

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS832-07-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

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
08 MAR 24 PM 3:19
DIVISION OF
ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2007

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA). Commission Rules and the definitions on next page.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional pages should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.

Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Water and Wastewater, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

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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FINANCIAL SECTION

REPORT OF

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

<u>3700 Palm Valley Circle, Oviedo, Florida 32765</u>	<u>Same as Mailing Address</u>	<u>Lake</u>
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>Eric Zimmerman</u>	<u>President SE Division</u>	<u>8805 Crown Blvd. Tampa, FL</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
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2007

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ 174,686	\$ 216,580	\$ _____	\$ 391,266
Commercial -----		_____	_____	_____	_____
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues -----		_____	_____	_____	_____
Other (Specify) -----		_____	_____	_____	_____
Total Gross Revenue -----		\$ 174,686	\$ 216,580	\$ _____	\$ 391,266
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 83,171	\$ 227,893	\$ _____	\$ 311,064
Depreciation Expense -----	F-5	58,295	86,092	_____	144,387
CIAC Amortization Expense -----	F-8	(9,848)	(16,712)	_____	(26,559)
Taxes Other Than Income -----	F-7	29,456	24,311	_____	53,767
Income Taxes -----	F-7	0	0	_____	0
Total Operating Expense -----		\$ 161,075	321,584	_____	\$ 482,658
Net Operating Income (Loss)		\$ 13,612	\$ (105,004)	\$ _____	\$ (91,393)
Other Income:					
Nonutility Income -----		\$ _____	\$ _____	\$ _____	\$ _____
-----		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses -----		\$ 0	\$ 0	\$ _____	\$ _____
Interest Expense -----		_____	_____	_____	_____
Acquisition Adjustment -----		1,735	2,121	_____	_____
-----		_____	_____	_____	_____
Net Income (Loss)		\$ 11,877	\$ (107,125)	\$ _____	\$ (91,393)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 3,906,452	\$ 3,813,643
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>1,708,606</u>	<u>1,564,218</u>
Net Utility Plant -----		\$ <u>2,197,846</u>	\$ <u>2,249,425</u>
Cash -----		<u>1,208</u>	<u>1,208</u>
Customer Accounts Receivable (141) -----		<u>39,405</u>	<u>43,261</u>
Other Assets (Specify): -----			
Acquisition Adjustment -----			
Total Assets -----		\$ <u>2,238,459</u>	\$ <u>2,293,894</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6		
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----			
Retained Earnings (215) -----	F-6	<u>(405,692)</u>	<u>(314,299)</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	<u>-</u>	<u>-</u>
Total Capital -----		\$ <u>(405,692)</u>	\$ <u>(314,299)</u>
Long Term Debt (224) -----	F-6	\$ -	\$ -
Accounts Payable (231) -----		<u>-</u>	<u>-</u>
Notes Payable (232) -----		<u>-</u>	<u>-</u>
Customer Deposits (235) -----		<u>4,501</u>	<u>316</u>
Accrued Taxes (236) -----		<u>2,074,793</u>	<u>2,043,372</u>
Other Liabilities (Specify) -----			
Due to Parent -----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>564,857</u>	<u>564,505</u>
Total Liabilities and Capital -----		\$ <u>2,238,459</u>	\$ <u>2,293,893</u>

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)_____	\$ <u>1,220,728</u>	\$ <u>2,685,724</u>	\$ _____	\$ <u>3,906,452</u>
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ <u>1,220,728</u>	\$ <u>2,685,724</u>	\$ _____	\$ <u>3,906,452</u>

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year_____	\$ <u>550,910</u>	\$ <u>1,013,309</u>	\$ _____	\$ <u>1,564,219</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account_____	\$ <u>58,295</u>	\$ <u>86,092</u>	\$ _____	\$ <u>144,387</u>
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits_____	\$ <u>609,205</u>	\$ <u>1,099,401</u>	\$ _____	\$ <u>1,708,606</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>609,205</u>	\$ <u>1,099,401</u>	\$ _____	\$ <u>1,708,606</u>

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2007

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 _____	\$ (314,299)	\$ _____
Changes during the year (Specify):		
Retained Earnings _____	(91,393)	_____
Capital Contributions(Distributions) _____	_____	_____
_____	_____	_____
Balance end of year _____	\$ (405,692)	\$ _____

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 _____	15,245	15,245	_____	30,490
Regulatory assessment fees Paid _____	7,704	9,066	_____	16,769
Other (Specify) _____	_____	_____	_____	_____
Payroll Tax _____	_____	_____	_____	_____
4% Tax Paid to Seminole County _____	6,508	_____	_____	6,508
Total Taxes Paid During Year	\$ 29,456	\$ 24,311	\$ _____	\$ 53,767

0.4593939 0.5406061 16769.2

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	\$ 12,355	\$ 80,803	Contract Plant Operator
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT
DECEMBER 31, 2007

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 305,065	\$ 530,024	\$ 835,089
2) Add credits during year _____	\$ 19,120	\$ 7,792	\$ 26,912
3) Total _____	324,185	537,816	862,001
4) Deduct charges during the year _____	-	-	-
5) Balance end of year _____	324,185	537,816	862,001
6) Less Accumulated Amortization _____	88,804	208,340	297,144
7) Net CIAC _____	\$ 235,381	\$ 329,476	\$ 564,857

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	8	\$ 2,390	\$ 19,120
Service Availability-Sewer	8	974	\$ 7,792
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____		\$ 19,120	\$ 7,792

8

26,912

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ 78,956	\$ 191,628	\$ 270,584
Add Credits During Year: _____	9,848	16,712	26,559
Deduct Debits During Year: _____	-	-	-
Balance End of Year (Must agree with line #6 above.) _____	\$ 88,804	\$ 208,340	\$ 297,144

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2007

**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>(37,793)</u>	<u>(45,991)</u>	<u>(83,784)</u>
6) Less Accumulated Amortization _____	<u>\$17,732</u>	<u>\$21,673</u>	<u>\$39,405</u>
7) Net ACQUISITION ADJUSTMENT _____	<u>\$17,732</u>	<u>\$21,673</u>	<u>\$39,405</u>

ACCUMULATED AMORTIZATION

	Water	Wastewater	Total
Balance First of Year _____	<u>\$36,058</u>	<u>\$43,870</u>	<u>\$79,928</u>
Add Credits During Year: _____	<u>1,735</u>	<u>2,121</u>	<u>3,856</u>
Deduct Debits During Year _____	<u></u>	<u></u>	<u></u>
Balance End of Year (Must agree with line #6 above.)	<u>\$37,793</u>	<u>\$45,991</u>	<u>\$83,784</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, 2007

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, 2007

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 _____	134,246	-		134,246
335	Hydrants _____	57,068	-		57,068
336	Backflow Prevention Devices _____	-			0
339	Other Plant and Miscellaneous Equipment _____	205,444	6,000		211,444
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 _____	\$ 1,214,728	\$ 6,000	\$ -	\$ 1,220,728

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) (j)
304	Structures and Improvements			2.50%	101,240		4,385	105,625
305	Collecting and Impounding Reservoirs		%		-			
306	Lake, River and Other Intakes		%		-			
307	Wells and Springs				-			
308	Infiltration Galleries & Tunnels		%		-			
309	Supply Mains			2.86%	4,679		780	5,459
310	Power Generating Equipment		%	5.00%	19,500		3,250	22,750
311	Pumping Equipment		%	10.00%	44,006		4,034	48,040
320	Water Treatment Equipment		%	0.00%	-		-	-
330	Distribution Reservoirs & Standpipes		%	5.00%	197,607		15,946	213,553
331	Trans. & Dist. Mains		%	3.13%	37,593		4,125	41,718
333	Services			2.50%	8,080		1,347	9,427
334	Meter & Meter Installations			5.00%	33,721		6,712	40,434
335	Hydrants			3.13%	9,335		1,786	11,121
336	Backflow Prevention Devices				-			
339	Other Plant and Miscellaneous Equipment		%	7.50%	90,683		15,633	106,317
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		%	10.00%	4,466		298	4,764
	Totals				\$ 550,910	\$	\$ 58,295	\$ 609,205 *

* This amount should tie to Sheet F-5.

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2007

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 17,379
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	2,592
610	Purchased Water	
615	Purchased Power	17,396
616	Fuel for Power Production	
618	Chemicals	4,604
620	Materials and Supplies	1,868
630	Contractual Services:	
	Billing/Meter Reading	6,953
	Professional (Contract Ops & Annual Report/Legal)	12,440
	Testing	
	Other (Repair and Maintenance)	13,407
640	Rents	
650	Transportation Expense	
655	Insurance Expense	
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	
675	Miscellaneous Expenses	6,532
	Total Water Operation And Maintenance Expense	\$ 83,171 *

* 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	765	776	776
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)					
** D = Displacement C = Compound T = Turbine			Total		
			765	776	776

UTILITY NAME: _____ CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2007

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b) + (c) - (d)]	(f) Water Sold To Customers (Omit 000's)
January	_____	2,265	_____	2,265	2,669
February	_____	2,093	_____	2,093	2,230
March	_____	2,618	_____	2,618	2,949
April	_____	2,957	_____	2,957	2,857
May	_____	3,196	_____	3,196	3,810
June	_____	2,412	_____	2,412	2,612
July	_____	2,129	_____	2,129	2,803
August	_____	2,674	_____	2,674	2,607
September	_____	2,174	_____	2,174	2,509
October	_____	2,239	_____	2,239	2,761
November	_____	2,258	_____	2,258	2,707
December	_____	2,273	_____	2,273	2,639
Total for Year	_____	29,288	_____	29,288	33,152

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, 2007

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1972</u>	<u>1979</u>	_____	_____
Types of Well Construction and Casing _____	<u>Steel</u>	<u>Steel</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 * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	<u>Generator</u>	<u>Generator</u>	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

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

HIGH SERVICE PUMPING

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

UTILITY NAME: _____ CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31 2007

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. 776
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 t 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**

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_____	582,481	-	_____	582,481
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_____	55,830	-	_____	55,830
380	Treatment and Disposal Equipment_____	684,477	86,809	_____	771,286
381	Plant Sewers_____	-	_____	_____	-
382	Outfall Sewer Lines_____	299,673	_____	_____	299,673
389	Other Plant and Miscellaneous Equipment_____	246,340	-	_____	246,340
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_____	\$ 2,598,915	\$ 86,809	\$ 0	\$ 2,685,724 *

* 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%	\$ 183,233	\$	\$ 14,562	\$ 197,795
355	Power Generation Equipment		%		-			
360	Collection Sewers - Force		%	7.50%	16,976		1,955	18,930
361	Collection Sewers - Gravity		%	2.50%	191,627		10,819	202,446
362	Special Collecting Structures		%	2.50%	7,617		1,474	9,091
363	Services to Customers		%	2.63%	12,554		2,092	14,646
364	Flow Measuring Devices		%	10.00%	4,198		658	4,856
365	Flow Measuring Installations		%	10.00%	117		8	125
370	Receiving Wells		%	2.50%	1,970		100	2,070
371	Pumping Equipment		%	5.56%	11,336		3,104	14,440
380	Treatment and Disposal Equipment		%	3.13%	301,242		22,783	324,025
381	Plant Sewers		%		-			
382	Outfall Sewer Lines		%	2.50%	135,999		7,492	143,491
389	Other Plant and Miscellaneous Equipment		%	7.50%	105,310		18,475	123,785
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%	36,665		2,273	38,939
396	Communication Equipment		%		-			
397	Miscellaneous Equipment		%		-			
398	Other Tangible Plant		%	10.00%	4,468		298	4,764
	Totals				\$ 1,013,309	\$ -	\$ 86,092	\$ 1,099,401 *

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ \$ 17,379
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
704	Employee Pensions and Benefits _____	2,592
710	Purchased Wastewater Treatment _____	
711	Sludge Removal Expense _____	42,520
715	Purchased Power _____	17,396
716	Fuel for Power Production _____	
718	Chemicals _____	14,943
720	Materials and Supplies _____	
730	Contractual Services:	
	Billing/Meter Reading _____	6,953
	Professional (Contract Ops & Annual Report/Legal) _____	80,603
	Testing _____	
	Other (Repair, Maintenance, Mowing) _____	39,090
740	Rents _____	
750	Transportation Expense _____	
755	Insurance Expense _____	
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
770	Bad Debt Expense _____	
775	Miscellaneous Expenses _____	6,415
	Total Wastewater Operation And Maintenance Expense _____	\$ 227,893 *

* 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	763	774	774
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			763	774	774

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME:

CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2007

TREATMENT PLANT

Manufacturer _____	Defiance _____	_____	_____
Type _____	Concrete & Steel _____	_____	_____
"Steel" or "Concrete" _____	150,000 _____	_____	_____
Total Permitted Capacity _____	80,893 _____	_____	_____
Average Daily Flow _____	Pond/Irrigation _____	_____	_____
Method of Effluent Disposal _____	_____	_____	_____
Permitted Capacity of Disposal _____	_____	_____	_____
Total Gallons of Wastewater treated _____	29,526,000 _____	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	Hydramatic _____	_____	_____	_____	_____	_____
Capacity (GPM's) _____	200 _____	_____	_____	_____	_____	_____
Motor:						
Manufacturer _____	5 _____	_____	_____	_____	_____	_____
Horsepower _____	Electric _____	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____						

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	2,154,000 _____	_____	All _____
February _____	1,798,000 _____	_____	All _____
March _____	2,035,000 _____	_____	All _____
April _____	2,046,000 _____	_____	All _____
May _____	2,416,000 _____	_____	All _____
June _____	2,472,000 _____	_____	All _____
July _____	2,999,000 _____	_____	All _____
August _____	3,020,000 _____	_____	All _____
September _____	2,530,000 _____	_____	All _____
October _____	2,838,000 _____	_____	All _____
November _____	2,611,000 _____	_____	All _____
December _____	2,607,000 _____	_____	All _____
Total for year _____	29,526,000 _____	_____	_____

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME:

CWS Communities LP dba Palm Valley

YEAR OF REPORT
DECEMBER 31, 2007

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. 774
- 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: 774
- 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 known. Approx 200 residential customers and customers in Phase VIII

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

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.