.	The system was purchased in 1998 and is currently being brought up to Utilities Inc. standards of quality.

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/2006

Complete below an organizational chart that show all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

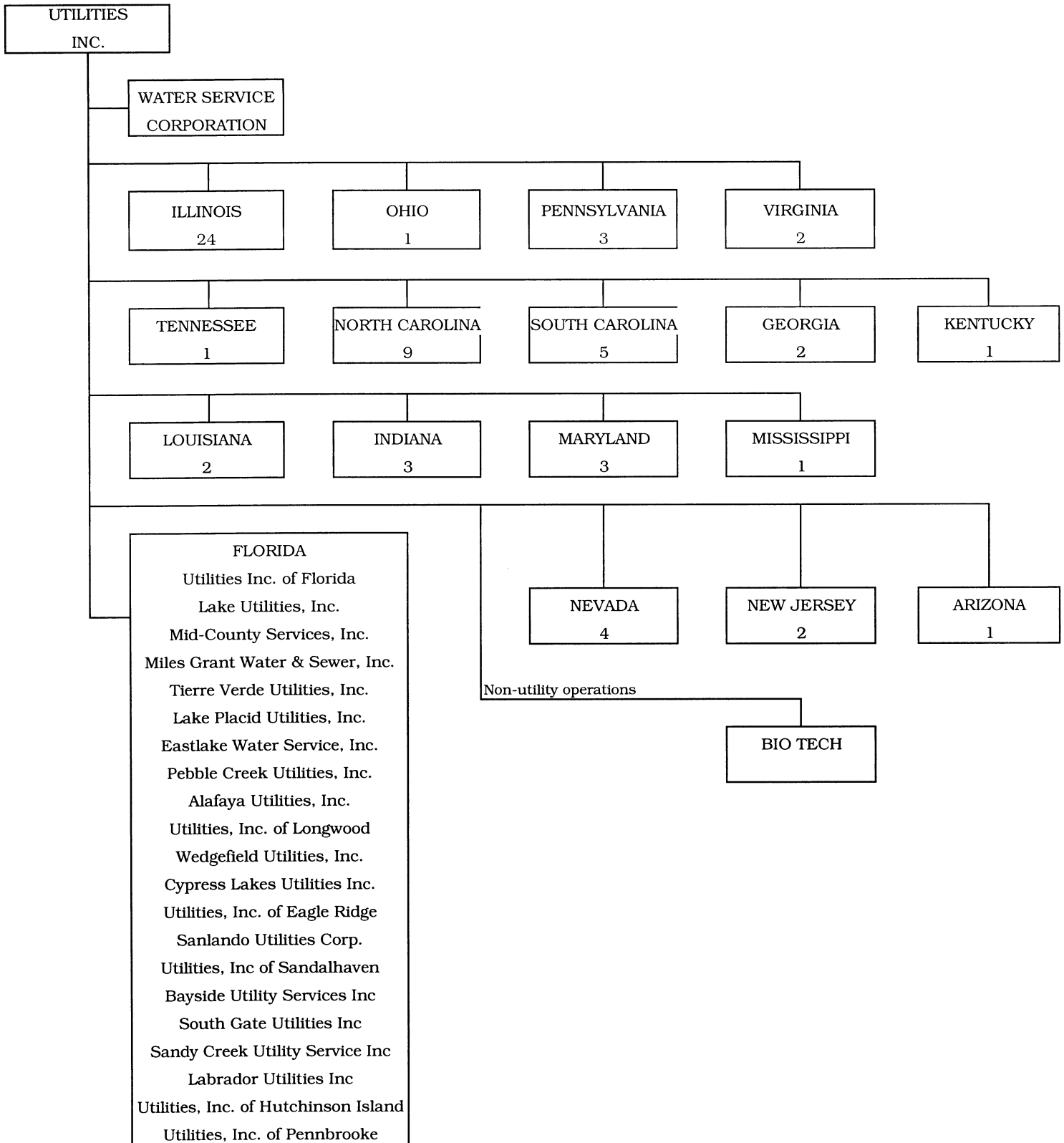
UTILITIES, INC. -- PARENT COMPANY

WATER SERVICE CORP. -- SERVICE COMPANY SUPPLYING MOST SERVICES REQUIRED BY UTILITY.

UTILITIES INC. of FLORIDA -- provides office personnel and administrative staff.

SEE ATTACHED

Parent And Affiliate Organizational Chart



UTILITIES, INC. - Parent Company

WATER SERVICE CORP. - Service organization providing administrative and other service functions for the utility.

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
LAWRENCE N SCHUMACHER	CEO & PRESIDENT		\$ NONE
LISA A CROSSETT	VP OPERATIONS		NONE
STEVEN M LUBERTOZZI	VP REGULATORY		NONE
DANIEL J DELGADO	VP & TREASURER		NONE
JOHN R STOVER	VP & SECRETARY		NONE
JOHN HOY	REGIONAL VP		NONE

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
JOHN M STOKES	DIRECTOR	1	\$ NONE
LAWRENCE N SCHUMACHER	DIRECTOR	1	NONE

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)	
NO BUSINESS CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS WERE ENTERED INTO DURING THE CURRENT YEAR BY THE OFFICERS LISTED ON PAGE E6, THE DIRECTORS OR AFFILIATES.		\$		

* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
JOHN M STOKES	CEO	DIRECTOR/OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
LAWRENCE N SCHUMACHER	PRESIDENT	DIRECTOR/OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
LISA A CROSSETT	VP OPERATIONS	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
STEVEN M LUBERTOZZI	VP REGULATORY	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
DANIEL J DELGADO	VP & TREASURER	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL
JOHN R STOVER	VP & SECRETARY	OFFICER	UTILITIES INC & SUBSIDIARIES NORTHBROOK IL

UTILITY NAME: CYPRESS LAKES UTILITIES INC

**BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS			REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)	
NO BUSINESS WHICH ARE	\$		\$				
A BY-PRODUCT, COPRODUCT OR JOINT PRODUCT RESULTING FROM PROVIDING WATER AND/OR SEWER SERVICE.							

Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
 3. The columnar instructions follow:
 - (a) Enter name of related party or company.
 - (b) Describe briefly the type of assets purchased, sold or transferred.
 - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
 - (d) Enter the net book value for each item reported.
 - (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
 - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.
2. Below are examples of some types of transactions to include:
 - purchase, sale or transfer of equipment
 - purchase, sale or transfer of land and structures
 - purchase, sale or transfer of securities
 - noncash transfers of assets
 - noncash dividends other than stock dividends
 - write-off of bad debts or loans

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
		\$ _____	\$ _____	\$ _____	\$ _____
NO ASSETS WERE SOLD, PURCHASED OR TRANSFERRED WITH A RELATED PARTY DURING THE FISCAL YEAR ENDET 31-Dec-06		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____

FINANCIAL SECTION

COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 3,938,054	\$ 4,041,351
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,202,066	1,336,972
Net Plant			\$ 2,735,988	\$ 2,704,379
114-115	Utility Plant Acquisition adjustment (Net)	F-7	-	-
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,735,988	\$ 2,704,379
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	-	-
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			-	-
123	Investment In Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property & Investments			-	-
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 15	\$ (71)
132	Special Deposits	F-9	4,000	4,000
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	78,070	106,124
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12	-	-
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments		-	-
171	Accrued Interest and Dividends Receivable		-	-
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12	-	-
Total Current and Accrued Assets			\$ 82,085	\$ 110,053

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	31,886	117,520
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		9,419	12,382
Total Deferred Debits			\$ <u>41,305</u>	\$ <u>129,902</u>
TOTAL ASSETS AND OTHER DEBITS			\$ <u>2,859,378</u>	\$ <u>2,944,334</u>

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 1,000	\$ 1,000
204	Preferred Stock Issued	F-15		
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		1,610,043	1,623,313
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(228,142)	(192,791)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 1,382,901	\$ 1,431,522
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			\$ -	\$ -
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		4,527	6,125
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	657,556	669,725
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		13,800	18,120
236	Accrued Taxes	W/S-3	17,028	19,808
237	Accrued Interest	F-19	485	633
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
Total Current & Accrued Liabilities			\$ 693,396	\$ 714,411

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		-	-
Total Deferred Credits			\$ _____	\$ _____
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 1,003,571	\$ 1,015,194
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	244,095	274,698
Total Net C.I.A.C.			\$ 759,476	\$ 740,496
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ (5,420)	\$ 1,366
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		29,025	56,539
Total Accumulated Deferred Income Tax			\$ 23,605	\$ 57,905
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 2,859,378	\$ 2,944,334

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 599,082	\$ 745,699
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 599,082	\$ 745,699
401	Operating Expenses	F-3(b)	\$ 395,131	\$ 426,451
403	Depreciation Expense:	F-3(b)	\$ 124,223	\$ 137,892
	Less: Amortization of CIAC	F-22	(31,374)	(30,605)
Net Depreciation Expense			\$ 92,849	\$ 107,287
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	-	-
407	Amortization Expense (Other than CIAC)	F-3(b)	87	455
408	Taxes Other Than Income	W/S-3	55,573	66,867
409	Current Income Taxes	W/S-3	206	(5,836)
410.10	Deferred Federal Income Taxes	W/S-3	(13,780)	26,687
410.11	Deferred State Income Taxes	W/S-3	(2,371)	4,648
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	-	(45)
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3	-	-
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	-	-
Utility Operating Expenses			\$ 527,695	\$ 626,514
Net Utility Operating Income			\$ 75,622	\$ 119,185
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction		20	139
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 75,642	\$ 119,324

* For each account, Column e should agree with Cloumns f, g and h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 312,777	\$ 432,922	\$ -
\$ 312,777	\$ 432,922	\$ -
\$ 138,375	\$ 288,076	\$ -
57,875 <u>(8,934)</u>	80,017 <u>(21,671)</u>	-
\$ 48,941	\$ 58,346	\$ -
-	-	-
-	455	-
27,575	39,292	-
<u>(6,446)</u>	610	-
29,478	<u>(2,791)</u>	-
5,134	(486)	-
<u>(50)</u>	5	-
-	-	-
-	-	-
\$ 243,007	\$ 383,507	\$ -
\$ 69,770	\$ 49,415	\$ -
-	-	-
-	-	-
-	-	-
66	73	-
\$ <u>69,836</u>	\$ <u>49,488</u>	\$ -

* Total of Schedules W-3 / S-3 for all rate groups.

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ <u>71,579</u>	\$ <u>119,324</u>
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		<u>245</u>	<u>(735)</u>
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		-	-
Total Other Income and Deductions			\$ <u>245</u>	\$ <u>(735)</u>
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		_____	_____
410.20	Provision for Deferred Income Taxes		_____	_____
411.20	Provision for Deferred Income Taxes - Credit		_____	_____
412.20	Investment Tax Credits - Net		_____	_____
412.30	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ <u>-</u>	\$ <u>-</u>
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ <u>80,031</u>	\$ <u>83,237</u>
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ <u>80,031</u>	\$ <u>83,237</u>
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ <u>-</u>	\$ <u>-</u>
NET INCOME			\$ <u><u>(8,207)</u></u>	\$ <u><u>35,352</u></u>

Explain Extraordinary Income:

NONE

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 1,457,299	\$ 2,381,348
	Less: Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	521,617	814,513
110	Accumulated Amortization	F-8	41	801
271	Contributions In Aid of Construction	F-22	304,162	711,034
252	Advances for Construction	F-20		
Subtotal			\$ 631,479	\$ 855,000
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	86,142	188,558
Subtotal			\$ 717,621	\$ 1,043,558
114	Plus or Minus: Acquisition Adjustments (2)	F-7	-	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-	-
	Working Capital Allowance (3)		17,297	36,009
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 734,918	\$ 1,079,567
NET UTILITY OPERATING INCOME			\$ 69,770	\$ 49,415
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			9.49%	4.58%

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 703,240	38.76%	10.93%	4.24%
Preferred Stock	-	0.00%	0.00%	0.00%
Long Term Debt	1,047,603	57.74%	6.81%	3.93%
Customer Deposits	18,120	1.00%	6.00%	0.06%
Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
Deferred Income Taxes	45,523	2.51%	0.00%	0.00%
Other (Explain) Short Term Debt	-	0.00%	0.00%	0.00%
Total	\$ 1,814,485	100.00%		8.23%

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	<u>10.93%</u>
Commission order approving Return on Equity:	<u>PSC-03-0647-PAA-WS</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>9.03%</u>
Commission order approving AFUDC rate:	<u>PSC-04-0262-PAA-WS</u>

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

CYPRESS LAKES UTILITIES INC

UTILITY NAME:

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 120,831,226	\$ 0	\$ 0	\$ 0	\$ (75,546,842)	\$ 703,240
Preferred Stock		0	0	0		-
Long Term Debt	180,000,000	0	0	0	(68,716,308)	1,047,603
Customer Deposits	18,120	0	0	0		18,120
Tax Credits - Zero Cost	-	0	0	0		-
Tax Credits - Weighted Cost	-	0	0	0		-
Deferred Inc. Taxes	45,523	0	0	0		45,523
Other (Explain)	-	0	0	0		-
Total	\$ 300,894,869	\$ 0	\$ 0	\$ 0	\$ (144,263,150)	\$ 1,814,485

(1) Explain below all adjustments made in Columns (e) and (f):

NOT APPLICABLE

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 1,457,299	\$ 2,381,348	\$ _____	\$ 3,838,647
102	Utility Plant Leased to Other	_____	_____	_____	-
103	Property Held for Future Use	_____	_____	_____	-
104	Utility Plant Purchased or Sold	_____	_____	_____	-
105	Construction Work in Progress	-	202,704	_____	202,704
106	Completed Construction Not Classified	_____	_____	_____	-
	Total Utility Plant	\$ 1,457,299	\$ 2,584,052	\$ -	\$ 4,041,351

**UTILITY PLANT ACQUISITION ADJUSTMENTS
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -
	NONE	_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
	Total Plant Acquisition Adjustments	\$ -	\$ -	\$ -	\$ -
115	Accumulated Amortization Accruals charged during year	\$ -	\$ -	\$ -	\$ -
		_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
	Total Accumulated Amortization	\$ -	\$ -	\$ -	\$ -
	Net Acquisition Adjustments	\$ -	\$ -	\$ -	\$ -

ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 456,790	\$ 744,889	\$ -	\$ 1,201,679
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 57,875	\$ 80,017	\$ -	\$ 137,892
Account 108.2 (2)	-	-	-	-
Account 108.3 (2)	-	-	-	-
Other Accounts (specify):				
alloc from parent company uif	9,643	(1,829)	-	7,814
Salvage	-	-	-	-
Other Credits (Specify):				
Total Credits	\$ 67,518	\$ 78,188	\$ -	\$ 145,706
Debits during year:				
Book cost of plant retired	2,691	8,564	-	11,255
Cost of Removal	-	-	-	-
Other Debits (specify):				
Total Debits	\$ 2,691	\$ 8,564	\$ -	\$ 11,255
Balance end of year	\$ <u>521,617</u>	\$ <u>814,513</u>	\$ <u>-</u>	\$ <u>1,336,130</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 41	\$ 346	\$ -	\$ 387
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ -	\$ 455	\$ -	\$ 455
Other Accounts (specify):				
Total credits	\$ -	\$ 455	\$ -	\$ 455
Debits during year:				
Book cost of plant retired	-	-	-	-
Other debits (specify):				
Total Debits	\$ -	\$ -	\$ -	\$ -
Balance end of year	\$ <u>41</u>	\$ <u>801</u>	\$ <u>-</u>	\$ <u>842</u>

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
NONE	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	_____	\$ _____

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.
Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
NONE	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ _____	\$ _____	\$ _____	\$ _____

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): City of Lakeland Deposit	\$ 4,000
_____	_____
_____	_____
Total Special Deposits	\$ 4,000
OTHER SPECIAL DEPOSITS (Account 133): NONE	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ -

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): NONE _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): NONE _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): NONE _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Special Funds		\$ _____

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 53,826	
Wastewater	52,298	
Other	_____	
Total Customer Accounts Receivable		\$ 106,124
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ -
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ -
Total Accounts and Notes Receivable		\$ <u>106,124</u>
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ -	
Add: Provision for uncollectibles for current year	\$ _____	
Collection of accounts previously written off	_____	
Utility Accounts	_____	
Others	_____	
_____	_____	
Total Additions	\$ -	
Deduct accounts written off during year:		
Utility Accounts	_____	
Others	_____	
_____	_____	
Total accounts written off	\$ -	
Balance end of year		\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ <u><u>106,124</u></u>

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
NONE	%	\$ _____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
Total		\$ _____

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
<u>RATE CASE</u>	\$ -	\$ 85,006
Total Deferred Rate Case Expense	\$ -	\$ 85,006
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
<u>OTHER DEFERRED MAINTENANCE</u>	\$ -	\$ 32,514
Total Other Deferred Debits	\$ -	\$ 32,514
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
<u>NONE</u>	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ -	\$ 117,520

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	_____ %	\$ _____ 1
Shares authorized		_____ -
Shares issued and outstanding		_____ 1,000
Total par value of stock issued	_____ %	\$ _____ 1,000
Dividends declared per share for year	_____ %	\$ _____ -
PREFERRED STOCK		
Par or stated value per share	_____ %	\$ _____ -
Shares authorized		_____ -
Shares issued and outstanding		_____ -
Total par value of stock issued	_____ %	\$ _____ -
Dividends declared per share for year	_____ %	\$ _____ -

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	_____ %	_____	\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
Total			\$ _____

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ (228,142)
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	\$ _____

	Total Credits:	\$ -
	Debits: _____	\$ _____

	Total Debits:	\$ _____
435	Balance Transferred from Income	\$ 35,351
436	Appropriations of Retained Earnings: _____	_____

	Total Appropriations of Retained Earnings	\$ _____
	Dividends Declared:	
437	Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____

	Total Dividends Declared	\$ _____
215	Year end Balance	\$ _____
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____

214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>(192,791)</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ -
Total	\$ <u> -</u>

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION INCLUDING DATE OF ISSUE AND DATE OF MATURITY (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ <u> -</u>

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION INCLUDING DATE OF ISSUE AND DATE OF MATURITY (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232): NONE	_____ %		\$ _____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
Total Account 232			\$ _____
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): NONE	_____ %		\$ _____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
_____	_____ %		_____
Total Account 234			\$ _____

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
WATER SERVICE CORPORATION	\$ (669,725)
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ (669,725)

UTILITY NAMI CYPRESS LAKES UTILITIES INC

**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ _____		\$ _____	\$ _____	\$ _____
UTILITIES INC INTERCOMPANY INTEREST	_____		83,237	83,237	_____
Total Account 237.1	\$ _____		\$ 83,237	\$ 83,237	\$ _____
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits		427			_____
MISC ITEMS	(485)		(148)		(633)
Total Account 237.2	\$ (485)		\$ (148)	\$ _____	\$ (633)
Total Account 237 (1)	\$ (485)		\$ 83,089	\$ 83,237	\$ (633)
INTEREST EXPENSED:					
Total accrual Account 237		237	83,237		
Less Capitalized Interest Portion of AFUDC:			-		
Net Interest Expensed to Account No. 427 (2)			\$ 83,237		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
(2) Must agree to F-3 (c), Current Year Interest Expense

OTHER DEFERRED CREDITS
ACCOUNT 253

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1): <div style="text-align: center;">NONE</div> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Regulatory Liabilities	\$ <u>_____</u>	\$ <u>_____</u>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2): <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____
Total Other Deferred Liabilities	\$ <u>_____</u>	\$ <u>_____</u>
TOTAL OTHER DEFERRED CREDITS	\$ <u>_____</u>	\$ <u>_____</u>

CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>292,537</u>	\$ <u>711,034</u>	\$ <u>-</u>	\$ <u>1,003,571</u>
Add credits during year:	\$ <u>11,623</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>11,623</u>
Less debit charged during the year:	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Contribution In Aid of Construction	\$ <u><u>304,160</u></u>	\$ <u><u>711,034</u></u>	\$ <u><u>-</u></u>	\$ <u><u>1,015,194</u></u>

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>77,208</u>	\$ <u>166,887</u>	\$ <u>-</u>	\$ <u>244,095</u>
Debits during the year:	\$ <u>8,932</u>	\$ <u>21,671</u>	\$ <u>-</u>	\$ <u>30,603</u>
Credits during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>86,140</u></u>	\$ <u><u>188,558</u></u>	\$ <u><u>-</u></u>	\$ <u><u>274,698</u></u>

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE
INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

- The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 35,352
Reconciling items for the year:		
Taxable income not reported on books:		
Tap Fees		11,625
Deductions recorded on books not deducted for return:		
Net Change - Deferred Maintenance		(31,497)
Net Change - Rate Case		(54,137)
Excess Tax Depreciation over Book Depreciation		(3,779)
Current FIT		(5,806)
Deferred FIT		26,687
Deferred SIT		4,648
Income recorded on books not included in return:		
Interest During Construction		(139)
Deduction on return not charged against book income:		
Other miscellaneous		(30)
Federal tax net income		\$ <u>(17,076)</u>

Computation of tax :	(17,076)	
	<u>34%</u>	
	(5,806)	

**WATER
OPERATION
SECTION**

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 1,457,299
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	521,617
110	Accumulated Amortization	F-8	41
271	Contributions In Aid of Construction	W-7	304,162
252	Advances for Construction	F-20	-
Subtotal			\$ <u>631,479</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 86,142
Subtotal			\$ <u>717,621</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		17,297
	Other (Specify):		
WATER RATE BASE			\$ <u>734,918</u>
WATER OPERATING INCOME		W-3	\$ <u>69,770</u>
RN (Water Operating Income / Water Rate Base)			<u>9.49%</u>

NOTES (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 312,777
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		\$ _____
401	Operating Expenses	W-10(a)	\$ 138,375
403	Depreciation Expense	W-6(a)	57,875
	Less: Amortization of CIAC	W-8(a)	(8,934)
	Net Depreciation Expense		\$ 48,941
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	-
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		14,747
408.11	Property Taxes		8,204
408.12	Payroll Taxes		4,624
408.13	Other Taxes and Licenses		-
408	Total Taxes Other Than Income		\$ 27,575
409.1	Income Taxes		(6,446)
410.10	Deferred Federal Income Taxes		29,478
410.11	Deferred State Income Taxes		5,134
411.10	Provision for Deferred Income Taxes - Credit		(50)
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 243,007
	Utility Operating Income		\$ 69,770
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ _____
413	Income From Utility Plant Leased to Others		_____
414	Gains (losses) From Disposition of Utility Property		_____
420	Allowance for Funds Used During Construction		66
	Total Utility Operating Income		\$ 69,836

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY: Polk County

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ -	\$ -	\$ -	\$ -
302	Franchises	-	-	-	-
303	Land and Land Rights	509	-	-	509
304	Structures and Improvements	66,925	105	-	67,030
305	Collecting and Impounding Reservoirs	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-
307	Wells and Springs	58,495	59	-	58,554
308	Infiltration Galleries and Tunnels	-	-	-	-
309	Supply Mains	-	-	-	-
310	Power Generation Equipment	-	-	-	-
311	Pumping Equipment	164,452	955	302	165,105
320	Water Treatment Equipment	14,522	632	-	15,154
330	Distribution Reservoirs and Standpipes	84,195	286	-	84,481
331	Transmission and Distribution Mains	457,719	2,434	796	459,357
333	Services	232,641	5,075	-	237,716
334	Meters and Meter Installations	136,903	8,071	1,593	143,381
335	Hydrants	80,470	-	-	80,470
336	Backflow Prevention Devices	-	-	-	-
339	Other Plant Miscellaneous Equipment	-	-	-	-
340	Office Furniture and Equipment	932	-	-	932
341	Transportation Equipment	37,437	36,761	-	74,198
342	Stores Equipment	-	-	-	-
343	Tools, Shop and Garage Equipment	25,807	-	-	25,807
344	Laboratory Equipment	5,785	-	-	5,785
345	Power Operated Equipment	-	-	-	-
346	Communication Equipment	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-
348	Other Tangible Plant	33,316	5,504	-	38,820
TOTAL WATER PLANT		\$ 1,400,108	\$ 59,882	\$ 2,691	\$ 1,457,299

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
302	Franchises	-	-	-	-	-	-
303	Land and Land Rights	509	-	509	-	-	-
304	Structures and Improvements	67,030	-	67,030	-	-	-
305	Collecting and Impounding Reservoirs	-	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-	-
307	Wells and Springs	58,554	-	58,554	-	-	-
308	Infiltration Galleries and Tunnels	-	-	-	-	-	-
309	Supply Mains	-	-	-	-	-	-
310	Power Generation Equipment	-	-	-	-	-	-
311	Pumping Equipment	165,105	-	165,105	-	-	-
320	Water Treatment Equipment	15,154	-	-	15,154	-	-
330	Distribution Reservoirs and Standpipes	84,481	-	-	-	84,481	-
331	Transmission and Distribution Mains	459,357	-	-	-	459,357	-
333	Services	237,716	-	-	-	237,716	-
334	Meters and Meter Installations	143,381	-	-	-	143,381	-
335	Hydrants	80,470	-	-	-	80,470	-
336	Backflow Prevention Devices	-	-	-	-	-	-
339	Other Plant Miscellaneous Equipment	-	-	-	-	-	-
340	Office Furniture and Equipment	932	-	-	-	-	932
341	Transportation Equipment	74,198	-	-	-	-	74,198
342	Stores Equipment	-	-	-	-	-	-
343	Tools, Shop and Garage Equipment	25,807	-	-	-	-	25,807
344	Laboratory Equipment	5,785	-	-	-	-	5,785
345	Power Operated Equipment	-	-	-	-	-	-
346	Communication Equipment	-	-	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-	-	-
348	Other Tangible Plant	38,820	-	-	-	-	38,820
TOTAL WATER PLANT		\$ 1,457,299	\$ -	\$ 291,198	\$ 15,154	\$ 1,005,405	\$ 145,542

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements			3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs			3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment			5.00%
320	Water Treatment Equipment			4.55%
330	Distribution Reservoirs and Standpipes			2.70%
331	Transmission and Distribution Mains			2.33%
333	Services			2.50%
334	Meters and Meter Installations			5.00%
335	Hydrants			2.22%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment			6.67%
341	Transportation Equipment			16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			6.25%
344	Laboratory Equipment			6.67%
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			10.00%
Water Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

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UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 30,834	\$ 2,097	\$ (1)	\$ 2,096
305	Collecting and Impounding Reservoirs			-	-
306	Lake, River and Other Intakes			-	-
307	Wells and Springs	26,163	1,949	(1)	1,948
308	Infiltration Galleries and Tunnels			-	-
309	Supply Mains			-	-
310	Power Generation Equipment			-	-
311	Pumping Equipment	76,201	8,242	-	8,242
320	Water Treatment Equipment	5,906	664	-	664
330	Distribution Reservoirs and Standpipes	22,991	2,277	-	2,277
331	Transmission and Distribution Mains	134,588	10,679	-	10,679
333	Services	58,298	5,863	1	5,864
334	Meters and Meter Installations	40,856	6,981	-	6,981
335	Hydrants	21,293	1,786	-	1,786
336	Backflow Prevention Devices			-	-
339	Other Plant Miscellaneous Equipment			-	-
340	Office Furniture and Equipment			31	31
341	Transportation Equipment	19,468	11,255	11,118	22,373
342	Stores Equipment			-	-
343	Tools, Shop and Garage Equipment	7,421	2,290	(335)	1,955
344	Laboratory Equipment	2,259	411	(5)	406
345	Power Operated Equipment			-	-
346	Communication Equipment			-	-
347	Miscellaneous Equipment			-	-
348	Other Tangible Plant	10,512	3,381	(1,165)	2,216
TOTAL WATER ACCUMULATED DEPRECIATION \$		\$ 456,790	\$ 57,875	\$ 9,643	\$ 67,518

* Specify nature of transaction
Use () to denote reversal entries.

OTHER CREDITS column (E) * are due to allocation of UIF plant

W-6(a)
GROUP _____

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c-f-k) (l)
304	Structures and Improvements	\$ -	\$ -	\$ -	\$ -	\$ 32,930
305	Collecting and Impounding Reservoirs	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-
307	Wells and Springs	-	-	-	-	28,111
308	Infiltration Galleries and Tunnels	-	-	-	-	-
309	Supply Mains	-	-	-	-	-
310	Power Generation Equipment	-	-	-	-	-
311	Pumping Equipment	302	-	-	302	84,141
320	Water Treatment Equipment	-	-	-	-	6,570
330	Distribution Reservoirs and Standpipes	-	-	-	-	25,268
331	Transmission and Distribution Mains	796	-	-	796	144,471
333	Services	-	-	-	-	64,162
334	Meters and Meter Installations	1,593	-	-	1,593	46,244
335	Hydrants	-	-	-	-	23,079
336	Backflow Prevention Devices	-	-	-	-	-
339	Other Plant Miscellaneous Equipment	-	-	-	-	-
340	Office Furniture and Equipment	-	-	-	-	31
341	Transportation Equipment	-	-	-	-	41,841
342	Stores Equipment	-	-	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-	-	9,376
344	Laboratory Equipment	-	-	-	-	2,665
345	Power Operated Equipment	-	-	-	-	-
346	Communication Equipment	-	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-	-
348	Other Tangible Plant	-	-	-	-	12,728
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 2,691	\$ -	\$ -	\$ 2,691	\$ 521,617

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

WATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
WATER CONNECTIONS FEES	93	\$ 125	\$ 11,625
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
Total Credits			\$ <u>11,625</u>

**ACCUMULATED AMORTIZATION OF WATER
 CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 77,208
Debits during the year:	
Accruals charged to Account 272	\$ 8,934
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 8,934
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ -
Balance end of year	\$ <u>86,142</u>

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT
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SYSTEM NAME / COUNTY Polk County

WATER CIAC SCHEDULE "B"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
NONE		\$ -
Total Credits		\$ -

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	1,330	1,218	310,336
461.2	Sales to Commercial Customers			
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		1,330	1,218	\$ 310,336
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue				\$
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		1,330	1,218	\$ 310,336
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,441
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 2,441
Total Water Operating Revenues				\$ 312,777

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT
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(A)	(B)	(C)	(D)
Accounts	Gross Water Revenues per Sch W-9	Gross Water Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:			-
Unmetered Water Revenues			-
Total Metered Sales	312,777	312,777	-
Total Fire Protection Revenue			-
Other Sales to Public Authorities			-
Sales to Irrigation Customers			-
Sales for Resale			-
Interdepartmental Sales			-
Total Other Water Revenue			-
Total Water Operating Revenue	312,777	312,777	-
Less: Expense for Purchased Water from FPSC Regulated Utility			-
Net Water Operating Revenues	312,777	312,777	-

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 45,069	\$ 9,915	\$ 2,704
603	Salaries and Wages - Officers, Directors and Majority Stockholders			
604	Employee Pensions and Benefits	10,006	2,201	600
610	Purchased Water			
615	Purchased Power	12,306		
616	Fuel for Power Purchased			
618	Chemicals	4,488	4,488	
620	Materials and Supplies	14,844	5,938	1,484
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	6,798		
633	Contractual Services - Legal	189		
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Testing			
636	Contractual Services - Other	2,845		
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expenses	6,720	1,478	403
656	Insurance - Vehicle			
657	Insurance - General Liability			
658	Insurance - Workman's Comp.			
659	Insurance - Other	4,639	1,021	278
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	11,104		
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	313		
675	Miscellaneous Expenses	19,054		
Total Water Utility Expenses		\$ 138,375	\$ 25,041	\$ 5,469

UTILITY NAME:

CYPRESS LAKES UTILITIES INC

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SYSTEM NAME / COUNTY :

Polk County

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 9,915	\$ 2,704	\$ 15,774	\$ 4,057	\$	\$
2,201	600	3,502	902		
12,306					
		6,235	1,187		6,798
		0			189
				1,423	1,422
1,478	403	2,352	606		
1,021	278	1,624	417		
					11,104
				313	
				9,527	9,527
\$ 26,921	\$ 3,985	\$ 29,487	\$ 7,169	\$ 11,263	\$ 29,040

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY CYPRESS LAKES / POLK

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		5.595	0.293	5.666	5.182
February		5.559	0.258	5.301	5.128
March		8.332	0.043	8.289	7.300
April		8.810	0.008	8.802	7.850
May		8.384	0.094	8.290	7.320
June		7.410	0.154	7.256	5.669
July		5.082	0.080	5.002	4.113
August		5.078	0.121	4.957	4.908
September		6.681	0.215	6.466	4.131
October		9.913	0.410	9.503	6.212
November		6.800	0.142	6.658	6.313
December		5.876	0.425	5.451	5.496
Total for Year		83.520	2.243	81.641	69.622

If water is purchased for resale, indicate the following:
 Vendor NONE
 Point of delivery NONE

If water is sold to other water utilities for redistribution, list names of such utilities below:
NONE

each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
WELL #1	730GPM	1,051,000	WELL
WELL #2	770GPM	1,109,000	WELL

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT
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SYSTEM NAME / COUNTY CYPRESS LAKES / POLK

WATER TREATMENT PLANT INFORMATION
Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>448,200</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Hydropneumatic Tank</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Chlorination</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>N/A</u>	Manufacturer: <u>N/A</u>
FILTRATION	
Type and size of area:	
Pressure (in square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>
Gravity (in GPM/square feet) <u>N/A</u>	Manufacturer: <u>N/A</u>

UTILITY NAME:

CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY :

CYPRESS LAKES / POLK

<p>YEAR OF REPORT 31-Dec-06</p>
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CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	1,379	1,379
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				1,379

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

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:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC Calculation:

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT
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SYSTEM NAME / COUNTY CYPRESS LAKES / POLK

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve. 1,266

2. Maximum number of ERCs * which can be served. 1,650

3. Present system connection capacity (in ERCs *) using existing lines. 1,650

4. Future connection capacity (in ERCs *) upon service area buildout. 1,650

5. Estimated annual increase in ERCs *. 50

6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? 500 gpm residential / 1000 gpm commercial

7. Attach a description of the fire fighting facilities. Two (2) 10,000 gallon hydropneumatic storage tanks, 65 hydrants and water production facilities.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
Add Phase 12, 119 units, to service area.

9. When did the company last file a capacity analysis report with the DEP? 1993

10. 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? N/A
- c. When will construction begin? N/A
- d. Attach plans for funding the required upgrading.
- e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 6535055

12. Water Management District Consumptive Use Permit # 20-11531.001

- a. Is the system in compliance with the requirements of the CUP? Yes
- b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on the calculation on the bottom of Page W-13.

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY : Polk County

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4A	\$ 2,381,348
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6B	814,513
110	Accumulated Amortization	F-8	801
271	Contributions In Aid of Construction	S-7	711,034
252	Advances for Construction	F-20	-
Subtotal			\$ 855,000
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8A	\$ 188,558
Subtotal			\$ 1,043,558
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		36,009
	Other (Specify):		
WASTEWATER RATE BASE			\$ 1,079,567
WASTEWATER OPERATING INCOME		S-3	\$ 49,415
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>4.58%</u>

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9A	\$ 432,922
530	Less: Guaranteed Revenue (and AFPI)	S-9A	
	Net Operating Revenues		\$ 432,922
401	Operating Expenses	S-10A	\$ 288,076
403	Depreciation Expense	S-6A	80,017
	Less: Amortization of CIAC	S-8A	(21,671)
	Net Depreciation Expense		\$ 58,346
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	455
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		20,416
408.11	Property Taxes		14,383
408.12	Payroll Taxes		4,493
408.13	Other Taxes and Licenses		-
408	Total Taxes Other Than Income		\$ 39,292
409.1	Income Taxes		610
410.10	Deferred Federal Income Taxes		(2,791)
410.11	Deferred State Income Taxes		(486)
411.10	Provision for Deferred Income Taxes - Credit		5
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 383,507
	Utility Operating Income		\$ 49,415
530	Add Back: Guaranteed Revenue (and AFPI)	S-9A	\$
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		73
	Total Utility Operating Income		\$ 49,488

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ -	\$ -	\$ -	\$ -
352	Franchises	-	-	-	-
353	Land and Land Rights	2,610	-	-	2,610
354	Structures and Improvements	1,126,343	5,178	1,828	1,129,693
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	344,006	7,456	-	351,462
361	Collection Sewers - Gravity	908,770	1,332	-	910,102
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	-	-	-	-
364	Flow Measuring Devices	-	-	-	-
365	Flow Measuring Installations	-	-	-	-
366	Reuse Services	-	-	-	-
367	Reuse Meters and Meter Installations	-	-	-	-
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	-	-	-	-
374	Reuse Distribution Reservoirs	-	-	-	-
375	Reuse Transmission and Distribution System	-	-	-	-
380	Treatment and Disposal Equipment	(63,009)	39,832	8,564	(31,741)
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-
389	Other Plant Miscellaneous Equipment	-	-	-	-
390	Office Furniture and Equipment	311	-	-	311
391	Transportation Equipment	-	-	-	-
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	9,130	-	-	9,130
394	Laboratory Equipment	6,906	-	-	6,906
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	2,875	-	-	2,875
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	-	-	-	-
Total Wastewater Plant		\$ 2,337,942	\$ 53,798	\$ 10,392	\$ 2,381,348

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC
SYSTEM NAME / COUNTY Polk County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
351	Organization	\$ -		\$	\$	\$	\$	
352	Franchises	-						
353	Land and Land Rights		2,610					
354	Structures and Improvements		1,129,693					
355	Power Generation Equipment		-					
360	Collection Sewers - Force		351,462					
361	Collection Sewers - Gravity		910,102					
362	Special Collecting Structures		-					
363	Services to Customers		-					
364	Flow Measuring Devices		-					
365	Flow Measuring Installations		-					
366	Reuse Services		-					
367	Reuse Meters and Meter Installations		-					
370	Receiving Wells							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				(31,741)			
381	Plant Sewers				-			
382	Outfall Sewer Lines				-			
389	Other Plant Miscellaneous Equipment							311
390	Office Furniture and Equipment							-
391	Transportation Equipment							-
392	Stores Equipment							9,130
393	Tools, Shop and Garage Equipment							6,906
394	Laboratory Equipment							-
395	Power Operated Equipment							2,875
396	Communication Equipment							-
397	Miscellaneous Equipment							-
398	Other Tangible Plant							-
	Total Wastewater Plant	\$ -	\$ 2,393,867	\$ -	\$ (31,741)	\$ -	\$ -	\$ 19,222

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY : Polk County

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements			3.13%
355	Power Generation Equipment			
360	Collection Sewers - Force			3.33%
361	Collection Sewers - Gravity			2.22%
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells			
371	Pumping Equipment			
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment			
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment			
390	Office Furniture and Equipment			6.67%
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			6.25%
394	Laboratory Equipment			6.67%
395	Power Operated Equipment			
396	Communication Equipment			10.00%
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *		=====	=====	=====

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY : Polk County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
354	Structures and Improvements	\$ 325,606	\$ 35,445	\$ (1,829)	\$ 33,616
355	Power Generation Equipment				
360	Collection Sewers - Force	73,345	5,961	-	5,961
361	Collection Sewers - Gravity	170,985	13,326	(5)	13,321
362	Special Collecting Structures	-	13	(590)	(577)
363	Services to Customers	45,679	5,587	-	5,587
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	(13,627)	8,441	579	9,020
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	133,737	10,265	-	10,265
390	Office Furniture and Equipment		21	53	74
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	4,806	238	(52)	186
394	Laboratory Equipment	2,202	432	-	432
395	Power Operated Equipment				
396	Communication Equipment	2,156	288	15	303
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 744,889	\$ 80,017	\$ (1,829)	\$ 78,188

* Specify nature of transaction.
Use () to denote reversal entries.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY : Polk County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
(a)		\$	\$	\$	\$	\$
354	Structures and Improvements	-	-	-	-	359,222
355	Power Generation Equipment	-	-	-	-	79,306
360	Collection Sewers - Force	-	-	-	-	184,306
361	Collection Sewers - Gravity	-	-	-	-	(577)
362	Special Collecting Structures	-	-	-	-	51,266
363	Services to Customers	-	-	-	-	
364	Flow Measuring Devices	-	-	-	-	
365	Flow Measuring Installations	-	-	-	-	
366	Reuse Services	-	-	-	-	
367	Reuse Meters and Meter Installations	-	-	-	-	
370	Receiving Wells	-	-	-	-	
371	Pumping Equipment	-	-	-	-	
375	Reuse Transmission and Distribution System	-	-	-	-	
380	Treatment and Disposal Equipment	8,564	-	-	8,564	(13,171)
381	Plant Sewers	-	-	-	-	
382	Outfall Sewer Lines	-	-	-	-	
389	Other Plant Miscellaneous Equipment	-	-	-	-	144,002
390	Office Furniture and Equipment	-	-	-	-	74
391	Transportation Equipment	-	-	-	-	
392	Stores Equipment	-	-	-	-	
393	Tools, Shop and Garage Equipment	-	-	-	-	4,992
394	Laboratory Equipment	-	-	-	-	2,634
395	Power Operated Equipment	-	-	-	-	
396	Communication Equipment	-	-	-	-	2,459
397	Miscellaneous Equipment	-	-	-	-	
398	Other Tangible Plant	-	-	-	-	
Total Depreciable Wastewater Plant in Service		\$ 8,564	\$ -	\$ -	\$ 8,564	\$ 814,513

* Specify nature of transaction.
Use () to denote reversal entries.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

WASTEWATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
SEWER CONNECTIONS FEES (NONE)	-	\$ -	\$ -
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ -

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 166,887
Debits during the year:	
Accruals charged to Account 272	\$ 21,671
Other debits (specify) :	_____
_____	_____
_____	_____
Total debits	\$ 21,671
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ -
Balance end of year	\$ 188,558

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT
31-Dec-06

SYSTEM NAME / COUNTY Polk County

WASTEWATER CIAC SCHEDULE "B"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
NONE		\$ -
Total Credits		\$ -

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT
31-Dec-06

(A)	(B)	(C)	(D)
Accounts	Gross Wastewater Revenues per Sch S-9	Gross Wastewater Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:			-
Total Flat-Rate Revenues			-
Total Measured Revenues	432,922	432,922	-
Revenues from Public Authorities			-
Revenues from Other Systems			-
Interdepartmental Revenues			-
Total Other Wastewater Revenues			-
Reclaimed Water Sales			-
Total Wastewater Operating Revenue	432,922	432,922	-
Less: Expense for Purchased Wastewater from FPSC Regulated Utility			-
Net Wastewater Operating Revenues	432,922	432,922	-

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues	1,292	1,123	\$ 429,540
521.2	Commercial Revenues	_____	_____	_____
521.3	Industrial Revenues	_____	_____	_____
521.4	Revenues From Public Authorities	_____	_____	_____
521.5	Multiple Family Dwelling Revenues	_____	_____	_____
521.6	Other Revenues	_____	_____	_____
521	Total Flat Rate Revenues	1,292	1,123	\$ 429,540
522.1	Measured Revenues: Residential Revenues	_____	_____	_____
522.2	Commercial Revenues	_____	_____	_____
522.3	Industrial Revenues	_____	_____	_____
522.4	Revenues From Public Authorities	_____	_____	_____
522.5	Multiple Family Dwelling Revenues	_____	_____	_____
522	Total Measured Revenues	_____	_____	\$ _____
523	Revenues From Public Authorities	_____	_____	_____
524	Revenues From Other Systems	_____	_____	_____
525	Interdepartmental Revenues	_____	_____	_____
Total Wastewater Sales		1,292	1,123	\$ 429,540
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ _____
531	Sale of Sludge			_____
532	Forfeited Discounts			_____
534	Rents From Wastewater Property			_____
535	Interdepartmental Rents			_____
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			3,382
Total Other Wastewater Revenues				\$ 3,382

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Polk County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
	Flat Rate Reuse Revenues:			
540.1	Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	_____	_____	\$ _____
	Measured Reuse Revenues:			
541.1	Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	_____	_____	\$ _____
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ _____
Total Wastewater Operating Revenues				\$ <u>432,922</u>

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 43,790	\$ 1,314	\$ 5,255	\$ 8,758	\$ 2,190	\$ 21,019	\$ 5,254
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits	9,720	292	680	1,166	486	2,916	1,167
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	81,375					81,375	
715	Purchased Power	57,175			14,294		42,881	
716	Fuel for Power Purchased							
718	Chemicals	7,958					7,958	
720	Materials and Supplies	34,015	1,361	5,442	8,164	2,041	13,606	3,401
731	Contractual Services-Engineering	-						
732	Contractual Services - Accounting	6,605						
733	Contractual Services - Legal	183						
734	Contractual Services - Mgt. Fees	-						
735	Contractual Services - Testing							
736	Contractual Services - Other	2,764						
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expenses	6,530	196	784	1,306	327	3,134	783
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workman's Comp.							
759	Insurance - Other	8,226						
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	10,788						
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	433						
775	Miscellaneous Expenses	18,514						
	Total Wastewater Utility Expenses	\$ 288,076	\$ 3,163	\$ 12,161	\$ 33,688	\$ 5,044	\$ 172,889	\$ 10,605

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY : Polk County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits	3,013					
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering		0				
732	Contractual Services - Accounting		6,605				
733	Contractual Services - Legal		183				
734	Contractual Services - Mgt. Fees		0				
735	Contractual Services - Testing		0				
736	Contractual Services - Other	1,382	1,382				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.						
759	Insurance - Other		8,226				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense		10,788				
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	433					
775	Miscellaneous Expenses	9,257	9,257				
	Total Wastewater Utility Expenses	\$ 14,085	\$ 36,441	\$ -	\$ -	\$ -	\$ -

UTILITY NAME:

CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY :

CYPRESS LAKES / POLK

CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	1,379	1,379
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				1,379

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

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:

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

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day

NOTE: Total gallons treated includes both treated and purchased treatment.

ERC Calculation:

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY CYPRESS LAKES / POLK

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>0.175 mgd</u>		
Basis of Permit Capacity (1)	<u>TMADF</u>		
Manufacturer	<u>Poured-In-Place & Tube Tanks</u>		
Type (2)	<u>Ext. Aeration</u>		
Hydraulic Capacity	<u>0.175 mgd</u>		
Average Daily Flow	<u>0.122</u>	<u>mgd</u>	
Total Gallons of Wastewater Treated	<u>44.456</u>	<u>mgd</u>	
Method of Effluent Disposal	<u>Golf Course Irrigation</u>		

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT
31-Dec-06

SYSTEM NAME / COUNTY CYPRESS LAKES / POLK

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs* now being served 1,230

2. Maximum number of ERCs* which can be served 1,650

3. Present system connection capacity (in ERCs*) using existing lines 1,650

4. Future connection capacity (in ERCs*) upon service area buildout 1,650

5. Estimated annual increase in ERCs* 50

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
2007 Modifications to headworks, surge tank, add splitter box, surge blowers.
2007 Add Phase 12, 119 units, to service area.

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. Cypress Lakes Golf Course - 0.118 mgd

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? N/A
If so, when? N/A

9. Has the utility been required by the DEP or water management district to implement reuse? No
If so, what are the utility's plans to comply with this requirement? _____

10. When did the company last file a capacity analysis report with the DEP? 2003

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? _____
c. When will construction begin? _____
d. Attach plans for funding the required upgrading.
e. Is this system under any Consent Order with DEP? No

12. Department of Environmental Protection ID # FLA 013123

* An ERC is determined based on the calculation on S-11.