

PRELIMINARY COPY
Public Service Commission
P.O. Box 10000, Tallahassee, FL 32304

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS832-05-AR

CWS Communities LP dba Palm Valley

Exact Legal Name of Respondent

277-W 223-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

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Economic Regulation
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PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

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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: Kathryn Cowdery, Ruden McClosky	Attorney	215 S. Monroe Street Tallahassee, FI 32301	None
Person who prepared this report: Gary Morse , Excel Engineering Cons.	Utility Consultants	122 Wilshire Blvd. Casselberry, Florida 32779	None
Officers and Managers: Sandy Seifert	Community Manager	Same as above	\$ _____
Dora Cline	President SE Division	8805 Crown Blvd. Tampa, F	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

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

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue					
Residential_____		\$ 154,597	\$ 184,200	\$ _____	\$ 338,797
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues__		_____	_____	_____	_____
Other (Specify)_____		_____	_____	_____	_____
Total Gross Revenue___		\$ 154,597	\$ 184,200	\$ _____	\$ 338,797
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 70,705	\$ 204,991	\$ _____	\$ 275,696
Depreciation Expense_____	F-5	56,858	81,547	_____	138,405
CIAC Amortization Expense__	F-8	(6,930)	(15,523)	_____	(22,453)
Taxes Other Than Income__	F-7	25,678	21,214	_____	46,892
Income Taxes_____	F-7	0	0	_____	0
Total Operating Expense		\$ 146,311	292,230	_____	\$ 438,540
Net Operating Income (Loss)		\$ 8,286	\$ (108,030)	\$ _____	\$ (99,744)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ 0	\$ 0	\$ _____	\$ _____
Interest Expense_____		_____	_____	_____	_____
Acquisition Adjustment		1,735	2,121	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ 6,551	\$ (110,151)	\$ _____	\$ (99,744)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ <u>3,687,969</u>	\$ <u>3,687,969</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>1,423,614</u>	<u>1,285,210</u>
Net Utility Plant _____		\$ <u>2,264,354</u>	\$ <u>2,402,759</u>
Cash _____		<u>1,208</u>	<u>1,208</u>
Customer Accounts Receivable (141) _____		<u>47,117</u>	<u>50,973</u>
Other Assets (Specify): _____		<u> </u>	<u> </u>
Acquisition Adjustment _____		<u> </u>	<u> </u>
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>
Total Assets _____		\$ <u><u>2,312,679</u></u>	\$ <u><u>2,454,940</u></u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	<u> </u>	<u> </u>
Preferred Stock Issued (204) _____	F-6	<u> </u>	<u> </u>
Other Paid in Capital (211) _____		<u> </u>	<u> </u>
Retained Earnings (215) _____	F-6	<u>(247,774)</u>	<u>(148,030)</u>
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6	<u> </u>	<u> </u>
Total Capital _____		\$ <u>(247,774)</u>	\$ <u>(148,030)</u>
Long Term Debt (224) _____	F-6	\$ <u> </u>	\$ <u> </u>
Accounts Payable (231) _____		<u> </u>	<u> </u>
Notes Payable (232) _____		<u> </u>	<u> </u>
Customer Deposits (235) _____		<u> </u>	<u> </u>
Accrued Taxes (236) _____		<u> </u>	<u> </u>
Other Liabilities (Specify) _____		<u> </u>	<u> </u>
Due to Parent _____		<u>2,041,244</u>	<u>2,123,621</u>
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>
Advances for Construction _____		<u> </u>	<u> </u>
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>518,893</u>	<u>447,154</u>
Total Liabilities and Capital _____		\$ <u><u>2,312,680</u></u>	\$ <u><u>2,454,940</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>436,588</u>	\$ <u>848,621</u>	\$ _____	\$ <u>1,285,209</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account____	\$ <u>56,858</u>	\$ <u>81,547</u>	\$ _____	\$ <u>138,405</u>
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits_____	\$ <u><u>493,446</u></u>	\$ <u><u>930,168</u></u>	\$ _____	\$ <u><u>1,423,614</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>493,446</u></u>	\$ <u><u>930,168</u></u>	\$ _____	\$ <u><u>1,423,614</u></u>

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2005

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 _____	\$ #####	\$ _____
Changes during the year (Specify):		
Retained Earnings _____	(99,744)	_____
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 _____			\$ _____

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_____	11,280	11,280	_____	22,559
Regulatory assessment fees Paid	6,918	8,255	_____	15,172
Other (Specify)_____	_____	_____	_____	_____
Payroll Tax/Workers Comp	1,680	1,680	_____	3,360
4% Tax Paid to Seminole County	5,801	_____	_____	5,801
Total Taxes Paid During Year	\$ 25,678	\$ 21,214	\$ _____	\$ 46,892

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
Florida Utility Group	\$ 7,884	\$ 75,600	Contract Plant Operator
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2005

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ 187,955	\$ 482,298	\$ 670,253
2) Add credits during year_____	\$ 66,920	\$ 27,272	\$ 94,192
3) Total_____	<u>254,875</u>	<u>509,570</u>	<u>764,445</u>
4) Deduct charges during the year_____	-	-	-
5) Balance end of year_____	<u>254,875</u>	<u>509,570</u>	<u>764,445</u>
6) Less Accumulated Amortization_____	<u>70,193</u>	<u>175,359</u>	<u>245,552</u>
7) Net CIAC_____	\$ <u>184,682</u>	\$ <u>334,211</u>	\$ <u>518,893</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_____	_____	_____	\$ _____	\$ _____
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	28	\$ 2,390	\$ 66,920	\$ _____
Service Availability-Sewer	28	974	_____	27,272
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ <u>66,920</u>	\$ <u>27,272</u>

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year_____	\$ 63,263	\$ 159,836	\$ 223,099
Add Credits During Year:_____	6,930	15,523	22,453
Deduct Debits During Year:_____	-	-	-
Balance End of Year (Must agree with line #6 above.)	\$ <u>70,193</u>	\$ <u>175,359</u>	\$ <u>245,552</u>

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2004

**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 _____	<u>55,525</u>	<u>67,664</u>	<u>123,189</u>
5) Balance end of year _____	<u>(34,323)</u>	<u>(41,749)</u>	<u>(76,072)</u>
6) Less Accumulated Amortization _____	<u>\$21,202</u>	<u>\$25,915</u>	<u>\$47,117</u>
7) Net ACQUISITION ADJUSTMENT _____			

ACCUMULATED AMORTIZATION

	Water	Wastewater	Total
Balance First of Year _____	<u>\$32,588</u>	<u>\$39,628</u>	<u>\$72,216</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>\$34,323</u>	<u>\$41,749</u>	<u>\$76,072</u>

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

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2005

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: _____
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**WATER
OPERATING
SECTION**

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT
DECEMBER 31, 2005

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%	92,471		4,385	96,856
305	Collecting and Impounding Reservoirs		%		-			
306	Lake, River and Other Intakes		%		-			
307	Wells and Springs				-			
308	Infiltration Galleries & Tunnels		%		-			
309	Supply Mains			2.86%	3,119		780	3,899
310	Power Generating Equipment		%	5.00%	13,000		3,250	16,250
311	Pumping Equipment		%	#####	35,937		4,034	39,972
320	Water Treatment Equipment		%	0.00%	-		-	-
330	Distribution Reservoirs & Standpipes		%	5.00%	165,716		15,946	181,662
331	Trans. & Dist. Mains		%	3.13%	29,343		4,125	33,468
333	Services			2.50%	5,387		1,347	6,734
334	Meter & Meter Installations			5.00%	21,061		6,203	27,264
335	Hydrants			3.13%	6,817		1,083	7,900
336	Backflow Prevention Devices				-			
339	Other Plant and Miscellaneous Equipment		%	7.50%	59,867		15,408	75,275
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		%	#####	3,870		298	4,168
	Totals				\$ 436,588	\$	\$ 56,858	\$ 493,446 *

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ \$ 9,998
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	
604	Employee Pensions and Benefits_____	3,185
610	Purchased Water_____	
615	Purchased Power_____	10,230
616	Fuel for Power Production_____	
618	Chemicals_____	6,930
620	Materials and Supplies_____	
630	Contractual Services:	
	Billing/Meter Reading_____	5,102
	Professional (Contract Ops & Annual Report/Legal)_____	10,984
	Testing_____	
	Other (Repair and Maintenance)_____	19,396
640	Rents_____	
650	Transportation Expense_____	
655	Insurance Expense_____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	
670	Bad Debt Expense_____	
675	Miscellaneous Expenses_____	4,881
	Total Water Operation And Maintenance Expense_____	\$ <u>70,705</u> *

* 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	723	751	751
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	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)	_____	_____			
			Total	723	751

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: _____ CWS Communities LP dba Palm Valley

YEAR OF REPORT	
DECEMBER 31,	2005

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	_____	2,066	_____	2,066	2,245
February	_____	1,918	_____	1,918	2,209
March	_____	2,075	_____	2,075	2,698
April	_____	2,204	_____	2,204	2,464
May	_____	2,408	_____	2,408	2,409
June	_____	1,848	_____	1,848	2,434
July	_____	2,006	_____	2,006	2,771
August	_____	2,017	_____	2,017	2,638
September	_____	2,629	_____	2,629	2,271
October	_____	3,070	_____	3,070	2,718
November	_____	2,772	_____	2,772	2,478
December	_____	2,531	_____	2,531	2,180
Total for Year	_____	27,544	-	27,544	29,516

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, 2005

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)
Motors				
Manufacturer_____	_____	_____	_____	_____
Type_____	_____	_____	_____	_____
Rated Horsepower_____	_____	_____	_____	_____
Pumps				
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

YEAR OF REPORT DECEMBER 31 2005

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. 751
4. Future connection capacity (in ERCs *) upon service area buildout. -
5. Estimated annual increase in ERCs *. 10 to 20
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 DECEMBER 31, 2005

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_____	58,973	-	_____	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_____	- 674,842	- _____	_____	- 674,842
381	Plant Sewers_____	-	_____	_____	-
382	Outfall Sewer Lines_____	299,673	_____	_____	299,673
389	Other Plant and Miscellaneous Equipment_____	- 244,908	- _____	_____	- 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_____	\$ 2,505,899	\$ -	\$ 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%	\$ 156,288	\$	\$ 13,109	\$ 169,397
355	Power Generation Equipment_			%	-			
360	Collection Sewers - Force_			7.50%	13,066		1,955	15,021
361	Collection Sewers - Gravity_			2.50%	169,989		10,819	180,808
362	Special Collecting Structures_			2.50%	4,668		1,474	6,142
363	Services to Customers_			2.63%	8,369		2,092	10,461
364	Flow Measuring Devices_			10.00%	2,883		658	3,541
365	Flow Measuring Installations_			10.00%	102		8	110
370	Receiving Wells_			2.50%	1,770		100	1,870
371	Pumping Equipment_			5.56%	7,115		1,779	8,895
380	Treatment and Disposal Equipment_			3.13%	258,846		21,123	279,969
381	Plant Sewers_			%	-			
382	Outfall Sewer Lines_			2.50%	121,016		7,492	128,507
389	Other Plant and Miscellaneous Equipment_			7.50%	68,520		18,368	86,888
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%	32,119		2,273	34,392
396	Communication Equipment_			%	-			
397	Miscellaneous Equipment_			%	-			
398	Other Tangible Plant_			10.00%	3,870		298	4,168
	Totals_				\$ 848,621	\$ -	\$ 81,547	\$ 930,168 *

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees_____	\$ \$ 9,998
703	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	
704	Employee Pensions and Benefits_____	3,185
710	Purchased Wastewater Treatment_____	
711	Sludge Removal Expense_____	28,600
715	Purchased Power_____	23,869
716	Fuel for Power Production_____	
718	Chemicals_____	12,870
720	Materials and Supplies_____	
730	Contractual Services:	
	Billing/Meter Reading_____	5,102
	Professional (Contract Ops & Annual Report/Legal)_____	78,700
	Testing_____	
	Other (Repair and Maintenance)_____	37,786
740	Rents_____	
750	Transportation Expense_____	
755	Insurance Expense_____	
765	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	
770	Bad Debt Expense_____	
775	Miscellaneous Expenses_____	4,881
	Total Wastewater Operation And Maintenance Expense_____	\$ 204,991 *

* 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	D	1.0	723	751	751	
General Service						
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	723	751	751

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2005

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)	_____	_____	_____	_____	_____	_____	_____	_____
Begining 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, 2005

TREATMENT PLANT

Manufacturer_____	<u>Defiance</u>	_____	_____
Type_____	_____	_____	_____
"Steel" or "Concrete"_____	<u>Concrete & Steel</u>	_____	_____
Total Permitted Capacity_____	<u>150,000</u>	_____	_____
Average Daily Flow_____	<u>96,668</u>	_____	_____
Method of Effluent Disposal_____	<u>Pond/Irrigation</u>	_____	_____
Permitted Capacity of Disposal_____	_____	_____	_____
Total Gallons of Wastewater treated_____	<u>35,284,000</u>	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer_____	<u>Hydramatic</u>	_____	_____	_____	_____	_____
Capacity (GPM's)_____	<u>200</u>	_____	_____	_____	_____	_____
Motor:						
Manufacturer_____	_____	_____	_____	_____	_____	_____
Horsepower_____	<u>5</u>	_____	_____	_____	_____	_____
Power (Electric or Mechanical)_____	<u>Electric</u>	_____	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	<u>2,763,000</u>	_____	<u>All</u>
February_____	<u>2,442,000</u>	_____	<u>All</u>
March_____	<u>3,149,000</u>	_____	<u>All</u>
April_____	<u>2,792,000</u>	_____	<u>All</u>
May_____	<u>2,840,000</u>	_____	<u>All</u>
June_____	<u>3,835,000</u>	_____	<u>All</u>
July_____	<u>3,623,000</u>	_____	<u>All</u>
August_____	<u>3,351,000</u>	_____	<u>All</u>
September_____	<u>2,991,000</u>	_____	<u>All</u>
October_____	<u>3,580,000</u>	_____	<u>All</u>
November_____	<u>1,974,000</u>	_____	<u>All</u>
December_____	<u>1,944,000</u>	_____	<u>All</u>
Total for year_____	<u>35,284,000</u>	_____	_____

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. 751
- 2. Maximum number of ERCs* which can be served. 1000 Based on current flow and plant capacity
- 3. Present system connection capacity (in ERCs*) using existing lines. 751
- 4. Future connection capacity (in ERCs*) upon service area buildout. 1000
- 5. Estimated annual increase in ERCs*. 10 to 20

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system

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 know Approx 200 residential customers and customers in Phase VIII

8. If the utility does not engage in reuse, has a reuse feasibility study b.

If so, when? _____

9. Has the utility been required by the DEP or water management district to implement reuse?

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?

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 FLA011085

* 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
<input checked="" type="checkbox"/> | NO
<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
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<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
<input checked="" type="checkbox"/> | NO
<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.	2.	3.	4.	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ *
				(signature of chief executive officer of the utility)
1.	2.	3.	4.	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<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.