

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WU779-07-AR
Pinecrest Ranches, Inc.
P. O. Box 2427
Bartow, FL 33831-2427

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2007

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA), Commission Rules and the definitions on the 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 preceding year ending December 31.

Florida Public Service Commission
Division of Economic Regulation
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 Economic Regulation, 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". (Rule 25-30.116, Florida Administrative Code)

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)

TABLE OF CONTENTS

FINANCIAL SECTION	PAGE
Identification	F-2
Income Statement	F-3
Comparative Balance Sheet	F-4
Gross Utility Plant	F-5
Accumulated Depreciation and Amortization of Utility Plant	F-5
Capital Stock	F-6
Retained Earnings	F-6
Proprietary Capital	F-6
Long Term Debt	F-6
Tax Expense	F-7
Payment for Services Rendered by Other Than Employees	F-7
Contributions in Aid of Construction	F-8
Cost of Capital Used for AFUDC Calculation	F-9
Capital Structure Adjustments	F-10
WATER OPERATING SECTION	PAGE
Water Utility Plant Accounts	W-1
Analysis of Accumulated Depreciation by Primary Account - Water	W-2
Water Operation and Maintenance Expense	W-3
Water Customers	W-3
Pumping and Purchased Water Statistics and Mains	W-4
Wells and Well Pumps, Reservoirs, and High Service Pumping	W-5
Sources of Supply and Water Treatment Facilities	W-6
General Water System Information	W-7
WASTEWATER OPERATING SECTION	PAGE
Wastewater Utility Plant Accounts	S-1
Analysis of Accumulated Depreciation by Primary Account - Wastewater	S-2
Wastewater Operation and Maintenance Expense	S-3
Wastewater Customers	S-3
Pumping Equipment, Service Connections, Collecting and Force Mains and Manholes	S-4
Treatment Plant, Master Lift Station Pumps and Pumping Wastewater Statistics	S-5
General Wastewater System Information	S-6
VERIFICATION SECTION	PAGE
Verification	V-1

FINANCIAL SECTION

REPORT OF

Pinecrest Ranches, Inc.
(EXACT NAME OF UTILITY)

P.O. Box 2427 Bartow, Florida 33883	Citrus Highlands Drive, West Bartow, Florida	Polk County
Mailing Address	Street Address	County

Telephone Number (863) 537-1411	Date Utility First Organized 1987
Fax Number (863) 537-4398	E-mail Address

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: Norman Duncan
6115 St. Rd. 60, East, Bartow, Florida 33830 863-537-1411

Name of subdivisions where services are provided: Citrus Highlands and Star Terrace

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Norman Duncan</u>	<u>President</u>	<u>P.O. Box 2427</u> <u>Bartow, Florida 33831</u>	<u>None</u>
Person who prepared this report: <u>Cheryl M. Martin</u>	<u>Certified Public</u> <u>Accountant</u>	<u>19200 Hwy 27</u> <u>Lake Wales, Florida 33853</u>	
Officers and Managers:			\$
			\$
			\$
			\$
			\$

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>Norman Duncan</u>	<u>50%</u>	<u>P.O. Box 2427</u> <u>Bartow, Florida 33831</u>	<u>\$ None</u>
<u>Richard Little</u>	<u>50%</u>	<u>6215 Dale Street</u> <u>Cass City, MI 48726</u>	<u>\$ None</u>
			\$
			\$
			\$

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 47,708	\$ _____	\$ _____	\$ 47,708
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____	*	2,570	_____	_____	2,570
Total Gross Revenue_____		\$ 50,278	\$ _____	\$ _____	\$ 50,278
Operation Expense (Must tie to pages W-3 and S-3)					
	W-3 S-3	\$ 40,029	\$ _____	\$ _____	\$ 40,029
Depreciation Expense_____	F-5	5,781	_____	_____	5,781
CIAC Amortization Expense_____	F-8	(56)	_____	_____	(56)
Taxes Other Than Income_____	F-7	4,615	_____	_____	4,615
Income Taxes_____	F-7	0	_____	_____	0
Total Operating Expense_____		\$ 50,369	\$ _____	\$ _____	\$ 50,369
Net Operating Income (Loss)		\$ (91)	\$ _____	\$ _____	\$ (91)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ 0
Interest Income_____		_____	_____	_____	0
Collection Allowance_____		_____	_____	_____	0
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ 0
Interest Expense_____		9,016	_____	_____	9,016
Other Amortization Exp_____		_____	_____	_____	0
Loss on Asset Disposal_____		_____	_____	_____	0
Net Income (Loss)		\$ (9,107)	\$ _____	\$ _____	\$ (9,107)

* \$943 late fees, \$10 visitation fees, \$375 reconnection fees, \$270 connection fees, \$150 cut-off,\$822 other.

COMPARATIVE BALANCE SHEET

WATER AND WASTEWATER

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ 196,246	\$ 196,246
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	(121,802)	(116,021)
Net Utility Plant _____		\$ 74,444	\$ 80,225
Cash _____		1,482	930
Customer Accounts Receivable (141) _____		4,369	769
Other Assets (Specify): _____		0	0
Water system franchise		819	819
Unamortized expenses		0	0
Loan Costs (Net of amortization)		0	0
Employee Loan Receivable		0	100
Total Assets _____		\$ 81,114	\$ 82,843
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	20	20
Preferred Stock Issued (204) _____	F-6	0	0
Other Paid in Capital (211) _____		31,395	31,395
Retained Earnings (215) _____	F-6	(158,882)	(149,775)
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		\$ (127,467)	\$ (118,360)
Long Term Debt (224) _____	F-6	\$ 153,268	\$ 148,456
Accounts Payable (231) _____		39,313	44,175
Notes Payable (232) _____		0	0
Customer Deposits (235) _____		0	0
Accrued Taxes (236) _____		0	0
Other Liabilities _____		14,754	7,270
Transfers _____		0	0
Advances for Construction _____			
Contributions in Aid of Construction - Net (27 ¹ -272) _____	F-8	1,246	1,302
Total Liabilities and Capital _____		\$ 81,114	\$ 82,843

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service -----	\$ 196,246	\$ 0	\$ 0	\$ 196,246
Construction Work in -----		0	0	0
Other (Specify) _____ _____ _____				
Total Utility Plant _____	\$ 196,246	\$ 0	\$ 0	\$ 196,246

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 116,021	\$ 0	\$ 0	\$ 116,021
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 5,781	\$ 0	\$ 0	\$ 5,781
Salvage _____				
Other Credits (specify) _____				
Total Credits _____	\$ 5,781	\$ 0	\$ 0	\$ 5,781
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ 0	\$ 0	\$ 0	\$ 0
Cost of removal _____				
Other debits (specify) _____	0			0
Total Debits _____	\$ 0	\$ 0	\$ 0	\$ 0
Balance End of Year _____	\$ 121,802	\$ 0	\$ 0	\$ 121,802

UTILITY NAME: Pinecrest Ranches, Inc.

YEAR OF REPORT DECEMBER 31, 2007

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	N/A
Shares authorized _____	100	
Shares issued and outstanding _____	20	
Total par value of stock issued _____	20	
Dividends declared per share for year _____	0	

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ N/A	\$ (149,775)
Changes during the year (Specify):		
Net Profit or (Loss) _____		(9,107)
Adjustment for ownership change _____		0

Balance end of year _____	\$ _____	\$ (158,882)

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ N/A	\$ N/A
Changes during the year (Specify):		

Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
CenterState Bank \$653.33/mo P&I _____	7.5%	12	\$ 56,531
Richard Little _____	6.0%	300	45,702
Water Supply Co. _____	4.71%	0	51,035
Total _____			\$ 153,268

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	2,856	_____	_____	2,856
Regulatory assessment fee _____	1,759	0	_____	1,759
Other (Specify) _____	_____	0	_____	0
State & Federal payroll tax _____	_____	_____	_____	0
Public Service Tax _____	_____	_____	_____	0
Corporate annual report _____	_____	0	_____	0
Licenses _____	_____	0	_____	0
<u>Total Taxes Accrued _____</u>	<u>\$ 4,615</u>	<u>\$ 0</u>	<u>\$ _____</u>	<u>\$ 4,615</u>

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Walter L. Messer	\$ 5,747	\$ _____	Testing, maintenance & operation
Cheryl M. Martin, CPA	\$ 3,875	\$ _____	Accounting
Norman Duncan	\$ 820	\$ _____	Consulting
Water Supply Co.	\$ 772	\$ _____	Maint, accounting, management
Jackie Love	\$ 636	\$ _____	Maintenance
Ferguson Enterprises, Inc.	\$ 813	\$ _____	Maintenance
Estes Electric Inc.	\$ 635	\$ _____	Maintenance
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ <u>1,675</u>	\$ <u>0</u>	\$ <u>1,675</u>
2) Add credits during year _____	\$ _____	\$ _____	\$ <u>0</u>
3) Total _____	<u>1,675</u>	<u>0</u>	<u>1,675</u>
4) Deduct charges during the year _____	_____	_____	<u>0</u>
5) Balance end of year _____	<u>1,675</u>	<u>0</u>	<u>1,675</u>
6) Less Accumulated Amortization _____	<u>(429)</u>	<u>0</u>	<u>(429)</u>
7) Net CIAC _____	\$ <u>1,246</u>	\$ <u>0</u>	\$ <u>1,246</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
N/A _____ _____ _____ _____ _____	N/A _____ _____ _____ _____ _____	N/A _____ _____ _____ _____ _____	N/A _____ _____ _____ _____ _____
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	
N/A _____ _____ _____	N/A _____ _____ _____	\$ N/A _____ _____ _____	\$ _____ _____ _____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ <u>N/A</u>

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	\$ <u>(373)</u>	\$ <u>0</u>	\$ <u>(373)</u>
Add Credits During Year:	_____	_____	_____
Audit Adjustment	_____	_____	_____
Deduct Debits During Year:	_____	_____	_____
Audit Adjustment	<u>(56)</u>	<u>0</u>	<u>(56)</u>
Balance End of Year (Must agree with line #6 above.)	\$ <u>(429)</u>	\$ <u>0</u>	\$ <u>(429)</u>

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

UTILITY NAME: Pinecrest Ranches, Inc.

YEAR OF REPORT DECEMBER 31, 2007

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ <u>N/A</u>	<u>N/A</u> %	N/A %	<u>N/A</u> %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	_____ %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ <u>N/A</u>	<u>N/A</u> %		<u>N/A</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:	<u>N/A</u> %
Commission Order approving AFUDC rate:	<u>N/A</u>

**WATER
OPERATING
SECTION**

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_____	16,500			16,500
304	Structures and Improvements_____	3,000			3,000
305	Collecting and Impounding Reservoirs_____				
306	Lake, River and Other Intakes_____				
307	Wells and Springs_____	88,207			88,207
308	Infiltration Galleries and Tunnels_____				
309	Supply Mains_____	14,432			14,432
310	Power Generation Equipment_____				0
311	Pumping Equipment_____	17,874			17,874
320	Water Treatment Equipment_____	1,439			1,439
330	Distribution Reservoirs and Standpipes_____	15,144			15,144
331	Transmission and Distribution Lines_____	27,106			27,106
333	Services_____	3,358			3,358
334	Meters and Meter Installations_____	8,520			8,520
335	Hydrants_____	0			0
339	Other Plant and Miscellaneous Equipment_____	499			499
340	Office Furniture and Equipment_____	167			167
341	Transportation Equipment_____				0
342	Stores Equipment_____				
343	Tools, Shop and Garage Equipment_____				0
344	Laboratory Equipment_____				
345	Power Operated Equipment_____				
346	Communication Equipment_____				
347	Miscellaneous Equipment_____				
348	Other Tangible Plant_____				
	Total Water Plant_____	\$ 196,246	\$ 0	\$ 0	\$ 196,246

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	28	0 %	3.57 %	\$ 1,776	\$	107	\$ 1,883
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs	27	0 %	3.7 %	59,222		3,267	62,489
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains	32	0 %	3.12 %	8,983		451	9,434
310	Power Generating Equipment	17	0 %	5.88 %				
311	Pumping Equipment	17	0 %	5.88 %	15,925		228	16,153
320	Water Treatment Equipment	7	0 %	14.29 %	1,439			1,439
330	Distribution Reservoirs & Standpipes	33	0 %	3.03 %	9,177		459	9,636
331	Trans. & Dist. Mains	38	0 %	2.63 %	14,206		713	14,919
333	Services	35	0 %	2.85 %	1,727		96	1,823
334	Meter & Meter Installations	17	0 %	5.88 %	3,023		441	3,464
335	Hydrants	40	0 %	2.5 %				
339	Other Plant and Miscellaneous Equipment	20	0 %	5 %	491		8	499
340	Office Furniture and Equipment	15	0 %	6.67 %	52		11	63
341	Transportation Equipment	6	0 %	16.67 %				
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment	15	0 %	6.67 %				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ 116,021	\$ 0	\$ 5,781	\$ 121,802 *

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees - Leased _____	\$ 300
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	
610	Purchased Water _____	96
615	Purchased Power _____	4,644
616	Fuel for Power Production _____	
618	Chemicals _____	
620	Materials and Supplies _____	2,563
630	Contractual Services:	
	Billing _____	
	Professional _____	4,175
	Testing _____	2,107
	Other _____	11,390
640	Rents _____	4,649
650	Transportation Expense _____	248
655	Insurance Expense _____	4,196
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	888
675	Miscellaneous Expenses _____	4,773
	Total Water Operation And Maintenance Expense _____	\$ 40,029 *

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	144	144	144
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Other (Specify): _____					
Unmetered Customers					
** D = Displacement C = Compound T = Turbine			Total		
			144	144	144

SYSTEM NAME: _____

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 _____	N/A	1,050	220	830	614
February _____	N/A	1,200	220	980	500
March _____	N/A	1,100	250	850	564
April _____	N/A	1,038	200	838	653
May _____	N/A	1,178	190	988	689
June _____	N/A	1,164	210	954	705
July _____	N/A	1,072	230	842	654
August _____	N/A	1,180	220	960	649
September _____	N/A	928	200	728	624
October _____	N/A	1,063	300	763	526
November _____	N/A	1,088	320	768	597
December _____	N/A	<u>1,012</u>	<u>250</u>	<u>762</u>	<u>525</u>
Total for Year _____	N/A	<u>13,073</u>	<u>2,810</u>	<u>10,263</u>	<u>7,300</u>

If water is purchased for resale, indicate the following:

Vendor _____ N/A
 Point of delivery _____ N/A

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

N/A

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"	500	0	0	500
PVC _____	3"	6,300	0	0	6,300
PVC _____	4"	3,210	0	0	3,210
PVC _____	6"	5,025	0	0	5,025
DI _____	4"	20	0	0	20
Fire Hydrants _____		9		0	9

SYSTEM NAME: _____

**WELLS AND WELL PUMPS
(If Available)**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1986	1989	N/A	N/A
Types of Well Construction and Casing _____	Rotary	Rotary		
	Grouted	Grouted		
	BT&C Steel	BT&C Steel		
Depth of Wells _____	190'	405"		
Diameters of Wells _____	4"	6"		
Pump - GPM _____	75	350		
Motor - HP _____	5	25		
Motor Type * _____	Submersible	Submersible		
Yields of Wells in GPD _____	180,000	504,000		
Auxiliary Power _____	N/A	Onsite		
* Submersible, centrifugal, etc.		* Rental		

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel	N/A	N/A	N/A
Capacity of Tank _____	6,000 Gal			
Ground or Elevated _____	Ground			

HIGH SERVICE PUMPING

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

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source_ _ _	101,510	N/A	N/A
Type of Source_ _ _ _ _	Ground		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_ _ _ _ _	Hydrochlorination	N/A	N/A
Make_ _ _ _ _	Hydropneumatic tank		
Gals. per day capacity_ _ _	264,000		
High service pumping			
Gallons per minute_ _ _	N/A		
Reverse Osmosis_ _ _ _ _	N/A		
Lime Treatment			
Unit Rating_ _ _ _ _	N/A		
Filtration			
Pressure Sq. Ft._ _ _ _ _	N/A		
Gravity GPD/Sq.Ft._ _ _			
Disinfection			
Chlorinator_ _ _ _ _	25 gpd		
Ozone_ _ _ _ _	N/A		
Other_ _ _ _ _	N/A		
Auxiliary Power_ _ _ _ _	Standby generator		

GENERAL WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

1. Present ERCs * the system can efficiently serve. ___ 1084
2. Maximum number of ERCs * which can be served. ___ 1084
3. Present system connection capacity (in ERC's*) using existing lines. _____ 144
4. Future connection capacity (in ERC's*) upon service area buildout. _____ 166
5. Estimated annual increase in ERCs * _____ 23
6. Is the utility required to have fire flow capacity?_ X Yes, but in a separate system
If so, how much capacity is required? 3,500 Supply of 500 gpm @ hydrant
7. Attach a description of the fire fighting facilities.
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? _____ 2002
10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plan upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____ N/A
 - c. when will construction begin? _____ N/A
 - d. Attach plans for funding the required upgrading. See attached statement.
 - e. Is this system under any Consent Order with DEP? _____ N/A
11. Department of Environmental Protection ID# _____ 6535079
12. Water Management District Consumptive Use Permit #20009128.002
 - 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? _____ N/A

* 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 (SFR) 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).

WASTEWATER OPERATING SECTION


Note: This utility is a water only service; therefore, Pages S-1 through S-6 have been omitted from this report.

CERTIFICATION OF ANNUAL REPORT

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

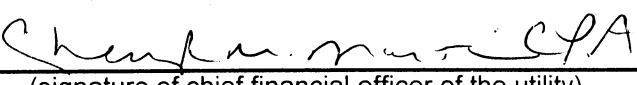
- YES NO 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.
- YES NO 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
- YES NO 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 NO 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.  *

(signature of chief executive officer of the utility)

Date: 4/30/08

1. 2. 3. 4.  *

(signature of chief financial officer of the utility)

Date: 4-30-08

* 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.

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class C**

Company:

For the Year Ended December 31, 2007

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 47,708	\$ 47,708	\$ 0
Commercial			
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	2,570	2,570	0
Total Water Operating Revenue	\$ 50,278	\$ 50,278	\$ 0
LESS: Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenues	\$ 50,278	\$ 50,278	\$ 0

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).