

CLASS "A" OR "B"

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FLORIDA PUBLIC SERVICE
COMMISSION

WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

09 MAR 31 PM 2: 58

DIVISION OF
ECONOMIC REGULATION

ANNUAL REPORT

OF

WU193-08-AR
Laura Elowsky
Placid Lakes Utilities, Inc.
410 Washington Blvd., NW
Lake Placid, FL 33852-6779

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



FOR THE

YEAR ENDED DECEMBER 31, 2008

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)

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
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 unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
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 with not enough room. Such a schedule 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 statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems."
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Economic Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

UTILITY NAME: **PLACID LAKES UTILITIES, INC.**

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. |
| 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 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 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.
X	X	X	X

1.	2.	3.	4.
X	X	X	X

[Signature]

(Signature of Chief Executive Officer of the utility) *

[Signature]

(Signature of Chief Financial Officer of the utility) *

* YES or NO. Each item need not be certified by both being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE: It is the duty of any person who knowingly makes a false statement in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT

December 31, 2008

PLACID LAKES UTILITIES, INC.
(Exact Name of Utility)

County: Highlands

List below the exact mailing address of the utility for which normal correspondence should be sent:

410 Washington Boulevard NW
Lake Placid, FL 33852-6779

Telephone: 863-465-0345

E Mail Address: plcomm@embarqmail.com

WEB Site:

Sunshine State One-Call of Florida, Inc. Member Number PL1020

Name and address of person to whom correspondence concerning this report should be addressed:

Peggy Ann Brewer
410 Washington Boulevard NW
Lake Placid, FL 33852-6779
Telephone: 863-465-0345

List below the address of where the utility's books and records are located:

410 Washington Boulevard NW
Lake Placid, FL 33852-6779
Telephone:

List below any groups auditing or reviewing the records and operations:

[Blank lines for auditing groups]

Date of original organization of the utility: June 11, 1970

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

Individual [] Partnership [] Sub S Corporation [] 1120 Corporation [X]

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

Table with 2 columns: Name, Percent Ownership. Row 1: LAKE PLACID HOLDING COMPANY, 100%

UTILITY NAME: PLACID LAKES UTILITIES, INC.

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Jim Ade	Attorney	James L. Ade, PL	904-858-0123 Legal
John Guastella	Engineer	Gustella & Associates	561-747-9867 Rate Case
Peggy Ann Brewer	Vice President Secretary	Placid Lakes Utilities, Inc.	Financial Reporting
Larry P. King	CPA	Larry P. King, CPA	Financial Reporting

(1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
(2) Provide individual telephone numbers if the person is not normally reached at the company.
(3) Name of company employed by if not on general payroll.

UTILITY NAME: PLACID LAKES UTILITIES, INC.**COMPANY PROFILE**

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

Placid Lakes Utilities, Inc. has served the subdivision of Placid Lakes since 1970. Our goal is to provide the best quality of water and service to our customers. As with the rest of the economy, the utility experienced slow growth this past year. The utility had only eleven new services in 2008. In addition, revenue is down due to the foreclosed properties in the area. More time and costs are involved in sending notices and actual shut-offs for non-payment have increased as well. We do not see any substantial increase in growth in the coming year and expect more foreclosures as unemployment increases. The utility has filed for a rate case to increase rates to cover operating expenses as well as funds for requested meter replacements.

UTILITY NAME: PLACID LAKES UTILITIES, INC.

PARENT / AFFILIATE ORGANIZATION CHART

Current as of _____

12/31/2008

8

Complete below an organizational chart that show all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

Parent Company
LAKE PLACID HOLDING COMPANY

PLACID LAKES UTILITIES, INC.
Subsidiary

MARKETING ASSOCIATES GROUP
Subsidiary

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Laura Elowsky	President	25	\$ 10,000
Peggy Ann Brewer	Vice President Secretary	50	10,000
Larry P. King	Treasurer	25	10,000

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
Laura Elowsky	Director	12	\$ 0
Peggy Ann Brewer	Director	12	0
Larry P. King	Director	12	0

UTILITY NAME: **PLACID LAKES UTILITIES, INC.**

YEAR OF REPORT
31-Dec-08

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Laura Elowsky	President	Lake Placid Holding Company	410 Washington Blvd. NW, LP, FL
Peggy Ann Brewer	Vice President Secretary	Lake Placid Holding Company	410 Washington Blvd. NW, LP, FL
Larry P. King	Owner	Larry P. King CPA	14816 Hartford Run Dr Orlando, FL 32878

**BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)
N/A	\$		\$		\$	

UTILITY NAME: **PLACID LAKES UTILITIES, INC.**

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6, identifying the parties, amounts, dates and product, and asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided.

2. Below are some types of transactions to include:

- management, legal and accounting services
- computer services
- engineering & construction services
- repairing and servicing of equipment
- material and supplies furnished
- leasing of structures, land, and equipment
- rental transactions
- sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
Lake Placid Holding Co	Management	1/1/2008 to 12/31/2008	P	\$ 31,500
Lake Placid Holding Co	Storage Rent	1/1/2008 to 12/31/2008	P	11,700.00
Lake Placid Holding Co	Office Rent	1/1/2008 to 12/31/2008	P	6,019

UTILITY NAME: PLACID LAKES UTILITIES, INC.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

- Part II. Specific Instructions: Sale, Purchase and Transfer of Assets**
1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
2. Below are examples of some types of transactions to include:
 - purchase, sale or transfer of equipment
 - purchase, sale or transfer of land and structures
 - purchase, sale or transfer of securities
 - noncash transfers of assets
 - noncash dividends other than stock dividends
 - write-off of bad debts or loans
3. The columnar instructions follow:
 - (a) Enter name of related party or company.
 - (b) Describe briefly the type of assets purchased, sold or transferred.
 - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
 - (d) Enter the net book value for each item reported.
 - (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
 - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
		\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____

FINANCIAL SECTION

UTILITY NAME: **PLACID LAKES UTILITIES, INC.**

YEAR OF REPORT
31-Dec-08

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 2,669,466	\$ 2,714,036
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,064,711	1,149,325
Net Plant			\$ 1,604,755	\$ 1,564,711
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 1,064,755	\$ 1,564,711
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ 55,553	\$ 55,553
122	Less: Accumulated Depreciation and Amortization		-43,329	-45,551
Net Nonutility Property			\$ 12,224	\$ 10,002
123	Investment In Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property & Investments			\$ 12,224	\$ 10,002
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 55,915	\$ 35,683
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	57,282	62,769
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material and Supplies		58,150	67,831
161	Stores Expense			
162	Prepayments		6,758	8,349
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			\$ 178,105	\$ 174,632

* Not Applicable for Class B Utilities

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT

31-Dec-08

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	33,448	73,979
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		_____	_____
	Total Deferred Debits		\$ align="right">33,448	\$ align="right">73,979
	TOTAL ASSETS AND OTHER DEBITS		\$ align="right"> <u>1,828,532</u>	\$ align="right"> <u>1,823,324</u>

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

UTILITY NAME: **PLACID LAKES UTILITIES, INC.**

YEAR OF REPORT

31-Dec-08

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 500	\$ 500
204	Preferred Stock Issued	F-15		
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		1,342,285	2,000,000
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	-1,778,080	-1,816,172
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ -435,295	\$ 184,328
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	1,035,922	493,136
224	Other Long Term Debt	F-17	2,585	14,330
Total Long Term Debt			\$ 1,038,507	\$ 507,466
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		13,501	35,172
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	52,833	
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		16,796	13,296
236	Accrued Taxes	W/S-3	7,217	31,043
237	Accrued Interest	F-19	58,291	
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
Total Current & Accrued Liabilities			\$ 148,638	\$ 79,511

* Not Applicable for Class B Utilities

UTILITY NAME: **PLACID LAKES UTILITIES, INC.**

YEAR OF REPORT 31-Dec-08

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	132,116	138,817
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		_____	_____
Total Deferred Credits			\$ <u>132,116</u>	\$ <u>138,817</u>
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 1,648,731	\$ 1,667,906
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	-704,165	-754,704
Total Net C.I.A.C.			\$ <u>944,566</u>	\$ <u>913,202</u>
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		_____	_____
Total Accumulated Deferred Income Tax			\$ _____	\$ _____
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>1,828,532</u>	\$ <u>1,823,324</u>

UTILITY NAME: **PLACID LAKES UTILITIES, INC.**

YEAR OF REPORT

31-Dec-08

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 549,215	\$ 530,068
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	15,147	4,166
Net Operating Revenues			\$ 534,068	\$ 525,902
401	Operating Expenses	F-3(b)	\$ 449,111	\$ 430,674
403	Depreciation Expense:	F-3(b)	\$ 92,479	\$ 94,614
	Less: Amortization of CIAC	F-22	49,176	50,539
Net Depreciation Expense			\$ 43,303	\$ 44,075
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3	70,096	66,775
409	Current Income Taxes	W/S-3		0
410.10	Deferred Federal Income Taxes	W/S-3		0
410.11	Deferred State Income Taxes	W/S-3		0
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		0
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		0
Utility Operating Expenses			\$ 562,510	\$ 541,524
Net Utility Operating Income			\$ -28,442	\$ -15,622
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	15,147	4,166
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ -13,295	\$ -11,456

* For each account, Column e should agree with Cloumns f, g and h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>530,068</u> -4,166	\$ _____	\$ _____
\$ <u>525,902</u>	\$ _____	\$ _____
\$ <u>430,674</u>	\$ _____	\$ _____
<u>94,614</u> <u>50,539</u>	<u>0</u>	_____
\$ <u>44,075</u> <u>44,075</u>	\$ _____	\$ _____
_____ _____ <u>66,775</u> _____ _____ _____	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____
\$ <u>541,524</u>	\$ _____	\$ _____
\$ <u>-15,622</u>	\$ _____	\$ _____
<u>4,166</u> _____ _____	_____ _____ _____	_____ _____ _____
\$ <u>-11,456</u>	\$ _____	\$ _____

* Total of Schedules W-3 / S-3 for all rate groups.

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Utility Operating Income [from page F-3(a)]		\$ <u>-13,295</u>	\$ <u>-11,456</u>
OTHER INCOME AND DEDUCTIONS			
Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
Interest and Dividend Income		_____	_____
Nonutility Income		17,143	16,121
Miscellaneous Nonutility Expenses		-17,754	-28,638
Total Other Income and Deductions		\$ <u>-611</u>	\$ <u>-12,517</u>
TAXES APPLICABLE TO OTHER INCOME			
Taxes Other Than Income		\$ _____	\$ _____
Income Taxes		_____	_____
Provision for Deferred Income Taxes		_____	_____
Provision for Deferred Income Taxes - Credit		_____	_____
Investment Tax Credits - Net		_____	_____
Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income		\$ _____	\$ _____
INTEREST EXPENSE			
Interest Expense	F-19	\$ <u>101,394</u>	\$ <u>14,119</u>
Amortization of Debt Discount & Expense	F-13	_____	_____
Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense		\$ <u>101,394</u>	\$ <u>14,119</u>
EXTRAORDINARY ITEMS			
Extraordinary Income		\$ _____	\$ _____
Extraordinary Deductions		_____	_____
Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items		\$ _____	\$ _____
NET INCOME		\$ <u>-115,300</u>	\$ <u>-38,092</u>

Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 2,714,036	\$
	Less:			
	Nonused and Useful Plant (1)		353,776	
108	Accumulated Depreciation	F-8	1,149,325	0
110	Accumulated Amortization	F-8	0	0
271	Contributions In Aid of Construction	F-22	1,667,906	0
252	Advances for Construction	F-20		
Subtotal			\$ -456,971	\$
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	754,704	0
Subtotal			\$ 297,733	\$
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		53,813	
	Other (Specify):			

RATE BASE			\$ <u>351,546</u>	\$ _____
NET UTILITY OPERATING INCOME			\$ <u>-11,456</u>	\$ _____
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>-3.26%</u>	_____

NOTES :

- (1) ogy used in the last rate proceeding.
- (2) s that have been approved by the Commission.
- (3) with last rate proceeding.

Class A utilities will use the Balance Sheet Method and One-eighth Operating and Maintenance Expense Method.

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 174,326	26.51%	10.93	2.90%
Preferred Stock				
Long Term Debt	483,322	73.49%		7.71%
Customer Deposits			0	
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$ 657,648	100.00%		10.61%

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current ██████████ Return on Equity:	10.50%
Commission ██████████ g Return on Equity:	_____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current ██████████ roved AFUDC rate:	_____ %
Comm ██████████ roving AFUDC rate:	_____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME:

PLACID LAKES UTILITIES, INC.

YEAR OF REPORT
31-Dec-08

**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING**

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (c)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 184,328	\$ -10,002	\$	\$	\$	\$ 174,326
Preferred Stock						
Long Term Debt	507,466	-24,144				483,322
Customer Deposits						
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
Total	\$ 691794	\$ -34146	\$	\$	\$	\$ 657,648

(1) Explain below all adjustments made in Columns (c) and (f):

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 2,714,036	\$ _____	\$ _____	\$ 2,714,036
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	_____	_____	_____	_____
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	\$ 2,714,036	\$ _____	\$ _____	\$ 2,714,036

**UTILITY PLANT ACQUISITION ADJUSTMENTS
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 1,064,711	\$	\$	\$ 1,064,711
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 94,614	\$	\$	\$ 94,614
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits	\$ 94,614	\$	\$	\$ 94,614
Debits during year:				
Book cost of plant retired	_____	_____	_____	_____
Cost of Removal	-10,000	_____	_____	-10,000
Other Debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ -10,000	\$	\$	\$
Balance end of year	<u>\$ 1,149,325</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,149,325</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$	\$	\$	\$
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ _____	\$ _____	\$ _____	\$ _____
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total credits	\$	\$	\$	\$
Debits during year:				
Book cost of plant retired	_____	_____	_____	_____
Other debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$	\$	\$	\$
Balance end of year	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: **PLACID LAKES UTILITIES, INC.**

YEAR OF REPORT 31-Dec-08

**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
_____	\$ _____	_____	\$ _____
_____	_____	_____	_____
Total	\$ _____	_____	\$ _____

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.

Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
Wastewater Treatment Plant	\$ 55,553	\$ _____	\$ _____	\$ 55,553
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ 55,553	\$ _____	\$ _____	\$ 55,553

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): _____ _____	\$ _____ _____
Total Special Deposits	\$ _____
OTHER SPECIAL DEPOSITS (Account 133): _____ _____	\$ _____ _____
Total Other Special Deposits	\$ _____

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): _____ _____ _____ _____		\$ _____ _____ _____ _____
Total Special Funds		\$ _____

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 62,769	
Wastewater	_____	
Other	_____	
Total Customer Accounts Receivable		\$ 62,769
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ _____
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ _____
Accounts and Notes Receivable		\$ <u>62,769</u>
DEFERRED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ _____	
Add: Provision for uncollectibles for current year	\$ _____	
Collection of accounts previously written off	_____	
Utility Accounts	_____	
Others	_____	
Total Additions	\$ _____	
Accounts written off during year:		
Utility Accounts	_____	
Others	_____	
Total accounts written off	\$ _____	
Balance end of year		\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ <u>62,769</u>

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ _____

Total	\$ _____

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
	_____ %	\$ _____
	_____ %	_____
	_____ %	_____
	_____ %	_____
	_____ %	_____
	_____ %	_____
	_____ %	_____
	_____ %	_____
	_____ %	_____
	_____ %	_____
Total		\$ _____

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
	\$ _____

Total Miscellaneous Current and Accrued Liabilities	\$ _____

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
Legal		9437
Engineering	\$ _____	\$ 61,042
PSC Filing Fee		3,500
Deferred Rate Case Expense	\$ _____	\$ 73,979
DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$ _____	\$ _____
Other Deferred Debits	\$ _____	\$ _____
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$ _____	\$ _____
Regulatory Assets	\$ _____	\$ _____
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ <u>0</u>	\$ <u>73,979</u>

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	%	\$ 1
Shares authorized		500
Shares issued and outstanding		500
Total par value of stock issued	%	\$ 500
Dividends declared per share for year	%	\$
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	%	\$ _____

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
_____	%	_____	\$ _____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
Total			\$ _____

* For variable rate obligations, provide the basis for the rate. (i.e., prime + 2%, etc.)

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

STATEMENT OF RETAINED EARNINGS

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ -1,778,080
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	\$ _____
	Total Credits:	\$ _____
	Debits: _____	\$ _____
	Total Debits:	\$ _____
435	Balance Transferred from Income	\$ -38,092
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ _____
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ _____
215	Year end Balance	\$ -1,816,172
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
	Total Retained Earnings	\$ -1,816,172
Notes to Statement of Retained Earnings:		

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
Lake Placid Holding Company-Plant Expansion 3% Fixed	\$ 130,955
Lake Placid Holding Company-Line Extension 3% Fixed	53,319
Lake Placid Holding Company-Operating 3% Fixed	284,718
Lake Placid Holding Company - Wastewater 3% Fixed	24,144
Total	\$ <u>493,136</u>

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
Ford Motor Credit	Ten %	Fixed	\$ 14,330
Total			\$ <u>14,330</u>

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT
31-Dec-08

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232):			
_____	%		\$ _____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
Total Account 232			\$ _____
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
_____	%		\$ _____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
Total Account 234			\$ _____

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt					
Lake Placid Holding Company-Plant Expansion	\$ 29,475	427 \$	4,006	\$ 33,481	\$
Lake Placid Holding Company-Line Extension	15,350	427	1,675	17,025	
Lake Placid Holding Company-Operating	13,466	427	8,438	21,904	
Lake Placid Holding Company-Truck	0	427	0	0	
Lake Placid Holding Company-Wastewater	0	426	2,734	2,734	
Total Account 237.1	\$ 58,291		\$ 16,853	\$ 75,144	\$
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$			\$	\$
Total Account 237.2	\$			\$	\$
Total Account 237 (1)	\$ 58,291		\$ 16,853	\$ 75,144	\$
INTEREST EXPENSED:					
Total accrual Account 237		237 \$	16,853		(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
Less Capitalized Interest Portion of AFUDC:					
Less Interest Charged to Acc 426			2,734		(2) Must agree to F-3 (c), Current Year Interest Expense
Net Interest Expensed to Account No. 427 (2)					
	\$		\$ 14,119		

UTILITY NAME: PLACID LAKES UTILITIES, INC.

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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
	\$ _____
	\$ _____
	\$ _____
	\$ _____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

ADVANCES FOR CONSTRUCTION
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	ACCT. DEBIT (c)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
			AMOUNT (d)			
Advances from customers	\$ 132,116	131.2	\$ 6,701		\$ _____	\$ 138,817
Total	\$ 132,116		\$ 6,701		\$ _____	\$ 138,817

* Report advances separately by reporting group, designating water or wastewater in column (a).

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>1,648,731</u>	\$ _____	\$ _____	\$ <u>1,648,731</u>
Add credits during year:	\$ <u>19,175</u>	\$ _____	\$ _____	\$ <u>19,175</u>
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ <u><u>1,667,906</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>1,667,906</u></u>

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>704,165</u>	\$ _____	\$ _____	\$ <u>704,165</u>
Debits during the year:	\$ <u>50,539</u>	\$ _____	\$ _____	\$ <u>50,539</u>
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>754,704</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>754,704</u></u>

NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-08

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE
INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

Reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. Reconciliation shall be submitted even though there is no taxable income for the year. Reconciling items should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.

If the entity is a member of a group which files a consolidated federal tax return, reconcile reported net income with reported net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, benefits or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Income for the year	F-3(c)	\$ <u>-38,092</u>
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
CIAC Amortization Net		-31,364
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
Tax Depreciation over Books		-13,401
_____		_____
_____		_____
_____		_____
Tax net income		\$ <u><u>-82,857</u></u>

Reconciliation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME:

PLACID LAKES UTILITIES, INC.

WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-15) must be filed for each system in the group.

All of the following water pages (W-2 through W-15) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Placid Lakes Utilities, Inc./Highlands	WU19328401W	

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : Highlands

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,714,036
	Less:		
	Nonused and Useful Plant (1)		353,776
108	Accumulated Depreciation	W-6(b)	1,149,325
110	Accumulated Amortization		
271	Contributions In Aid of Construction	W-7	1,667,906
252	Advances for Construction	F-20	
Subtotal			\$ -456,971
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 754,704
Subtotal			\$ 297,733
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		53,813
	Other (Specify):		
WATER RATE BASE			\$ 351,546
WATER OPERATING INCOME		W-3	\$ -11,456
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>-3.26%</u>

NOTES : ology used in the last rate proceeding.

ion Adjustments that have been approved by the Commission.

ation consistent with last rate proceeding.

1 rate proceeding, Class A utilities will use the Balance Sheet Method and
ies will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY :

Highlands

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	W-9	\$ 530,068
469	Less: Guaranteed Revenue and AFPI	W-9	-4,166
Net Operating Revenues			\$ 525,902
401	Operating Expenses	W-10(a)	\$ 430,674
403	Depreciation Expense	W-6(a)	94,614
	Less: Amortization of CIAC	W-8(a)	50,539
Net Depreciation Expense			\$ 44,075
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		23,853
408.11	Property Taxes		23,635
408.12	Payroll Taxes		18,190
408.13	Other Taxes and Licenses		1,097
408	Total Taxes Other Than Income		\$ 66,775
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 541,524
Utility Operating Income			\$ -15,622
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 4,166
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ -11,456

YEAR OF REPORT
31-Dec-08

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : Highlands

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	1,000			1,000
304	Structures and Improvements	70,635			70,635
305	Collecting and Impounding Reservoirs	32,429			32,429
306	Lake, River and Other Intakes				
307	Wells and Springs	113,986			113,986
308	Infiltration Galleries and Tunnels				
309	Supply Mains	48,851			48,851
310	Power Generation Equipment	70,893			70,893
311	Pumping Equipment	126,189			126,189
320	Water Treatment Equipment	20,675			20,675
330	Distribution Reservoirs and Standpipes	259,304			259,304
331	Transmission and Distribution Mains	1,247,479	28,865		1,276,344
333	Services	219,348	5,899		225,247
334	Meters and Meter Installations	316,797	2,506		319,303
335	Hydrants	32,339	1,418		33,757
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment	2,698			2,698
340	Office Furniture and Equipment	30,073			30,073
341	Transportation Equipment	37,569	15,880	-10,000	43,449
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	5,330			5,330
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	12,607			12,607
347	Miscellaneous Equipment	21,265			21,265
348	Other Tangible Plant				
TOTAL WATER PLANT		\$ 2669467	\$ 54568	\$ -10000	\$ 2714035

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

YEAR OF REPORT
31-Dec-08

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY: Highlands

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$	\$	\$	\$	\$	\$
302	Franchises						
303	Land and Land Rights	1,000			1,000		
304	Structures and Improvements	70,635			70,635		
305	Collecting and Impounding Reservoirs	32,429		32,429			
306	Lake, River and Other Intakes						
307	Wells and Springs	113,986		113,986			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	48,851		48,851			
310	Power Generation Equipment	70,893		70,893			
311	Pumping Equipment	126,189		126,189			
320	Water Treatment Equipment	20,675			20,675		
330	Distribution Reservoirs and Standpipes	259,304				259,304	
331	Transmission and Distribution Mains	1,276,344				1,276,344	
333	Services	225,247				225,247	
334	Meters and Meter Installations	319,303				309,303	
335	Hydrants	33,757				33,757	
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment	2,698		2,698			
340	Office Furniture and Equipment	30,073					30,073
341	Transportation Equipment	43,449					43,449
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	5,330					5,330
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment	12,607					12,607
347	Miscellaneous Equipment	21,265					21,265
348	Other Tangible Plant						
TOTAL WATER PLANT		\$ 271,4035	\$	\$ 395,046	\$ 92310	\$ 2103955	\$ 112724

W-4(b)
GROUP

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : Highlands

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	32		3.13%
305	Collecting and Impounding Reservoirs	50		2.00%
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	35		2.86%
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	15		6.67%
335	Hydrants	45		2.22%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment	18		5.56%
340	Office Furniture and Equipment	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	10		10.00%
347	Miscellaneous Equipment	15		6.67%
348	Other Tangible Plant			
Water Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

YEAR OF REPORT
31-Dec-08

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : Highlands

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 46,181	2,207		\$ 2,207
305	Collecting and Impounding Reservoirs	23,328	649		649
306	Lake, River and Other Intakes				
307	Wells and Springs	51,195	3,800		3,800
308	Infiltration Galleries and Tunnels				
309	Supply Mains	14,658	1,396		1,396
310	Power Generation Equipment	10,589	3,546		3,546
311	Pumping Equipment	56,139	6,309		6,309
320	Water Treatment Equipment	18,641	940		940
330	Distribution Reservoirs and Standpipes	72,584	7,008		7,008
331	Transmission and Distribution Mains	506,689	29,347		29,347
333	Services	43,039	5,557		5,557
334	Meters and Meter Installations	148,923	21,203		21,203
335	Hydrants	10,575	734		734
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment	410	150		150
340	Office Furniture and Equipment	11,926	2,005		2,005
341	Transportation Equipment	22,780	6,752		6,752
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	4,642	332		332
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	2,853	1,261		1,261
347	Miscellaneous Equipment	19,559	1,418		1,418
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,064,711	\$ 94,614	\$	\$ 94,614

* Specify nature of transaction
Use () to denote reversal entries.

YEAR OF REPORT
31-Dec-08

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY: Highlands

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO.	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (l)
304	Structures and Improvements	\$	\$	\$	\$	\$ 48,388
305	Collecting and Impounding Reservoirs					23,977
306	Lake, River and Other Intakes					
307	Wells and Springs					54,995
308	Infiltration Galleries and Tunnels					
309	Supply Mains					16,054
310	Power Generation Equipment					14,135
311	Pumping Equipment					62,448
320	Water Treatment Equipment					19,581
330	Distribution Reservoirs and Standpipes					79,592
331	Transmission and Distribution Mains					536,036
333	Services					48,596
334	Meters and Meter Installations					170,126
335	Hydrants					11,309
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					560
340	Office Furniture and Equipment					13,931
341	Transportation Equipment	-10,000			-10,000	19,532
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					4,974
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					4,114
347	Miscellaneous Equipment					20,977
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ -10,000	\$	\$	\$ -10,000	\$ 1,149,325

W-6(b)
GROUP _____

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : Highlands

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>1,648,731</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>14140</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>5035</u>
Total Credits		\$ <u>19175</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>1,667,906</u>

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

Explain all debits charged to Account 271 during the year below:

UTILITY NAME:

PLACID LAKES UTILITIES, INC.

YEAR OF REPORT

31-Dec-08

SYSTEM NAME / COUNTY :

Highlands

WATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Meter Fees	10	\$ 283	\$ 2,830
1" Meter Fee	1	393	393
Line Extension Fee	8	299	2,392
Plant Expansion Fee	11	315	3,465
Service Connect Fee	11	460	5,060
Total Credits			\$ 14,140

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 704,165
Debits during the year:	
Accruals charged to Account 272	\$ 50,539
Other debits (specify):	
Total debits	\$ 50,539
Credits during the year (specify):	
Total credits	\$
Balance end of year	\$ 754,704

UTILITY NAME:

PLACID LAKES UTILITIES, INC.

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY :

Highlands

WATER CIAC SCHEDULE "B"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
Suter/Challenger	P	838
Distefano/Cleveland	P	4,197
Total Credits	\$	5,035

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : Highlands

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
Water Sales:				
460	Unmetered Water Revenue			\$
Metered Water Revenue:				
461.1	Sales to Residential Customers	1,926	1,936	504,879
461.2	Sales to Commercial Customers	30	31	16,501
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	1	1	126
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		<u>1,957</u>	<u>1,968</u>	\$ <u>521,506</u>
Fire Protection Revenue:				
462.1	Public Fire Protection	2	2	241
462.2	Private Fire Protection			
Total Fire Protection Revenue				\$ <u>241</u>
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		<u>1,959</u>	<u>1,970</u>	\$ <u>521,747</u>
Other Water Revenues:				
469	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ <u>4,166</u>
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			4,155
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ <u>8,321</u>
Total Water Operating Revenues				\$ <u>530,068</u>

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : Highlands

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 169,422	\$ 10,840	\$ 1,943
603	Salaries and Wages - Officers, Directors and Majority Stockholders	30,000		
604	Employee Pensions and Benefits	61,870		
610	Purchased Water			
615	Purchased Power	17,538	17,538	
616	Fuel for Power Purchased			
618	Chemicals	9,078		
620	Materials and Supplies	21,466	2,508	765
631	Contractual Services-Engineering			
632	Contractual Services - Accounting			
633	Contractual Services - Legal			
634	Contractual Services - Mgt. Fees	31,500		
635	Contractual Services - Testing	4,290	3,440	
636	Contractual Services - Other	25,985	2,441	2,530
641	Rental of Building/Real Property	17,719	5,850	
642	Rental of Equipment			
650	Transportation Expenses	7,027		
656	Insurance - Vehicle	3,074		
657	Insurance - General Liability	9,834		
658	Insurance - Workman's Comp.	6,257		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense			
675	Miscellaneous Expenses	15,614	2,283	310
Total Water Utility Expenses		\$ 430,674	\$ 44,900	\$ 5,548

UTILITY NAME:

PLACID LAKES UTILITIES, INC.

YEAR OF REPORT

31-Dec-08

SYSTEM NAME / COUNTY :

Highlands

WATER EXPENSE ACCOUNT MATRIX

<p>.3 WATER TREATMENT EXPENSES - OPERATIONS (f)</p>	<p>.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)</p>	<p>.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)</p>	<p>.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)</p>	<p>.7 CUSTOMER ACCOUNTS EXPENSE (j)</p>	<p>.8 ADMIN. & GENERAL EXPENSES (k)</p>
\$ 18,056	\$ 3,391	\$ 8,555	\$ 16,185	\$ 98,077	\$ 12,375
18,167		9,407		33,576	30,000
				742	720
9,078					
1,125	8,150	1,468	858	6,593	
				15,750	15,750
850					
3,925		742	7,999	8,349	
5,850				6,019	
		7,000		27	
		3,074			
					9,834
1,043		1,043		4,171	
			676	6,107	6,238
\$ 58,094	\$ 11,541	\$ 31,289	\$ 25,718	\$ 179,411	\$ 74,917

UTILITY NAME: PLACID LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : Highlands

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		7,619	-252	7,871	7,389
February		7,676	-13	7,689	8,661
March		7,838	-246	8,084	8,254
April		8,096	-361	8,457	8,643
May		9,332	20	9,912	9,726
June		8,297	-535	8,832	7,355
July		9,237	-541	10,181	7,230
August		10,215	-1,006	11,221	7,931
September		9,961	-795	10,756	7,590
October		7,457	-15	7,472	7,229
November		8,356	-541	8,897	8,682
December		7,820	-653	8,473	8,347
Total for Year		101904	-4938	107845	97037

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:

each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well #1	133,300	102,285	Ground Water
Well #2	133,400	79,219	Ground Water
Well #3	133,300	97,685	Ground Water

UTILITY NAME:

PLACID LAKES UTILITIES, INC.

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY :

Highlands

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1.15 MGD/DEP</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Aeration and Chemical</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>N/A</u>	Manufacturer: _____
FILTRATION	
Type and size of area: <u>N/A</u>	Manufacturer: _____
Pressure (in square feet): _____	Manufacturer: _____
Gravity (in GPM/square feet): _____	Manufacturer: _____

UTILITY NAME: PLACID LAKES UTILITIES, INC.

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Highlands

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	1,931	1,931
3/4"	Displacement	1.5		
1"	Displacement	2.5	31	78
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	7	56
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				<u>2,070</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use 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 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)

<p>ERC Calculation:</p> <p>107845000/1982/365=149.07</p> <p>294641/149=1977</p> <p>294,641 GPD of average daily system demand</p>

OTHER 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. _____ 2,349
- ERCs * which can be served. _____ 2,349
- 3. Present system connection capacity (in ERCs *) using existing lines. _____ 4,925
- 4. Future connection capacity (in ERCs *) upon service area buildout. _____ 8,454
- 5. Estimated annual increase in ERCs *. _____ 40
- 6. Is the utility required to have fire flow capacity? _____ Yes
If so, how much capacity is required? _____ 120,000 GPD
- 7. Attach a description of the fire fighting facilities. 300,000 Gals of Storage and 49 Hydrants
- 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____

- 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:
 - 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 # _____ 5280223
- 12. Water Management District Consumptive Use Permit : 204980.05
 - 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 the calculation on the bottom of Page W-13.

WASTEWATER OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-13 have been omitted from this report.