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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

d/b/a WS832-02-AR CWS COMMUNITIES, LP
Palm Valley
3700 Palm Valley Circle
Oviedo, FL 32765-4904

Exact Legal Name of Respondent

277W & 223S
Certificate Number(s)

Submitted To The
STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

RECEIVED
PUBLIC SERVICE
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ECONOMIC REGULATION

GENERAL DEFINITIONS

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

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

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

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

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

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

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

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

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

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

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

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

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

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REPORT OF

CWS Communities LP d/b/a PALM VALLEY

(EXACT NAME OF UTILITY)

3700 PALM VALLEY CIRCLE, OVIEDO, FL 32765	SAME AS MAILING	SEMINOLE
Mailing Address	Street Address	County
Telephone Number 407-366-0733	Date Utility First Organized	JUNE 27, 1986
Fax Number 407-366-3896	E-mail Address	
Sunshine State One-Call of Florida, Inc. Member No _____		

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

- Individual
 Sub Chapter S Corporation
 1120 Corporation
 Partnership

Name, Address and phone where records are located: **CWS COMMUNITIES LP**
3700 PALM VALLEY CIRCLE, OVIEDO, FL 32765

Name of subdivisions where services are provided: **FOX RUN, PALM VALLEY**

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: RISE RENO	TEAM LEADER	6160 S. SYRACUSE WAY GREENWOOD VILLAGE, CO 80111	NONE
Person who prepared this report: Excel Engineering Consultants		160 Wilshire Blvd. Casselberry, FL 32803	NONE
Officers and Managers: RON MORRIS	DIST. PRESIDENT	8805 CROWN BLVD. TAMPA, FL 33615	NONE
LORI PALAZZOLO	SENIOR VP & CONTROLLER	6160 S. SYRACUSE WAY GREENWOOD VILLAGE, CO 80111	NONE

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
CP Limited Partnership (known in Florida as Chateau Communities Limited Partnership)	100%	6160 S. SYRACUSE WAY GREENWOOD VILLAGE CO 80111-4772	NONE

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002
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INCOME STATEMENT

Revised 05/06/03 RR

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		<u>\$19,208</u>	<u>\$10,829</u>	_____	<u>\$30,037</u>
Commercial -----		_____	_____	_____	_____
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues -----		_____	_____	_____	_____
Other (Specify) -----		_____	_____	_____	_____
 Total Gross Revenue -----		<u>19,208</u>	<u>10,829</u>	_____	<u>30,037</u>
 Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	<u>64,595</u>	<u>169,675</u>	_____	<u>234,269</u>
Depreciation Expense -----	F-5	<u>55,599</u>	<u>71,809</u>	_____	<u>127,409</u>
CIAC Amortization Expense --	F-8	<u>(3,007)</u>	<u>(10,895)</u>	_____	<u>(13,902)</u>
Taxes Other Than Income --	F-7	<u>10,000</u>	<u>7,300</u>	_____	<u>17,300</u>
Income Taxes -----	F-7	_____	_____	_____	_____
 Total Operating Expense		<u>127,187</u>	<u>237,889</u>	_____	<u>365,076</u>
 Net Operating Income (Loss)		<u>(107,979)</u>	<u>(227,060)</u>	_____	<u>(335,039)</u>
 Other Income:					
Nonutility Income -----		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
 Other Deductions:					
Miscellaneous Nonutility Expenses -----		_____	_____	_____	_____
Interest Expense -----		_____	_____	_____	_____
ACQUISITION ADJ. F8A		<u>1,735</u>	<u>2,121</u>	_____	<u>3,856</u>
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
 Net Income (Loss)		<u>(\$109,714)</u>	<u>(\$229,181)</u>	_____	<u>(\$338,895)</u>

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

COMPARATIVE BALANCE SHEET

Revised 05/06/03 RR

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	<u>\$3,549,320</u>	<u>\$3,424,764</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-3	<u>(1,014,441)</u>	<u>(887,032)</u>
Net Utility Plant _____		<u>2,534,879</u>	<u>2,537,732</u>
Cash _____			
Customer Accounts Receivable (141) _____			
Other Assets (Specify): _____			
ACQUISITION ADJUSTMENT		<u>58,685</u>	<u>62,541</u>
Total Assets _____		<u>\$2,593,564</u>	<u>\$2,600,273</u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	<u>\$0</u>	<u>\$0</u>
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____			
Retained Earnings (215) _____	F-6	<u>(946,405)</u>	<u>(607,510)</u>
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		<u>(946,405)</u>	<u>(607,510)</u>
Long Term Debt (224) _____	F-6		
Accounts Payable (231) _____			
Notes Payable (232) _____			
Customer Deposits (235) _____		<u>525</u>	<u>525</u>
Accrued Taxes (236) _____		<u>25,322</u>	<u>34,788</u>
Other Liabilities (Specify) _____			
DUE TO AFFILIATE		<u>3,157,424</u>	<u>2,830,299</u>
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>356,698</u>	<u>342,171</u>
Total Liabilities and Capital _____		<u>\$2,593,564</u>	<u>\$2,600,273</u>

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	<u>\$1,182,070</u>	<u>\$2,367,250</u>	<u>\$0</u>	<u>\$3,549,320</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	<u><u>\$1,182,070</u></u>	<u><u>\$2,367,250</u></u>	<u><u>\$0</u></u>	<u><u>\$3,549,320</u></u>

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

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year _____	<u>\$267,280</u>	<u>\$619,752</u>	_____	<u>\$887,032</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	<u>55,599</u>	<u>71,809</u>	_____	<u>127,409</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	<u><u>322,879</u></u>	<u><u>691,561</u></u>	<u><u>-</u></u>	<u><u>1,014,441</u></u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	_____	_____	_____	_____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Balance End of Year _____	<u><u>\$322,879</u></u>	<u><u>\$691,561</u></u>	<u><u>\$0</u></u>	<u><u>\$1,014,441</u></u>

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002 Revised 05/06/03 RR
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CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	<u>none</u>	<u>none</u>
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 _____	<u>(607,510)</u>	_____
Changes during the year (Specify):		
CURRENT PERIOD LOSS	<u>(338,895)</u>	_____
	_____	_____
Balance end of year _____	<u>(946,405)</u>	<u>\$0</u>

PROPRIETARY CAPITAL (218)

	Proprietor or Partner	Partner
Balance first of year _____	_____	_____
Changes during the year (Specify):		
	_____	_____
	_____	_____
Balance end of year _____	<u>\$0</u>	<u>\$0</u>

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____			_____
_____			_____
_____			_____
Total _____			<u>\$0</u>

UTILITY NAME: PALM VALLEY

YEAR OF REPORT
DECEMBER 31, 2002

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year _____	<u>\$21,335</u>	<u>\$13,453</u>	<u>\$0</u>	<u>\$34,788</u>
Add Accruals charged:				
State ad valorem tax _____				
Local property tax _____	<u>10,000</u>	<u>7,300</u>		<u>17,300</u>
Federal income tax _____				
State income tax _____				
Regulatory assessment fee _____	<u>-</u>	<u>-</u>		<u>-</u>
Other (Specify) _____				
2. Total Taxes Accrued _____	<u>10,000</u>	<u>7,300</u>	<u>-</u>	<u>17,300</u>
Deduct Taxes Paid:				
State ad valorem tax _____				
Local property tax _____	<u>9,692</u>	<u>7,269</u>		<u>16,962</u>
Federal income tax _____				
State income tax _____				
Regulatory assessment fee _____	<u>2,189</u>	<u>981</u>		<u>3,169</u>
Other (Specify) _____				
Seminole County Utility Tax _____	<u>2,579</u>			<u>2,579</u>
Payroll Tax _____	<u>2,028</u>	<u>2,028</u>		<u>4,056</u>
3. Total Taxes Paid _____	<u>16,488</u>	<u>10,278</u>	<u>-</u>	<u>26,766</u>
4. Balance end of year _____ (1 + 2 - 3 = 4)	<u>\$14,847</u>	<u>\$10,475</u>	<u>\$0</u>	<u>\$25,322</u>

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside 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
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

Revised 05/05/03 RR

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	<u>\$92,739</u>	<u>\$424,913</u>	<u>\$517,652</u>
2) Add credits during year _____	<u>\$6,650</u>	<u>\$21,779</u>	<u>\$28,429</u>
3) Total _____	<u>99,389</u>	<u>446,692</u>	<u>546,081</u>
4) Deduct charges during the year _____			
5) Balance end of year _____	<u>99,389</u>	<u>446,692</u>	<u>546,081</u>
6) Less Accumulated Amortization _____	<u>(55,351)</u>	<u>(134,032)</u>	<u>(189,383)</u>
7) Net CIAC _____	<u>\$44,038</u>	<u>\$312,660</u>	<u>\$356,698</u>

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

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Sub-total _____		<u>-</u>	<u>-</u>
Report below all capacity charges, main extension charges and customer connection charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
Plant Capacity-Water	2	\$ 1,035	2,070
Plant Capacity-Sewer	2	\$ 433	866
Main Ext Charge-Water	2	\$ 1,178	2,356
Main Ext Charge-Sewer	2	\$ 364	728
Water Conn Fee (old rate)	11	\$ 170	1,870
Sewer Conn Fee (old rate)	11	\$ 1,835	20,185
Meter Installation	2	\$ 177	354
Total Credits During Year (Must agree with line #2 above.) _____			<u>\$6,650</u>
			<u>\$21,779</u>

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	<u>\$52,344</u>	<u>\$123,137</u>	<u>\$175,481</u>
Deduct Credits During Year: _____	<u>3,007</u>	<u>10,895</u>	<u>13,902</u>
Add Debits During Year: _____			
Balance End of Year (Must agree with line #6 above.) _____	<u>\$55,351</u>	<u>\$134,032</u>	<u>\$189,383</u>

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

**ACQUISITION ADJUSTMENT AND CORRESPONDING AMORTIZATION
 IN 1986 ALAFAYA PALM VALLEY ASSOC. LTD. PURCHASED THIS FACILITY
 FROM ECO-SUN INC. AS PART OF THIS PURCHASE, AN ACQUISITION ADJUSTMENT
 OF \$123,109 WAS REALIZED. THIS AMOUNT IS DOCUMENTED IN THE PSC STAFF REPORT**

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	<u>\$55,525</u>	<u>\$67,664</u>	<u>\$123,189</u>
2) Add credits during year _____	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
3) <u> Total</u> _____	<u>-</u>	<u>-</u>	<u>-</u>
4) Deduct charges during the year _____			
5) Balance end of year _____	<u>-</u>	<u>-</u>	<u>-</u>
6) Less Accumulated Amortization _____	<u>(29,118)</u>	<u>(35,386)</u>	<u>(64,504)</u>
7) Net ACQUISITION ADJUSTMENT _____	<u>\$26,407</u>	<u>\$32,278</u>	<u>\$58,685</u>

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ACCUMULATED AMORTIZATION

	Water	Wastewater	Total
Balance First of Year _____	<u>\$27,383</u>	<u>\$33,265</u>	<u>\$60,648</u>
Add Credits During Year: _____	<u>1,735</u>	<u>2,121</u>	<u>3,856</u>
Deduct Debits During Year: _____			
Balance End of Year (Must agree with line #6 above.)	<u>\$29,118</u>	<u>\$35,386</u>	<u>\$64,504</u>

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

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	_____	_____		_____
Preferred Stock	_____	_____		_____
Long Term Debt	_____	_____		_____
Customer Deposits	_____	_____		_____
Tax Credits - Zero Cost	_____	_____		_____
Tax Credits - Weighted Cost	_____	_____		_____
Deferred Income Taxes	_____	_____		_____
Other (Explain)	_____	_____		_____
Total	<u>\$0</u>	<u>0.00%</u>		<u>0.00%</u>

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	_____ N/A
Commission Order approving AFUDC rate:	_____ N/A

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

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	_____	_____	_____	_____	_____
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted	_____	_____	_____	_____	_____
Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

(1) Explain below all adjustments made in Column (e):

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

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 _____	\$ 2,433			\$ 2,433
304	Structures and Improvements _____	175,383	\$ -		175,383
305	Collecting and Impounding Reservoirs _____				
306	Lake, River and Other Intakes _____				
307	Wells and Springs _____				
308	Infiltration Galleries and Tunnels _____				
309	Supply Mains _____	27,272	-		27,272
310	Power Generation Equipment _____	65,000	-		65,000
311	Pumping Equipment _____	40,342	-		40,342
320	Water Treatment Equipment _____				
330	Distribution Reservoirs and Standpipes _____	318,910	-		318,910
331	Transmission and Distribution Lines _____	131,793	-		131,793
333	Services _____	53,860	-		53,860
334	Meters and Meter Installations _____	74,058	50,000		124,058
335	Hydrants _____	34,598	-		34,598
339	Other Plant and Miscellaneous Equipment _____	205,444	-		205,444
340	Office Furniture and Equipment _____				
341	Transportation Equipment _____				
342	Stores Equipment _____				
343	Tools, Shop and Garage Equipment _____				
344	Laboratory Equipment _____				
345	Power Operated Equipment _____				
346	Communication Equipment _____				
347	Miscellaneous Equipment _____				
348	Other Tangible Plant _____	2,977			2,977
	Total Water Plant _____	\$1,132,070	\$ 50,000	\$ -	\$1,182,070

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements	40	0 %	2.50 %	\$ 79,317	\$ 0	\$ 4,385	\$ 83,702
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs		%	%				
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains	35	0 %	2.86 %	779	0	780	1,559
310	Power Generating Equipment	20	0 %	5.00 %	3,250	0	3,250	6,500
311	Pumping Equipment	10	0 %	10.00 %	23,835	0	4,034	27,869
320	Water Treatment Equipment		%	%				
330	Distribution Reservoirs & Standpipes	20	0 %	5.00 %	117,879	0	15,946	133,825
331	Trans. & Dist. Mains	31.25	0 %	3.125 %	16,980	0	4,119	21,099
333	Services	40	0 %	2.50 %	1,347	0	1,347	2,694
334	Meter & Meter Installations	20	0 %	5.00 %	3,702	0	4,953	8,655
335	Hydrants	31.25	0 %	3.125 %	3,572	0	1,081	4,653
339	Other Plant and Miscellaneous Equipment	15	0 %	7.50 %	13,642	0	15,408	29,050
340	Office Furniture and Equipment		%	%				
341	Transportation Equipment		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant	10	0 %	10.00 %	2,977		298	3,275
	Totals				\$ 267,280	\$ 0	\$ 55,599	\$ 322,879 *

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees -----	\$ 15,048
603	Salaries and Wages - Officers, Directors, and Majority Stockholders -----	
604	Employee Pensions and Benefits -----	
610	Purchased Water -----	
615	Purchased Power -----	4,373
616	Fuel for Power Production -----	
618	Chemicals -----	6,230
620	Materials and Supplies -----	1,248
630	Contractual Services:	
	Operator and Management -----	29,610
	Testing -----	1,714
	Other (Legal, Engineering, and Accounting) -----	6,272
640	Rents -----	
650	Transportation Expense -----	
655	Insurance Expense -----	0
665	Regulatory Commission Expenses (Amortized Rate Case Expense) -----	
670	Bad Debt Expense -----	
675	Miscellaneous Expenses -----	100
	Total Water Operation And Maintenance Expense -----	\$ 64,595 *

* 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	441	441	441
3/4"	D	1.5		-	-
1"	D	2.5		-	-
1 1/2"	D,T	5.0		-	-
General Service					
5/8"	D	1.0	1	1	1
3/4"	D	1.5		-	-
1"	D	2.5		-	-
1 1/2"	D,T	5.0		-	-
2"	D,C,T	8.0		-	-
3"	D	15.0		-	-
3"	C	16.0		-	-
3"	T	17.5		-	-
Unmetered Customers		1.0	0	0	0
Other (Specify):		0.0		-	-
		0.0		-	-
** D = Displacement C = Compound T = Turbine			Total	442	442

UTILITY NAME: PALM VALLEY

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January _____	-	13,155	-		13,155
February _____	-	13,755	-		13,755
March _____	-	15,634	-		15,634
April _____	-	20,522	-		20,522
May _____	-	21,649	-		21,649
June _____	-	19,947	-		19,947
July _____	-	5,846	-		5,846
August _____	-	2,024	-		2,024
September _____	-	4,217	-		4,217
October _____	-	3,911	-		3,911
November _____	-	3,608	-		3,608
December _____	-	3,901	-		3,901
Total for Year _____	0	128,171	0	0	128,171

If water is purchased for resale, indicate the following:

Vendor NONE

Point of delivery _____

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

NONE

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	2"	3,832	0	0	3,832
PVC	4"	1,911	0	0	1,911
PVC	6"	21,941	6,290	0	28,231
PVC	6"	0	100	0	100
PVC	8"	5,880	0	0	5,880
PVC	12"	0	720	0	720

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

WELLS AND WELL PUMPS
(If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1972</u>	<u>1979</u>	_____	_____
Types of Well Construction and Casing _____	<u>150" STEEL CASING</u>	<u>182" STEEL CASING</u>	_____	_____
Depth of Wells _____	<u>400'</u>	<u>450'</u>	_____	_____
Diameters of Wells _____	<u>8"</u>	<u>10"</u>	_____	_____
Pump - GPM _____	<u>750</u>	<u>600</u>	_____	_____
Motor - HP _____	<u>25</u>	<u>25</u>	_____	_____
Motor Type* _____	<u>VERT, TURBINE</u>	<u>VERT, TURBINE</u>	_____	_____
Yields of Wells in GPD _____	<u>UNKNOWN</u>	<u>1,180,800</u>	_____	_____
Auxiliary Power _____	<u>EMERG GEN</u>	<u>EMERG GEN</u>	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>STEEL</u>	<u>STEEL</u>	<u>STEEL</u>	_____
Capacity of Tank _____	<u>75,000</u>	<u>75,000</u>	<u>5,000</u>	_____
Ground or Elevated _____	<u>GROUND</u>	<u>GROUND</u>	<u>GROUND</u>	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer _____	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>	_____
Type _____	<u>ELECT</u>	<u>ELECT</u>	<u>ELECT</u>	_____
Rated Horsepower _____	_____	_____	_____	_____
<u>Pumps</u>				
Manufacturer _____	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>	_____
Type _____	<u>CENTRIFUGAL</u>	<u>CENTRIFUGAL</u>	<u>CENTRIFUGAL</u>	_____
Capacity in GPM _____	<u>1,250</u>	<u>1,250</u>	<u>1,250</u>	_____
Average Number of Hours Operated Per Day _____	<u>24 HRS/DAY</u>	<u>24 HRS/DAY</u>	<u>24 HRS/DAY</u>	_____
Auxiliary Power _____	<u>EMERG GEN</u>	<u>EMERG GEN</u>	<u>EMERG GEN</u>	_____

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. Per day of source _____	900,000	_____	_____
Type of Source _____	FLA. ACQUIFER.	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	PORTABLE WATER	_____	_____
Make _____	_____	_____	_____
Gals. Per day capacity _____	900,000	_____	_____
High service pumping _____	_____	_____	_____
Gallons per minute _____	3,750	_____	_____
Reverse Osmosis _____	N/A	_____	_____
Lime Treatment _____	_____	_____	_____
Unit Rating _____	N/A	_____	_____
Filtration _____	_____	_____	_____
Pressure Sq. Ft _____	N/A	_____	_____
Gravity GPD/Sq. Ft _____	N/A	_____	_____
Disinfection _____	_____	_____	_____
Chlorinator _____	HYPOCHLORITE	_____	_____
Ozone _____	N/A	_____	_____
Other _____	N/A	_____	_____
Auxiliary Power _____	EMR. GEN 300KW	_____	_____

UTILITY NAME: PALM VALLEY

YEAR OF REPORT
DECEMBER 31, 2002

GENERAL WATER SYSTEM INFORMATION

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

1. Present ERCs * the system can efficiently serve. 148
2. Maximum ERCs * which can be served. 831
3. Present system connection capacity (in ERC's*) using existing lines. 831
4. Future connection capacity (in ERC's*) upon service area buildout. 831
5. Estimated annual increase in ERC's * 10 PER YEAR
6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? 150,000 Gallons
7. Attach a description of the fire fighting facilities. 56 HYDRANTS CONNECTED TO 6" & 8" MAINS
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
NONE
9. When did the company last file a capacity report with the DEP? 8-Mar-00
10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules. N/A
 - 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. N/A
 - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID# 3590988
12. Water Management District Consumptive Use Permit # 8266
 - a. Is the system in compliance with the requirements of CUP? YES
 - b. If not, what are the utility's plans to gain compliance? N/A

* 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 are available use:

ERC = (Total SFR gallons sold (omit 000)/350 gallons per day).

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization _____	\$ 0	\$ _____	\$ _____	\$ 0
352	Franchises _____				
353	Land and Land Rights _____	96,409		0	96,409
354	Structures and Improvements _____	524,362	0		524,362
360	Collection Sewers - Force _____	26,065	0		26,065
361	Collection Sewers - Gravity _____	408,381	24,376		432,757
362	Special Collecting Structures _____	44,933	0		44,933
363	Services to Customers _____	79,550	0		79,550
364	Flow Measuring Devices _____	6,575	0		6,575
365	Flow Measuring Installations _____	75			75
370	Receiving Wells _____	4,000			4,000
371	Pumping Equipment _____	32,000	0		32,000
380	Treatment and Disposal Equipment _____	600,657	50,180		650,837
381	Plant Sewers _____				
382	Outfall Sewer Lines _____	299,673			299,673
389	Other Plant and Miscellaneous Equipment _____	144,304	0		144,304
390	Office Furniture and Equipment _____				
391	Transportation Equipment _____				
392	Stores Equipment _____				
393	Tools, Shop and Garage Equipment _____				
394	Laboratory Equipment _____				
395	Power Operated Equipment _____	22,733			22,733
396	Communication Equipment _____				
397	Miscellaneous Equipment _____				
398	Other Tangible Plant _____	2,977			2,977
	Total Wastewater Plant _____	\$ 2,292,694	\$ 74,556	\$ 0	\$ 2,367,250 *

* This amount should tie to sheet F-5.

UTILITY NAME:

PALM VALLEY

YEAR OF REPORT
DECEMBER 31, 2002

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Depr. Balance Begin. of Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
354	Structures and Improvements	40	0%	2.5%	\$ 116,961		\$ 13,109	\$ 130,070
360	Collection Sewers - Force	15	0%	7.5%	7,201		1,955	9,156
361	Collection Sewers - Gravity	40	0%	2.50%	137,837		10,514	148,351
362	Special Collecting Structures	40	0%	2.50%	1,123		1,123	2,246
363	Services to Customers	38	0%	2.63%	2,093		2,092	4,185
364	Flow Measuring Devices	10	0%	10.00%	910		658	1,568
365	Flow Measuring Installations	10	0%	10.00%	79		8	87
370	Receiving Wells	40	0%	2.50%	1,470		100	1,570
371	Pumping Equipment	18	0%	5.56%	1,778		1,779	3,557
380	Treatment and Disposal Equipment	31.25	0%	3.13%	198,142		19,586	217,728
381	Plant Sewers							
382	Outfall Sewer Lines	40	0%	2.50%	98,540		7,492	106,032
389	Other Plant and Miscellaneous Equipment	15	0%	7.50%	25,342		10,823	36,165
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment	10	0%	10.00%	25,299		2,273	27,572
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant	10	0%	10.00%	2,977		298	3,275
	Totals				\$619,752	\$0	\$71,809	\$691,561

* This amount should tie to Sheet F-5

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ 15,048
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
704	Employee Pensions and Benefits _____	
710	Purchased Wastewater Treatment _____	
711	Sludge Removal Expense _____	10,795
715	Purchased Power _____	17,987
716	Fuel for Power Production _____	
718	Chemicals _____	17,163
720	Materials and Supplies _____	10,083
730	Contractual Services: Operator and Management _____	84,017
	Testing _____	1,714
	Other __ Legal and Accounting _____	11,161
740	Rents _____	
750	Transportation Expense _____	
755	Insurance Expense _____	0
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
770	Bad Debt Expense _____	
775	Miscellaneous Expenses _____	1,707
Total Wastewater Operation And Maintenance Expense _____		\$ 169,675 *
* This amount should tie to Sheet F-3.		

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
RESIDENTIAL SERVICE					
ALL METER SIZES GENERAL SERVICE	D	1.0	441	441	441
5/8"	D	1.0	1	1	1
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
UNMETERED CUSTOMERS OTHER (SPECIFY) _____			0	0	0
			Total	442	442

** D = Displacement
C = Compound
T = Turbine

PUMPING EQUIPMENT

Lift Station Number _____ Make or Type and nameplate data on pump _____ <hr/> Year installed _____ Rated capacity _____ Size _____ Power: Electric _____ Mechanical _____ Nameplate data of motor _____	FOX RUN	PALM V	EPV	8/8A		
	UNK	UNK	UNK	BARNES		
	1,973	1,993	1,994	2,001		
	140GPM	140GPM	140GPM	90GPM		
	3HP	3HP	3HP	3HP		
	X	X	X	X		
	UNK	UNK	UNK	UNK		

SERVICE CONNECTIONS

Size (inches) _____ Type (PVC, VCP, etc.) _____ Average length _____ Number of active service connections _____ Beginning of year _____ Added during year _____ Retired during year _____ End of year _____ Give full particulars concerning inactive connections _____	4"					
	PVC					
	30'					
	697					
	148					
	845					

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains			
Size (inches) _____	6"	8"	8"		4		
Type of main _____	PVC	PVC	DIP		PVC		
Length of main (nearest foot) _____							
Beginning of year _____	20,410	21,595	UNK		3,840		
Added during year _____	4,440	6,185	20		1,840		
Retired during year _____							
End of year _____	24,850	27,780	20		5,680		

MANHOLES

Size (inches) _____	4'			
Type of Manhole _____	CONC			
Number of Manholes:				
Beginning of year _____	74			
Added during year _____	27			
Retired during year _____				
End of Year _____	101			

UTILITY NAME: PALM VALLEY

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>DEFIANCE MFG.</u>	_____	_____
Type _____	_____	_____	_____
"Steel" or "Concrete" _____	<u>CONC & STEEL</u>	_____	_____
Total Capacity _____	<u>150,000GPD</u>	_____	_____
Average Daily Flow _____	<u>103,307</u>	_____	_____
Effluent Disposal _____	<u>POND, SUBSUFACE,</u>	<u>AND IRRIGATION</u>	_____
Total Gallons of Wastewater treated _____	<u>37,707,000</u>	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>HYDRO</u>	_____	_____	_____	_____
Capacity (GPM's) _____	<u>MATIC</u>	_____	_____	_____	_____
Motor:	_____	_____	_____	_____	_____
Manufacturer _____	<u>M-40</u>	_____	_____	_____	_____
Horsepower _____	<u>5</u>	_____	_____	_____	_____
Power (Electric or Mechanical) _____	<u>ELECT.</u>	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>3,689,000</u>	_____	<u>3,689,000</u>
February _____	<u>3,248,000</u>	_____	<u>3,248,000</u>
March _____	<u>3,472,000</u>	_____	<u>3,472,000</u>
April _____	<u>3,150,000</u>	_____	<u>3,150,000</u>
May _____	<u>3,162,000</u>	_____	<u>3,162,000</u>
June _____	<u>3,000,000</u>	_____	<u>3,000,000</u>
July _____	<u>2,970,000</u>	_____	<u>2,970,000</u>
August _____	<u>2,970,000</u>	_____	<u>2,970,000</u>
September _____	<u>3,060,000</u>	_____	<u>3,060,000</u>
October _____	<u>3,069,000</u>	_____	<u>3,069,000</u>
November _____	<u>2,910,000</u>	_____	<u>2,910,000</u>
December _____	<u>3,007,000</u>	_____	<u>3,007,000</u>
Total for year _____	<u>37,707,000</u>	<u>0</u>	<u>37,707,000</u>

If Wastewater Treatment is purchased, indicate the vendor: NONE

UTILITY NAME: PALM VALLEY

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

GENERAL WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs * now being served. 436
2. Maximum ERCs ** which can be served. 536
3. Present system connection capacity (in ERC's*) using existing lines. 536
4. Future connection capacity (in ERC's*) upon service area buildout. 536
5. Estimated annual increase in ERCs * 10 PER YEAR
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
NONE
7. If the utility uses reuse as a means of effluent disposal, provide a list of the reuse end users and the amount of reuse provided to each, if known.
SEE ATTACHED PERMIT
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? YES
If so, what are the utility's plans to comply with this requirement? REUSE IS PROVIDED
10. When did the company last file a capacity analysis report with the DEP? 12/4/2001
11. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules. SEE ATTACHED
 - b. Have these plans been approved by DEP? YES
 - c. When will construction begin? COMPLETED
 - d. Attach plans for funding the required upgrading. N/A
 - e. Is this system under any Consent Order with DEP? NO
12. Department of Environmental Protection ID # 3059P02830 AND REV CONSENT OGCFILE94-1144

* 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 are available use:

ERC = (Total SFR gallons sold (omit 000)/280 gallons per day).

UTILITY NAME: PALM VALLEY

YEAR OF REPORT
DECEMBER 31, 2002

CERTIFICATE 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 in Rule 25-30.115 (1), Florida Administrative Code.

YES NO

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Service Commission.

YES NO

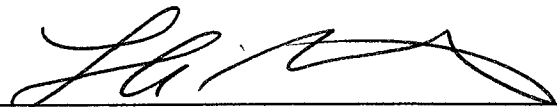
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.

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 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 senior vice president & controller 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.