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# CLASS "C"

## WATER AND/OR WASTEWATER UTILITIES

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

# ANNUAL REPORT

WS832-04-AR *CWS Communities d/b/a*  
Palm Valley Utilities  
3700 Palm Valley Circle  
Oviedo, FL 32765-4904

277-W 223-S

Certificate Number(s)

Submitted To The

## STATE OF FLORIDA

05 APR 25 PM 2:31  
ACCOUNTING REGULATION

## PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2004

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# **FINANCIAL SECTION**

REPORT OF

CWS Communities LP dba Palm Valley  
(EXACT NAME OF UTILITY)

3700 Palm Valley Circle, Oviedo, Florida 32765      Same as Mailing Address      Lake  
Mailing Address      Street Address      County

Telephone Number    407-366-0733      6/27/1986

Fax Number          407-366-3896      None

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:    Same as above

Name of subdivisions where services are provided:    Palm Valley and Fox Run

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Kathryn Cowdery, Ruden McClosky</u>	<u>Attorney</u>	<u>215 S. Monroe Street</u> <u>Tallahassee, FI 32301</u>	None
Person who prepared this report: <u>Gary Morse, Excel Engineering Cons.</u>	<u>Utility Consultants</u>	<u>122 Wilshire Blvd.</u> <u>Casselberry, Florida 32779</u>	None
Officers and Managers: <u>Sandy Seifert</u>	<u>Community Manager</u>	<u>Same as above</u>	\$ _____
<u>Dick Leiter</u>	<u>Division VP</u>	<u>8805 Crown Blvd. Tampa, F</u>	\$ _____
<u>Ron Morris</u>	<u>President SE Division</u>	<u>8806 Crown Blvd. Tampa, F</u>	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

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
<u>Hometown America, LLC</u>	<u>100%</u>	<u>150 N. Wacker Drive</u> <u>Chicago, IL 60606</u>	\$ N/A
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue					
Residential_____		\$ 153,725	\$ 183,440	\$ _____	\$ 337,165
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues__		_____	_____	_____	_____
Other (Specify)_____		_____	_____	_____	_____
Total Gross Revenue___		\$ 153,725	\$ 183,440	\$ _____	\$ 337,165
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 91,799	\$ 276,169	\$ _____	\$ 367,968
Depreciation Expense____	F-5	56,858	80,692	_____	137,550
CIAC Amortization Expense__	F-8	(4,649)	(14,593)	_____	(19,242)
Taxes Other Than Income__	F-7	31,435	2,710	_____	34,145
Income Taxes_____	F-7	0	0	_____	0
Total Operating Expense		\$ 175,443	344,978	_____	\$ 520,421
Net Operating Income (Loss)		\$ (21,718)	\$ (161,538)	\$ _____	\$ (183,256)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ 36	\$ 36	\$ _____	\$ _____
Interest Expense_____		_____	_____	_____	_____
Acquisition Adjustment		1,735	2,121	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (23,489)	\$ (163,695)	\$ _____	\$ (183,256)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ <u>3,687,969</u>	\$ <u>3,641,810</u>
Accumulated Depreciation and Amortization (108)_____	F-5,W-2,S-2	<u>1,285,210</u>	<u>1,147,660</u>
Net Utility Plant_____		\$ <u>2,402,759</u>	\$ <u>2,494,150</u>
Cash_____		<u>1,208</u>	<u>-</u>
Customer Accounts Receivable (141)_____		<u>50,973</u>	<u>50,973</u>
Other Assets (Specify):_____			
Acquisition Adjustment			
<b>Total Assets</b> _____		\$ <u><u>2,454,940</u></u>	\$ <u><u>2,545,123</u></u>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201)_____	F-6		
Preferred Stock Issued (204)_____	F-6		
Other Paid in Capital (211)_____			
Retained Earnings (215)_____	F-6	<u>(148,030)</u>	<u>(1,193,373)</u>
Proprietary Capital (Proprietary and partnership only) (218)_____	F-6	<u>-</u>	<u>-</u>
<b>Total Capital</b> _____		\$ <u><u>(148,030)</u></u>	\$ <u><u>(1,193,373)</u></u>
Long Term Debt (224)_____	F-6	\$ _____	\$ _____
Accounts Payable (231)_____		<u>-</u>	<u>-</u>
Notes Payable (232)_____		<u>75</u>	<u>525</u>
Customer Deposits (235)_____		<u>32,120</u>	<u>13,995</u>
Accrued Taxes (236)_____		<u>2,123,621</u>	<u>3,368,592</u>
Other Liabilities (Specify)_____			
Due to Parent			
Advances for Construction_____			
Contributions in Aid of Construction - Net (271-272)_____	F-8	<u>447,154</u>	<u>355,384</u>
<b>Total Liabilities and Capital</b> _____		\$ <u><u>2,454,940</u></u>	\$ <u><u>2,545,123</u></u>

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>2,505,899</u>	\$ _____	\$ <u>3,687,969</u>
Construction Work in Progress (105)_____	_____	_____	_____	-
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ <u><u>1,182,070</u></u>	\$ <u><u>2,505,899</u></u>	\$ <u><u>_____</u></u>	\$ <u><u>3,687,969</u></u>

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year_____	\$ <u>379,730</u>	\$ <u>767,930</u>	\$ _____	\$ <u>1,147,660</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account____	\$ <u>56,858</u>	\$ <u>80,692</u>	\$ _____	\$ <u>137,550</u>
Salvage_____	_____	_____	_____	_____
Other Credits (specify)____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits_____	\$ <u><u>436,588</u></u>	\$ <u><u>848,622</u></u>	\$ _____	\$ <u><u>1,285,210</u></u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired_____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits_____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year_____	\$ <u><u>436,588</u></u>	\$ <u><u>848,622</u></u>	\$ <u><u>_____</u></u>	\$ <u><u>1,285,210</u></u>

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2004
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CAPITAL STOCK ( 201 - 204 )

	Common Stock	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 _____	_____	_____

RETAINED EARNINGS ( 215 )

	Appropriated	Un-Appropriated
Balance first of year _____	\$ 35,226	\$ _____
Changes during the year (Specify):		
Retained Earnings _____	#####	_____
Capital Contributions(Distributions) _____	_____	_____
_____	_____	_____
Balance end of year _____	\$ #####	\$ _____

PROPRIETARY CAPITAL ( 218 )

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ -
Changes during the year (Specify):		
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT ( 224 )

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ _____



UTILITY NAME: CWS Communities LP dba Palm Valley

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**TAXES EXPENSE**

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income: _____	_____	_____	_____	_____
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	_____	_____	_____	_____
Regulatory assessment fees Paid	864	487	_____	1,352
Other (Specify) _____	_____	_____	_____	_____
Payroll Tax	2,222	2,222	_____	4,445
4% Tax Paid to Seminole County	28,348	_____	_____	28,348
Total Taxes Paid During Year	\$ 31,435	\$ 2,710	\$ _____	\$ 34,145

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

<p>Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.</p>			
Name of Recipient	Water Amount	Wastewater Amount	Description of Service
<u>Southeast Utilities, Inc.</u>	\$ 6,000.00	\$ _____	<u>Contract Plant Operator</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

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

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 109,085	\$ 450,156	\$ 559,241
2) Add credits during year _____			
_____	\$ 78,870	\$ 32,142	\$ 111,012
3) Total _____	187,955	482,298	670,253
4) Deduct charges during the year _____	-	-	-
5) Balance end of year _____	187,955	482,298	670,253
6) Less Accumulated Amortization _____	63,263	159,836	223,099
7) Net CIAC _____	\$ 124,692	\$ 322,462	\$ 447,154

**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 _____			\$ _____	\$ _____
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		
Service Availability-Water	33	\$ 2390	\$ 78,870	\$ _____
Service Availability-Sewer	33	974		32,142
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ 78,870	\$ 32,142

**ACCUMULATED AMORTIZATION OF CIAC (272)**

	Water	Wastewater	Total
Balance First of Year _____	\$ 58,614	\$ 145,243	\$ 203,857
Add Credits During Year: _____	4,649	14,593	19,242
Deduct Debits During Year: _____	-	-	-
Balance End of Year (Must agree with line #6 above.)	\$ 63,263	\$ 159,836	\$ 223,099

UTILITY NAME: CWS Communities LP dba Palm Valley

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**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) Total _____	<u>-</u>	<u>-</u>	<u>-</u>
4) Deduct charges during the year _____			
5) Balance end of year _____	<u>55,525</u>	<u>67,664</u>	<u>123,189</u>
6) Less Accumulated Amortization _____	<u>(32,588)</u>	<u>(39,628)</u>	<u>(72,216)</u>
7) Net ACQUISITION ADJUSTMENT _____	<u>\$22,937</u>	<u>\$28,036</u>	<u>\$50,973</u>

**ACCUMULATED AMORTIZATION**

	Water	Wastewater	Total
Balance First of Year _____	<u>\$30,853</u>	<u>\$37,507</u>	<u>\$68,360</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>\$32,588</u>	<u>\$39,628</u>	<u>\$72,216</u>

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

UTILITY NAME: CWS Communities LP dba Palm Valley

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**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	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	<u>100.00</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: _____ %
Commission Order Number approving AFUDC rate: _____



**WATER  
OPERATING  
SECTION**

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2004
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**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_____	124,058	-		124,058
335	Hydrants_____	34,598			34,598
336	Backflow Prevention Devices_____	-			0
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_____	\$ 1,182,070	\$ -	\$ -	\$ #####

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			2.50%	88,087		4,385	92,471
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs							
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains			2.86%	2,339		780	3,119
310	Power Generating Equipment		%	5.00%	9,750		3,250	13,000
311	Pumping Equipment		%	#####	31,903		4,034	35,937
320	Water Treatment Equipment		%	0.00%	-		-	-
330	Distribution Reservoirs & Standpipes		%	5.00%	149,771		15,946	165,716
331	Trans. & Dist. Mains		%	3.13%	25,218		4,125	29,343
333	Services			2.50%	4,041		1,347	5,387
334	Meter & Meter Installations			5.00%	14,858		6,203	21,061
335	Hydrants			3.13%	5,734		1,083	6,817
336	Backflow Prevention Devices							
339	Other Plant and Miscellaneous Equipment		%	7.50%	44,458		15,408	59,867
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		%	#####	3,573		298	3,870
	Totals				\$ 379,730	\$	\$ 56,858	\$ 436,588 *

\* This amount should tie to Sheet F-5.



UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT	
DECEMBER 31,	2004

**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ \$ 25,114
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	
604	Employee Pensions and Benefits_____	3,641
610	Purchased Water_____	
615	Purchased Power_____	10,924
616	Fuel for Power Production_____	376
618	Chemicals_____	126
620	Materials and Supplies_____	240
630	Contractual Services:	
	Billing/Meter Reading_____	1,887
	Professional (Contract Ops & Annual Report/Legal)_____	34,075
	Testing_____	9,813
	Other (Repair and Maintenance)_____	356
640	Rents_____	
650	Transportation Expense_____	
655	Insurance Expense_____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	
670	Bad Debt Expense_____	
675	Miscellaneous Expenses_____	5,247
	Total Water Operation And Maintenance Expense_____	\$ 91,799 *

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

**WATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
<b>Residential Service</b>					
5/8"	D	1.0	724	723	
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
<b>General Service</b>					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	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)					
** D = Displacement C = Compound T = Turbine			<b>Total</b>		
			<u>724</u>	<u>723</u>	<u>0</u>

UTILITY NAME: \_\_\_\_\_ CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2004
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**PUMPING AND PURCHASED WATER STATISTICS**

(a)	(b)	(c)	(d)	(e)	(f)
	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [ (b)+(c)-(d) ]	Water Sold To Customers (Omit 000's)
January	_____	4,578	_____	4,578	1,975
February	_____	3,558	_____	3,558	1,754
March	_____	5,091	_____	5,091	2,288
April	_____	6,160	_____	6,160	2,417
May	_____	6,571	_____	6,571	2,436
June	_____	3,040	_____	3,040	3,094
July	_____	3,511	_____	3,511	3,549
August	_____	3,338	_____	3,338	2,898
September	_____	4,840	_____	4,840	2,392
October	_____	5,177	_____	5,177	2,708
November	_____	5,010	_____	5,010	2,030
December	_____	2,841	_____	2,841	1,764
Total for Year	_____	53,715	-	53,715	29,305

If water is purchased for resale, indicate the following:

Vendor \_\_\_\_\_  
 Point of delivery \_\_\_\_\_

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

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**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	_____	_____	3,832
PVC	4	1,911	_____	_____	1,911
PVC	6	28,331	_____	_____	28,331
PVC	8	5,880	_____	_____	5,880
PVC	12	720	_____	_____	720
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: \_\_\_\_\_ CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2004
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**WELLS AND WELL PUMPS**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1972	1979	_____	_____
Types of Well Construction and Casing _____	Steel	Steel	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	400	450	_____	_____
Diameters of Wells _____	8	10	_____	_____
Pump - GPM _____	750	600	_____	_____
Motor - HP _____	25	25	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	Generator	Generator	_____	_____
* Submersible, centrifugal, etc.	_____	_____	_____	_____

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel (2)	Steel	_____	_____
Capacity of Tank _____	75,000	5,000	_____	_____
Ground or Elevated _____	Ground	Hydro	_____	_____

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b>Motors</b>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
<b>Pumps</b>				
Manufacturer _____	_____	_____	_____	_____
Type _____	Centrifugal	Centrifugal	Centrifugal	_____
Capacity in GPM _____	1250	1250	1250	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	Generator	Generator	Generator	_____

UTILITY NAME: \_\_\_\_\_ CWS Communities LP dba Palm Valley

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**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Permitted Gals. per day_____	900,000	_____	_____
Type of Source_____	Ground	_____	_____

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type_____	_____	_____	_____
Make_____	_____	_____	_____
Permitted Capacity (GPD)_____	_____	_____	_____
High service pumping	_____	_____	_____
Gallons per minute_____	_____	_____	_____
Reverse Osmosis_____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._____	_____	_____	_____
Gravity GPD/Sq.Ft._____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator_____	_____	_____	_____
Ozone_____	_____	_____	_____
Other_____	Hypochlorite	_____	_____
Auxiliary Power_____	_____	_____	_____

**GENERAL 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. 2574
2. Maximum number of ERC's \* which can be served. 2574
3. Present system connection capacity (in ERCs \*) using existing lines. 0
4. Future connection capacity (in ERCs \*) upon service area buildout. -
5. Estimated annual increase in ERCs \*. 10
6. Is the utility required to have fire flow capacity? Yes  
 If so, how much capacity is required? 500 GPM
7. Attach a description of the fire fighting facilities. Fifty Six Hydrants
8. Describe any plans and estimated completion dates for any enlargements or improvements of th N/A  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
9. When did the company last file a capacity analysis report with the DEP?
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.
  - 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? \_\_\_\_\_
11. Department of Environmental Protection ID # PWS No. 3590988
12. Water Management District Consumptive Use Permit # 8266
  - 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 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:  
 $ERC = (Total\ SFR\ gallons\ sold\ (omit\ 000/365\ days/350\ gallons\ per\ day).$

**WASTEWATER  
OPERATING  
SECTION**

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT	
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**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_____	96,409	_____	_____	96,409
354	Structures and Improvements_____	524,362	_____	_____	524,362
355	Power Generation Equipment_____	_____	_____	_____	-
360	Collection Sewers - Force_____	26,065	_____	_____	26,065
361	Collection Sewers - Gravity_____	432,757	_____	_____	432,757
362	Special Collecting Structures-Manholes_____	44,933	14,040	_____	58,973
363	Services to Customers_____	79,550	_____	_____	79,550
364	Flow Measuring Devices_____	6,575	_____	_____	6,575
365	Flow Measuring Installations_____	75	_____	_____	75
370	Receiving Wells_____	4,000	_____	_____	4,000
371	Pumping Equipment_____	32,000	_____	_____	32,000
380	Treatment and Disposal Equipment_____	650,837	24,005	_____	674,842
381	Plant Sewers_____	_____	_____	_____	-
382	Outfall Sewer Lines_____	299,673	_____	_____	299,673
389	Other Plant and Miscellaneous Equipment_____	236,794	8,113	_____	244,908
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_____	\$ 2,459,740	\$ 46,158	\$ 0	\$ 2,505,899 *

\* This amount should tie to sheet F-5.

**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)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
354	Structures and Improvements_____		%	2.50%	\$ 143,179	\$ _____	\$ 13,109	\$ 156,288
355	Power Generation Equipment_____		%					
360	Collection Sewers - Force_____		%	7.50%	11,111		1,955	13,066
361	Collection Sewers - Gravity_____		%	2.50%	159,170		10,819	169,989
362	Special Collecting Structures_____		%	2.50%	3,369		1,299	4,668
363	Services to Customers_____		%	2.63%	6,277		2,092	8,369
364	Flow Measuring Devices_____		%	10.00%	2,226		658	2,883
365	Flow Measuring Installations_____		%	10.00%	95		8	102
370	Receiving Wells_____		%	2.50%	1,670		100	1,770
371	Pumping Equipment_____		%	5.56%	5,336		1,779	7,115
380	Treatment and Disposal Equipment_____		%	3.13%	238,099		20,747	258,846
381	Plant Sewers_____		%		-			
382	Outfall Sewer Lines_____		%	2.50%	113,524		7,492	121,016
389	Other Plant and Miscellaneous Equipment_____		%	7.50%	50,456		18,064	68,520
390	Office Furniture and Equipment_____		%		-			
391	Transportation Equipment_____		%		-			
392	Stores Equipment_____		%		-			
393	Tools, Shop and Garage Equipment_____		%		-			
394	Laboratory Equipment_____		%		-			
395	Power Operated Equipment_____		%	10.00%	29,845		2,273	32,119
396	Communication Equipment_____		%					
397	Miscellaneous Equipment_____		%					
398	Other Tangible Plant_____		%	10.00%	3,573		298	3,870
	Totals_____				\$ 767,930	\$ -	\$ 80,692	\$ 848,621 *

\* This amount should tie to Sheet F-5.



**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees_____	\$ \$ 25,114
703	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	_____
704	Employee Pensions and Benefits_____	3,641
710	Purchased Wastewater Treatment_____	_____
711	Sludge Removal Expense_____	110,667
715	Purchased Power_____	23,869
716	Fuel for Power Production_____	_____
718	Chemicals_____	962
720	Materials and Supplies_____	537
730	Contractual Services:	
	Billing/Meter Reading_____	1,887
	Professional (Contract Ops & Annual Report/Legal)_____	59,071
	Testing_____	32,648
	Other (Repair and Maintenance)_____	12,577
740	Rents_____	340
750	Transportation Expense_____	_____
755	Insurance Expense_____	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
770	Bad Debt Expense_____	_____
775	Miscellaneous Expenses_____	4,856
	Total Wastewater Operation And Maintenance Expense_____	\$ 276,169 *

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

**WASTEWATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
<b>Residential Service</b>					
All meter sizes	D	1.0	724	723	_____
<b>General Service</b>					
5/8"	D	1.0	_____	_____	_____
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)	_____	_____	_____	_____	_____
** D = Displacement C = Compound T = Turbine		Total	724	723	0

Note: Number of General Service connections corrected from last years report to reflect as water only accounts.

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT  
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**PUMPING EQUIPMENT**

Lift Station Number _____	<u>Fox Run</u>	<u>PV</u>	<u>EPV</u>	<u>8/A8</u>	_____	_____
Make or Type and nameplate data on pump _____	<u>Unk</u>	<u>Unk</u>	<u>Unk</u>	<u>Barnes</u>	_____	_____
Year installed _____	<u>1973</u>	<u>1993</u>	<u>1994</u>	<u>2001</u>	_____	_____
Rated capacity _____	<u>140</u>	<u>140</u>	<u>140</u>	<u>90</u>	_____	_____
Size _____	<u>3 HP</u>	<u>3HP</u>	<u>3HP</u>	<u>3HP</u>	_____	_____
Power:						
Electric _____	_____	_____	_____	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____

**SERVICE CONNECTIONS**

Size (inches) _____	<u>4-inch</u>	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	<u>PVC</u>	_____	_____	_____	_____	_____
Average length _____	<u>30</u>	_____	_____	_____	_____	_____
Number of active service connections _____	_____	_____	_____	_____	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____

**COLLECTING AND FORCE MAINS**

	Collecting Mains				Force Mains			
Size (inches) _____	<u>6</u>	<u>8</u>	<u>8</u>	_____	<u>4</u>	_____	_____	_____
Type of main _____	<u>PVC</u>	<u>PVC</u>	<u>DIP</u>	_____	<u>PVC</u>	_____	_____	_____
Length of main (nearest foot) _____	_____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	<u>24850</u>	<u>27780</u>	<u>20</u>	_____	<u>5680</u>	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	_____	_____	_____	_____

**MANHOLES**

Size (inches) _____	<u>48</u>	_____	_____	_____
Type of Manhole _____	<u>Conc</u>	_____	_____	_____
Number of Manholes:				
Beginning of year _____	<u>101</u>	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of Year _____	_____	_____	_____	_____

UTILITY NAME:

CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2004
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**TREATMENT PLANT**

Manufacturer_____	Defiance_____	_____	_____
Type_____	_____	_____	_____
"Steel" or "Concrete"_____	Concrete & Steel_____	_____	_____
Total Permitted Capacity_____	150,000_____	_____	_____
Average Daily Flow_____	100,189_____	_____	_____
Method of Effluent Disposal_____	Pond/Irrigation_____	_____	_____
Permitted Capacity of Disposal_____	_____	_____	_____
Total Gallons of Wastewater treated_____	36,569,000_____	_____	_____

**MASTER LIFT STATION PUMPS**

Manufacturer_____	Hydramatic_____	_____	_____	_____	_____	_____
Capacity (GPM's)_____	200_____	_____	_____	_____	_____	_____
Motor:_____	_____	_____	_____	_____	_____	_____
Manufacturer_____	_____	_____	_____	_____	_____	_____
Horsepower_____	5_____	_____	_____	_____	_____	_____
Power (Electric or Mechanical)_____	Electric_____	_____	_____	_____	_____	_____

**PUMPING WASTEWATER STATISTICS**

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	2,540,000_____	_____	All_____
February_____	2,670,000_____	_____	All_____
March_____	2,483,000_____	_____	All_____
April_____	2,267,000_____	_____	All_____
May_____	2,468,000_____	_____	All_____
June_____	2,679,000_____	_____	All_____
July_____	2,970,000_____	_____	All_____
August_____	3,952,000_____	_____	All_____
September_____	4,542,000_____	_____	All_____
October_____	3,761,000_____	_____	All_____
November_____	3,654,000_____	_____	All_____
December_____	2,583,000_____	_____	All_____
Total for year_____	36,569,000_____	_____	_____

If Wastewater Treatment is purchased, indicate the vendor: \_\_\_\_\_

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.
- 2. Maximum number of ERCs\* which can be served.
- 3. Present system connection capacity (in ERCs\*) using existing lines.
- 4. Future connection capacity (in ERCs\*) upon service area buildout.
- 5. Estimated annual increase in ERCs\*.
- 6. Describe any plans and estimated completion dates for any enlargements or improvements of this system

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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.

8. If the utility does not engage in reuse, has a reuse feasibility study been conducted?

If so, when? \_\_\_\_\_

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? \_\_\_\_\_

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

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.
- 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? \_\_\_\_\_

12. Department of Environmental Protection ID

\* 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 000/365 days/280 gallons per day).

# CERTIFICATION OF ANNUAL REPORT

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

- |                                            |                                |                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.                                                                                                                               |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.                                                                                                                                                                                            |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.                                                                                           |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 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. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>	4. <input type="checkbox"/>	*
				(signature of chief executive officer of the utility)
1. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>	*
				(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.