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# CLASS "C"

## WATER AND/OR WASTEWATER UTILITIES

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

# ANNUAL REPORT

OF

WS832-08-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  
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DEPARTMENT OF  
ECONOMIC REGULATION

# PUBLIC SERVICE COMMISSION

FOR THE

## YEAR ENDED DECEMBER 31, 2008

## 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)

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>Mary Smallwood, Ruden McClosky</u>	<u>Attorney</u>	<u>215 S. Monroe Street 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. Casselberry, Florida 32779</u>	None
Officers and Managers: <u>Sandy Seiffert</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>	\$ N/A
_____	_____	<u>Chicago, IL 60606</u>	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 170,904	\$ 229,163	\$ _____	\$ 400,068
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ 170,904	\$ 229,163	\$ _____	\$ 400,068
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 81,369	\$ 228,202	\$ _____	\$ 309,571
Depreciation Expense _____	F-5	59,672	88,515	_____	148,187
CIAC Amortization Expense _____	F-8	(10,409)	(16,940)	_____	(27,349)
Taxes Other Than Income _____	F-7	29,338	24,764	_____	54,103
Income Taxes _____	F-7	0	0	_____	0
Total Operating Expense		\$ 159,970	324,541	_____	\$ 484,511
Net Operating Income (Loss)		\$ 10,934	\$ (95,378)	\$ _____	\$ (84,444)
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ 0	\$ 0	\$ _____	\$ _____
Interest Expense _____		_____	_____	_____	_____
Acquisition Adjustment _____		1,735	2,121	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ 9,199	\$ (97,499)	\$ _____	\$ (84,444)

Note: Sewer Revenue includes reuse revenue.

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	\$ 4,015,597	\$ 3,906,452
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	1,856,793	1,708,606
Net Utility Plant -----		\$ 2,158,803	\$ 2,197,846
Cash -----			
Customer Accounts Receivable (141) -----		1,208	1,208
Other Assets (Specify): -----			-
Acquisition Adjustment -----		35,549	39,405
-----			
-----			
Total Assets -----		\$ 2,195,560	\$ 2,238,459
<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	(490,136)	(405,692)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	-	
Total Capital -----		\$ (490,136)	\$ (405,692)
Long Term Debt (224) -----	F-6	\$ -	\$ -
Accounts Payable (231) -----		-	-
Notes Payable (232) -----		-	-
Customer Deposits (235) -----		-	-
Accrued Taxes (236) -----		-	4,501
Other Liabilities (Specify) -----			
Due to Parent -----		2,124,640	2,074,793
-----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	561,056	564,857
Total Liabilities and Capital -----		\$ 2,195,560	\$ 2,238,459



GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)_____	\$ <u>1,261,861</u>	\$ <u>2,753,736</u>	\$ _____	\$ <u>4,015,597</u>
Construction Work in Progress (105)_____	_____	_____	_____	-
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ <u>1,261,861</u>	\$ <u>2,753,736</u>	\$ _____	\$ <u>4,015,597</u>

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year_____	\$ <u>609,205</u>	\$ <u>1,099,401</u>	\$ _____	\$ <u>1,708,606</u>
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account_____	\$ <u>59,672</u>	\$ <u>88,515</u>	\$ _____	\$ <u>148,187</u>
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits_____	\$ <u>668,877</u>	\$ <u>1,187,916</u>	\$ _____	\$ <u>1,856,793</u>
<b>Deduct Debits During Year:</b>				
Book cost of plant retired_____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits_____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year_____	\$ <u>668,877</u>	\$ <u>1,187,916</u>	\$ _____	\$ <u>1,856,793</u>

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2008
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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 _____	\$ (405,692)	\$ _____
Changes during the year (Specify):		
Retained Earnings _____	(84,444)	_____
Capital Contributions(Distributions) _____	_____	_____
_____	_____	_____
Balance end of year _____	\$ (490,136)	\$ _____

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

YEAR OF REPORT DECEMBER 31, 2008
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**CONTRIBUTIONS IN AID OF CONSTRUCTION ( 271 )**

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ <u>324,185</u>	\$ <u>537,816</u>	\$ <u>862,001</u>
2) Add credits during year _____			
3) Total _____	\$ <u>16,730</u> <u>340,915</u>	\$ <u>6,818</u> <u>544,634</u>	\$ <u>23,548</u> <u>885,549</u>
4) Deduct charges during the year _____	-	-	-
5) Balance end of year _____	<u>340,915</u>	<u>544,634</u>	<u>885,549</u>
6) Less Accumulated Amortization _____	<u>99,213</u>	<u>225,280</u>	<u>324,493</u>
7) Net CIAC _____	\$ <u>241,702</u>	\$ <u>319,354</u>	\$ <u>561,056</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	<u>7</u>	\$ <u>2,390</u>	\$ <u>16,730</u>
Service Availability-Sewer	<u>7</u>	<u>974</u>	\$ <u>6,818</u>
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ <u>16,730</u> \$ <u>6,818</u>

**ACCUMULATED AMORTIZATION OF CIAC (272)**

	Water	Wastewater	Total
Balance First of Year _____	\$ <u>88,804</u>	\$ <u>208,340</u>	\$ <u>297,144</u>
Add Credits During Year: _____	<u>10,409</u>	<u>16,940</u>	<u>27,349</u>
Deduct Debits During Year: _____	-	-	-
Balance End of Year (Must agree with line #6 above.)	\$ <u>99,213</u>	\$ <u>225,280</u>	\$ <u>324,493</u>

UTILITY NAME: CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2008
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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>(39,528)</u>	<u>(48,112)</u>	<u>(87,640)</u>
7) Net ACQUISITION ADJUSTMENT _____	<u>\$15,997</u>	<u>\$19,552</u>	<u>\$35,549</u>

**ACCUMULATED AMORTIZATION**

	Water	Wastewater	Total
Balance First of Year _____	<u>\$37,793</u>	<u>\$45,991</u>	<u>\$83,784</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>\$39,528</u>	<u>\$48,112</u>	<u>\$87,640</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, 2008
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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)	_____	_____ %	_____ %	_____ %
<b>Total</b>	\$ _____	<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,	2008

**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	4,950		45,292
320	Water Treatment Equipment	-	-		-
330	Distribution Reservoirs and Standpipes	318,910	32,138		351,048
331	Transmission and Distribution Lines	131,793			131,793
333	Services	53,860	-		53,860
334	Meters and Meter Installations	134,246	4,045		138,291
335	Hydrants	57,068	-		57,068
336	Backflow Prevention Devices	-			0
339	Other Plant and Miscellaneous Equipment	211,444	-		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
	<b>Total Water Plant</b>	<b>\$ 1,220,728</b>	<b>\$ 41,133</b>	<b>\$ -</b>	<b>\$ 1,261,861</b>

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%	105,625		4,385	110,009
305	Collecting and Impounding Reservoirs				-			
306	Lake, River and Other Intakes				-			
307	Wells and Springs				-			
308	Infiltration Galleries & Tunnels				-			
309	Supply Mains			2.86%	5,459		780	6,239
310	Power Generating Equipment			5.00%	22,750		3,250	26,000
311	Pumping Equipment			10.00%	48,040		4,282	52,322
320	Water Treatment Equipment			0.00%	-		-	-
330	Distribution Reservoirs & Standpipes			5.00%	213,553		16,749	230,301
331	Trans. & Dist. Mains			3.13%	41,718		4,125	45,843
333	Services			2.50%	9,427		1,347	10,773
334	Meter & Meter Installations			5.00%	40,434		6,813	47,247
335	Hydrants			3.13%	11,121		1,786	12,907
336	Backflow Prevention Devices				-			
339	Other Plant and Miscellaneous Equipment			7.50%	106,317		15,858	122,175
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%	4,764		298	5,061
	Totals				\$ 609,205	\$	\$ 59,672	\$ 668,878 *

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

**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ \$ 20,244
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	2,568
610	Purchased Water	
615	Purchased Power	18,037
616	Fuel for Power Production	1,930
618	Chemicals	6,407
620	Materials and Supplies	
630	Contractual Services:	
	Billing/Meter Reading	7,132
	Professional (Contract Ops & Annual Report/Legal)	10,500
	Testing	3,245
	Other (Repair and Maintenance)	8,086
640	Rents	
650	Transportation Expense	
655	Insurance Expense	
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	
675	Miscellaneous Expenses	3,220
	Total Water Operation And Maintenance Expense	\$ 81,369 *

\* 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	786	794	794
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	3	3
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)					
<b>** D = Displacement C = Compound T = Turbine</b>					
<b>Total</b>			<u>789</u>	<u>797</u>	<u>797</u>

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

YEAR OF REPORT DECEMBER 31, 2008
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**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	_____	2,173,000	_____	2,173,000	2,334,992
February	_____	2,043,000	_____	2,043,000	2,628,308
March	_____	2,225,000	_____	2,225,000	2,432,576
April	_____	2,279,000	_____	2,279,000	2,441,650
May	_____	2,807,000	_____	2,807,000	2,434,920
June	_____	2,187,000	_____	2,187,000	2,850,262
July	_____	1,951,000	_____	1,951,000	3,237,586
August	_____	1,970,000	_____	1,970,000	2,589,466
September	_____	1,896,000	_____	1,896,000	2,148,189
October	_____	1,990,000	_____	1,990,000	2,150,044
November	_____	2,049,000	_____	2,049,000	2,291,241
December	_____	2,179,000	_____	2,179,000	2,391,009
Total for Year	_____	25,749,000	-	25,749,000	29,930,243

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, 2008
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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)
<u>Motors</u>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
<u>Pumps</u>				
Manufacturer _____	_____	_____	_____	_____
Type _____	Centrifugal	Centrifugal	Centrifugal	_____
Capacity in GPM _____	1250	1250	1250	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	Generator	Generator	Generator	_____

**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. 797
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**



**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_____	771,286	68,012		839,298
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
	<b>Total Wastewater Plant_____</b>	<b>\$ 2,685,724</b>	<b>\$ 68,012</b>	<b>\$ 0</b>	<b>\$ 2,753,736 *</b>

\* 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%	\$ 197,795	\$	\$ 14,562	\$ 212,357
355	Power Generation Equipment		%		-			
360	Collection Sewers - Force		%	7.50%	18,930		1,955	20,885
361	Collection Sewers - Gravity		%	2.50%	202,446		10,819	213,265
362	Special Collecting Structures		%	2.50%	9,091		1,474	10,565
363	Services to Customers		%	2.63%	14,646		2,092	16,738
364	Flow Measuring Devices		%	10.00%	4,856		658	5,513
365	Flow Measuring Installations		%	10.00%	125		8	132
370	Receiving Wells		%	2.50%	2,070		100	2,170
371	Pumping Equipment		%	5.56%	14,440		3,104	17,545
380	Treatment and Disposal Equipment		%	3.13%	324,025		25,206	349,230
381	Plant Sewers		%		-			
382	Outfall Sewer Lines		%	2.50%	143,491		7,492	150,983
389	Other Plant and Miscellaneous Equipment		%	7.50%	123,785		18,475	142,261
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%	38,939		2,273	41,212
396	Communication Equipment		%		-			
397	Miscellaneous Equipment		%		-			
398	Other Tangible Plant		%	10.00%	4,764		298	5,061
	Totals				\$ 1,099,401	\$ -	\$ 88,515	\$ 1,187,917 *

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

**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ \$ 20,244
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
704	Employee Pensions and Benefits _____	2,568
710	Purchased Wastewater Treatment _____	
711	Sludge Removal Expense _____	46,769
715	Purchased Power _____	18,037
716	Fuel for Power Production _____	1,930
718	Chemicals _____	19,220
720	Materials and Supplies _____	2,392
730	Contractual Services:	
	Billing/Meter Reading _____	7,132
	Professional (Contract Ops & Annual Report/Legal) _____	73,105
	Testing _____	4,679
	Other (Repair, Maintenance, Mowing) _____	28,905
740	Rents _____	
750	Transportation Expense _____	
755	Insurance Expense _____	
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
770	Bad Debt Expense _____	
775	Miscellaneous Expenses _____	3,220
	<b>Total Wastewater Operation And Maintenance Expense _____</b>	<b>\$ 228,202 *</b>

\* 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	786	794	794
<b>General Service</b>					
5/8"	D	1.0	2	2	
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)					
<b>** D = Displacement C = Compound T = Turbine</b>			<b>Total</b>		
			788	796	794

**PUMPING EQUIPMENT**

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

**SERVICE CONNECTIONS**

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

**COLLECTING AND FORCE MAINS**

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

**MANHOLES**

Size (inches) _____ Type of Manhole _____ Number of Manholes: Beginning of year _____ Added during year _____ Retired during year _____ End of Year _____	48 Conc 101	_____	_____	_____
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UTILITY NAME:

CWS Communities LP dba Palm Valley

YEAR OF REPORT DECEMBER 31, 2008
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**TREATMENT PLANT**

Manufacturer _____	Defiance _____	_____	_____
Type _____	_____	_____	_____
"Steel" or "Concrete" _____	Concrete & Steel _____	_____	_____
Total Permitted Capacity _____	150,000 _____	_____	_____
Average Daily Flow _____	97,378 _____	_____	_____
Method of Effluent Disposal _____	Pond/Irrigation _____	_____	_____
Permitted Capacity of Disposal _____	_____	_____	_____
Total Gallons of Wastewater treated _____	35,543,000 _____	_____	_____

**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 _____	2,829,000 _____	_____	All _____
February _____	2,654,000 _____	_____	All _____
March _____	3,083,000 _____	_____	All _____
April _____	2,675,000 _____	_____	All _____
May _____	2,424,000 _____	_____	All _____
June _____	2,649,000 _____	_____	All _____
July _____	4,001,000 _____	_____	All _____
August _____	3,283,000 _____	_____	All _____
September _____	3,046,000 _____	_____	All _____
October _____	3,564,000 _____	_____	All _____
November _____	2,967,000 _____	_____	All _____
December _____	2,368,000 _____	_____	All _____
Total for year _____	35,543,000 _____	_____	_____

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. 794
- 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 794
- 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

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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 know 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? \_\_\_\_\_

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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 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<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.	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.