

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

**OFFICIAL COPY**  
Public Service Commission  
Do Not Remove from this Of

ANNUAL REPORT

WS800-04-AR  
Cypress Lakes Utilities, Inc.  
200 Weathersfield Avenue  
Altamonte Springs, FL 32714-4027

**592W 509S**

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED

**31-Dec-04**

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# **EXECUTIVE SUMMARY**

**CERTIFICATION OF ANNUAL REPORT**

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

- |  |                                |  |
|--|--------------------------------|--|
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.  |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the 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) \*

1.	2.	3.	4.
✓	✓	✓	✓

*[Handwritten Signature]*  
 \_\_\_\_\_  
 (Signature of Chief Financial Officer of the utility) \*

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

**NOTICE:** Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT  
31-Dec-04

**CYPRESS LAKES UTILITIES INC**

County: **Polk County**

(Exact Name of Utility)

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

**2335 SANDERS ROAD**  
**NORTHBROOK IL 60062**

Telephone: **847-498-6440**

E Mail Address: **NONE**

WEB Site: **NONE**

Sunshine State One-Call of Florida, Inc. Member Number **CLU879**

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

**JOHN S HAYNES**  
**2335 SANDERS ROAD**  
**NORTHBROOK IL 60062**

Telephone: **847-498-6440**

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

**2335 SANDERS ROAD**  
**NORTHBROOK IL 60062**

Telephone: **847-498-6440**

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

**PRICEWATERHOUSECOOPERS**

Date of original organization of the utility: **1996**

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

Individual  Partnership  Sub S Corporation  1120 Corporation

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

	Name	Percent Ownership
1.	<b>UTILITIES INC</b>	<b>100%</b>
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		



**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.

A.	Formed in 1996, Cypress Lakes Utilities, Inc. was acquired by Utilities Inc.
B.	Cypress Lakes Utilities, Inc. performs water and wastewater services
C.	Maintain a high quality of service and earn a fair return.
D.	Only one subdivision is served
E.	We expect modest growth currently with anticipated higher growth in the future
F.	The system was purchased in 1998 and is currently being brought up to Utilities Inc. standards of quality.



PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/2004

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).

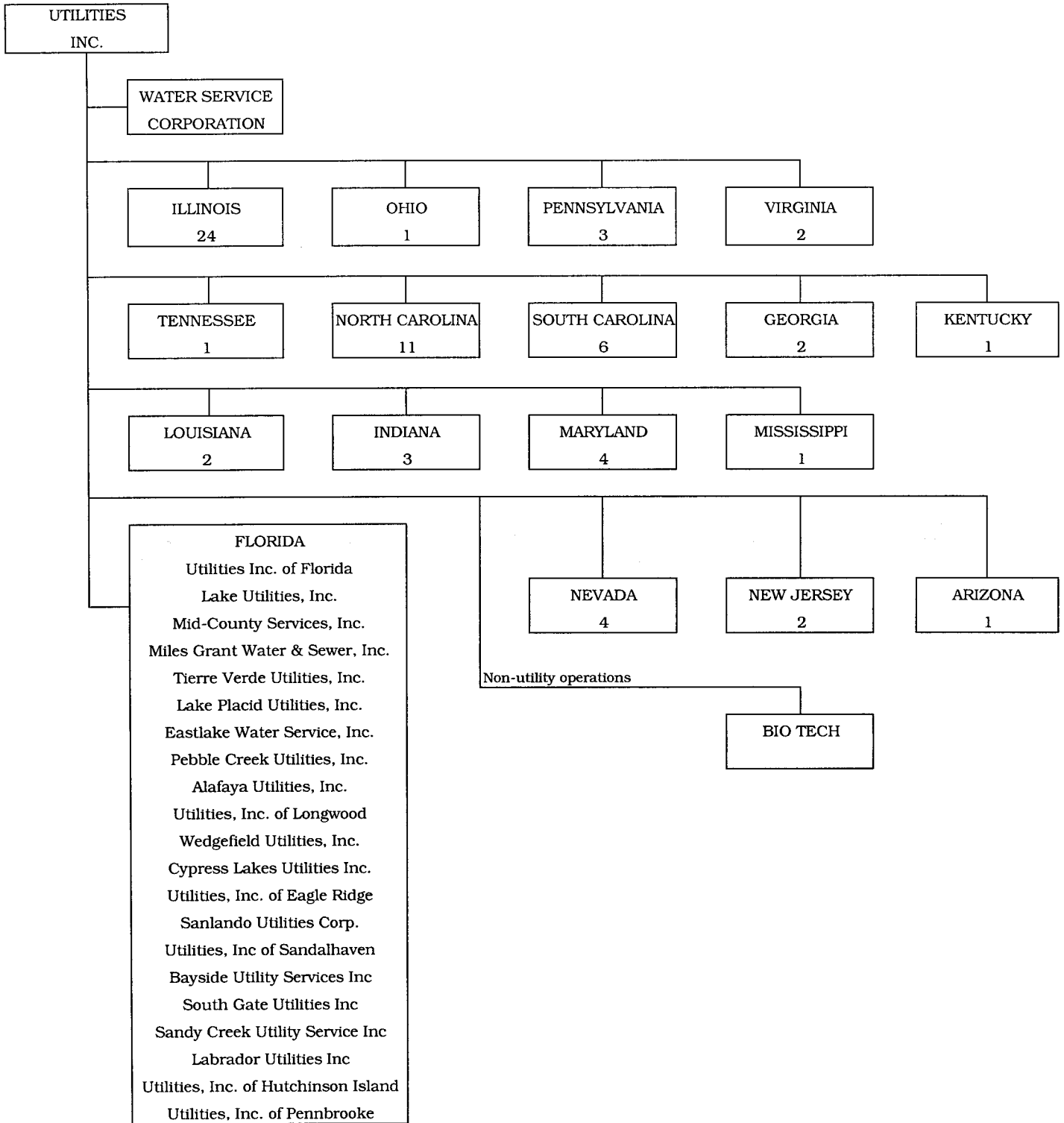
UTILITIES, INC. -- PARENT COMPANY

WATER SERVICE CORP. -- SERVICE COMPANY SUPPLYING MOST SERVICES REQUIRED BY UTILITY.

UTILITIES INC. of FLORIDA -- provides office personnel and administrative staff.

SEE ATTACHED

**Parent And Affiliate Organizational Chart**



UTILITIES, INC. - Parent Company

WATER SERVICE CORP. - Service organization providing administrative and other service functions for the utility.

**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)
JAMES L CAMAREN	CEO		\$ NONE
LAWRENCE N SCHUMACHER	PRES/SEC/CFO		NONE
LISA CROSSETT	VP		NONE

**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)
JAMES L CAMAREN	CEO	1	\$ NONE
LAWRENCE N SCHUMACHER	PRES/SEC/CFO	1	NONE

**BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES**

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.			
NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
NO BUSINESS CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS WERE ENTERED INTO DURING THE CURRENT YEAR BY THE OFFICERS LISTED ON PAGE E6, THE DIRECTORS OR AFFILIATES.		\$	

\* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.







**UTILITY NAME:** CYPRESS 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.
  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.
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

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)
NO ASSETS WERE SOLD, PURCHASED OR		\$ _____	\$ _____	\$ _____	\$ _____
TRANSFERRED WITH		_____	_____	_____	_____
A RELATED PARTY		_____	_____	_____	_____
DURING THE FISCAL		_____	_____	_____	_____
YEAR ENDED 31-Dec-04		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____



# **FINANCIAL SECTION**

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 3,960,859	\$ 4,074,563
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,061,348	1,179,730
Net Plant			\$ 2,899,511	\$ 2,894,833
114-115	Utility Plant Acquisition adjustment (Net)	F-7	-	-
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,899,511	\$ 2,894,833
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	\$ _____	\$ _____
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ _____	\$ _____
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			\$ _____	\$ _____
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ -	\$ (33)
132	Special Deposits	F-9	4,000	4,000
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	68,091	76,537
145	Accounts Receivable from Associated Companies	F-12	_____	_____
146	Notes Receivable from Associated Companies	F-12	-	-
151-153	Material and Supplies		_____	_____
161	Stores Expense		_____	_____
162	Prepayments		-	-
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			\$ 72,091	\$ 80,504

\* Not Applicable for Class B Utilities

**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	68,441	50,370
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		5,880	8,305
			_____	_____
Total Deferred Debits			\$ <u>74,321</u>	\$ <u>58,675</u>
<b>TOTAL ASSETS AND OTHER DEBITS</b>			\$ <u><u>3,045,923</u></u>	\$ <u><u>3,034,012</u></u>
* Not Applicable for Class B Utilities				

**NOTES TO THE BALANCE SHEET**

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

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 1,000	\$ 1,000
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		1,583,155	1,584,059
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(119,062)	(123,630)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
<b>Total Equity Capital</b>			\$ 1,465,093	\$ 1,461,429
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
<b>Total Long Term Debt</b>			\$ -	\$ -
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		6,640	1,380
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	707,198	716,435
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		10,665	10,500
236	Accrued Taxes	W/S-3	5,068	11,789
237	Accrued Interest	F-19	417	405
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
<b>Total Current &amp; Accrued Liabilities</b>			\$ 729,988	\$ 740,509

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		-	-
Total Deferred Credits			\$ _____	\$ _____
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____	\$ _____
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 970,595	\$ 977,595
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	156,123	184,229
Total Net C.I.A.C.			\$ 814,472	\$ 793,366
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ (3,519)	\$ 3,827
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		39,889	34,881
Total Accumulated Deferred Income Tax			\$ 36,370	\$ 38,708
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ 3,045,923	\$ 3,034,012

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 499,685	\$ 591,902
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 499,685	\$ 591,902
401	Operating Expenses	F-3(b)	\$ 330,234	\$ 349,892
403	Depreciation Expense:	F-3(b)	\$ 116,060	\$ 128,287
	Less: Amortization of CIAC	F-22	(27,155)	(28,106)
Net Depreciation Expense			\$ 88,905	\$ 100,181
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	-	-
407	Amortization Expense (Other than CIAC)	F-3(b)	2,825	2,816
408	Taxes Other Than Income	W/S-3	44,506	61,831
409	Current Income Taxes	W/S-3	(32,591)	4,214
410.10	Deferred Federal Income Taxes	W/S-3	9,495	(1,290)
410.11	Deferred State Income Taxes	W/S-3	1,565	(1,364)
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	-	-
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3	-	-
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	-	-
Utility Operating Expenses			\$ 444,939	\$ 516,280
Net Utility Operating Income			\$ 54,746	\$ 75,622
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction		-	20
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 54,746	\$ 75,642

\* 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)
\$ 247,020	\$ 344,882	\$ -
\$ 247,020	\$ 344,882	\$ -
\$ 118,587	\$ 231,305	\$ -
55,720 <u>(7,906)</u>	72,567 <u>(20,200)</u>	-
\$ 47,814	\$ 52,367	\$ -
-	-	-
2,022	794	-
25,682	36,149	-
(29,622)	33,836	-
9,068	(10,358)	-
9,588	(10,952)	-
-	-	-
-	-	-
-	-	-
\$ 183,139	\$ 333,141	\$ -
\$ 63,881	\$ 11,741	\$ -
-	-	-
-	-	-
-	-	-
20	-	-
\$ 63,901	\$ 11,741	\$ -

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

**COMPARATIVE OPERATING STATEMENT (Cont'd)**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ <u>54,746</u>	\$ <u>75,642</u>
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		(311)	(2,414)
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		-	-
Total Other Income and Deductions			\$ (311)	\$ (2,414)
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		_____	_____
410.20	Provision for Deferred Income Taxes		_____	_____
411.20	Provision for Deferred Income Taxes - Credit		_____	_____
412.20	Investment Tax Credits - Net		_____	_____
412.30	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ -	\$ -
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 91,004	\$ 77,796
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 91,004	\$ 77,796
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ -	\$ -
<b>NET INCOME</b>			<b>\$ (36,569)</b>	<b>\$ (4,568)</b>

Explain Extraordinary Income:  
 NONE

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**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	\$ 1,476,226	\$ 2,593,169
	Less: Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	427,984	735,292
110	Accumulated Amortization	F-8	11,959	4,495
271	Contributions In Aid of Construction	F-22	266,561	711,034
252	Advances for Construction	F-20		
Subtotal			\$ 769,722	\$ 1,142,348
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	55,963	128,266
Subtotal			\$ 825,685	\$ 1,270,614
114	Plus or Minus: Acquisition Adjustments (2)	F-7	-	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-	-
	Working Capital Allowance (3)		14,823	28,913
	Other (Specify): _____ _____ _____			
<b>RATE BASE</b>			<b>\$ 840,508</b>	<b>\$ 1,299,527</b>
<b>NET UTILITY OPERATING INCOME</b>			<b>\$ 63,881</b>	<b>\$ 11,741</b>
<b>ACHIEVED RATE OF RETURN (Operating Income / Rate Base)</b>			<b>7.60%</b>	<b>0.90%</b>

**NOTES :**

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.  
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

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

<b>CLASS OF CAPITAL (a)</b>	<b>DOLLAR AMOUNT (2) (b)</b>	<b>PERCENTAGE OF CAPITAL (c)</b>	<b>ACTUAL COST RATES (3) (d)</b>	<b>WEIGHTED COST (c x d) (e)</b>
Common Equity	\$ 925,555	43.25%	10.93%	4.73%
Preferred Stock	-	0.00%	0.00%	0.00%
Long Term Debt	1,173,577	54.84%	7.28%	3.99%
Customer Deposits	10,500	0.49%	6.00%	0.03%
Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
Deferred Income Taxes	30,403	1.42%	0.00%	0.00%
Other (Explain) Short Term Debt	-	0.00%	0.00%	0.00%
<b>Total</b>	<b>\$ 2,140,036</b>	<b>100.00%</b>		<b>8.75%</b>

(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 Commission Return on Equity:	<u>10.93%</u>
Commission order approving Return on Equity:	<u>PSC-03-0647-PAA-WS</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>9.03%</u>
Commission order approving AFUDC rate:	<u>PSC-04-0262-PAA-WS</u>

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.

CYPRESS LAKES UTILITIES INC

UTILITY NAME:

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 (I) ADJUSTMENTS SPECIFIC (e)	OTHER (I) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 88,963,597	\$ 0	\$ 0	\$ 0	\$ (75,546,842)	\$ 925,555
Preferred Stock		0	0	0		-
Long Term Debt	112,803,215	0	0	0	(68,716,308)	1,173,577
Customer Deposits	10,500	0	0	0		10,500
Tax Credits - Zero Cost	-	0	0	0		-
Tax Credits - Weighted Cost	-	0	0	0		-
Deferred Inc. Taxes	30,403	0	0	0		30,403
Other (Explain)	-	0	0	0		-
Total	\$ 201,807,715	\$ 0	\$ 0	\$ 0	\$ (144,263,150)	\$ 2,140,036

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

NOT APPLICABLE

**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	\$ 1,476,226	\$ 2,593,169	\$ _____	\$ 4,069,395
102	Utility Plant Leased to Other	_____	_____	_____	-
103	Property Held for Future Use	_____	_____	_____	-
104	Utility Plant Purchased or Sold	_____	_____	_____	-
105	Construction Work in Progress	-	5,168	_____	5,168
106	Completed Construction Not Classified	_____	_____	_____	-
	<b>Total Utility Plant</b>	<b>\$ 1,476,226</b>	<b>\$ 2,598,337</b>	<b>\$ -</b>	<b>\$ 4,074,563</b>

**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	\$ -	\$ -	\$ -	\$ -
	NONE	_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
	<b>Total Plant Acquisition Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
115	Accumulated Amortization Accruals charged during year	\$ -	\$ -	\$ _____	\$ -
		_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
	<b>Total Accumulated Amortization</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>Net Acquisition Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b>				
Account 108				
Balance first of year	\$ 381,592	\$ 666,118	\$	\$ 1,047,710
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 55,720	\$ 72,567	\$	\$ 128,287
Account 108.2 (2)				-
Account 108.3 (2)				-
Other Accounts (specify): alloc from parent company uif	(2,801)	-		(2,801)
Salvage				-
Other Credits (Specify):				
<b>Total Credits</b>	\$ 52,919	\$ 72,567	\$ -	\$ 125,486
Debits during year:				
Book cost of plant retired	6,527	3,393		9,920
Cost of Removal				-
Other Debits (specify):				-
<b>Total Debits</b>	\$ 6,527	\$ 3,393	\$ -	\$ 9,920
<b>Balance end of year</b>	\$ <u>427,984</u>	\$ <u>735,292</u>	\$ <u>-</u>	\$ <u>1,163,276</u>
<b>ACCUMULATED AMORTIZATION</b>				
Account 110				
Balance first of year	\$ 9,937	\$ 3,701	\$	\$ 13,638
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ 2,022	\$ 794	\$	\$ 2,816
Other Accounts (specify):				-
<b>Total credits</b>	\$ 2,022	\$ 794	\$ -	\$ 2,816
Debits during year:				
Book cost of plant retired				-
Other debits (specify):				
<b>Total Debits</b>	\$ -	\$ -	\$ -	\$ -
<b>Balance end of year</b>	\$ <u>11,959</u>	\$ <u>4,495</u>	\$ <u>-</u>	\$ <u>16,454</u>

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
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**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)
NONE	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
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)
NONE	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ _____	\$ _____	\$ _____	\$ _____

**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): <u>City of Lakeland Deposit</u>	\$ 4,000
_____	_____
_____	_____
Total Special Deposits	\$ 4,000
OTHER SPECIAL DEPOSITS (Account 133): <u>NONE</u>	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ -

**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): NONE <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): NONE <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): NONE <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Special Funds		\$ _____

**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)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 38,835	
Wastewater	37,702	
Other		
Total Customer Accounts Receivable		\$ 76,537
OTHER ACCOUNTS RECEIVABLE ( Account 142):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ -
NOTES RECEIVABLE (Account 144 ):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ -
Total Accounts and Notes Receivable		\$ 76,537
ACCUMULATED 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	\$ -	
Deduct accounts written off during year:		
Utility Accounts	_____	
Others	_____	
_____	_____	
_____	_____	
Total accounts written off	\$ -	
Balance end of year		\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ <u>76,537</u>



UTILITY NAME: CYPRESS LAKES UTILITIES INC

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
NONE	_____ %	\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ _____

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS**  
**ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

UTILITY NAME: CYPRESS LAKES UTILITIES INC

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**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): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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)
NONE	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

**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)		
<u>    RATE CASE</u>	\$ <u>          -</u>	\$ <u>      48,742</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ <u>          -</u>	\$ <u>      48,742</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
<u>    OTHER DEFERRED MAINTENANCE</u>	\$ <u>          -</u>	\$ <u>      1,628</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ <u>          -</u>	\$ <u>      1,628</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
<u>    NONE</u>	\$ <u>          -</u>	\$ <u>          -</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Assets	\$ <u>          -</u>	\$ <u>          -</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ <u>          -</u>	\$ <u>      50,370</u>

UTILITY NAME: CYPRESS LAKES UTILITIES INC

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**CAPITAL STOCK  
ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	%	\$ 1
Shares authorized		-
Shares issued and outstanding		1,000
Total par value of stock issued	%	\$ 1,000
Dividends declared per share for year	%	\$ -
<b>PREFERRED STOCK</b>		
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)	
NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

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

**STATEMENT OF RETAINED EARNINGS**

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. 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	\$ (119,062)
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	\$ (4,568)
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	\$ _____
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>(123,630)</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: CYPRESS LAKES UTILITIES INC

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**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ -
Total	\$ -

**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)	
NONE	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ -

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

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**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): <b>NONE</b>			\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
<b>Total Account 232</b>			\$ _____
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): <b>NONE</b>			\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
<b>Total Account 234</b>			\$ _____

\* 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)
<b>WATER SERVICE CORPORATION</b>	\$ (716,435)
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
<b>Total</b>	\$ (716,435)

**UTILITY NAME: CYPRESS LAKES UTILITIES INC**

**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	\$ _____		\$ _____	\$ _____	\$ _____
UTILITIES INC INTERCOMPANY INTEREST	-		77,796	77,796	-
Total Account 237.1	\$ _____		\$ 77,796	\$ 77,796	\$ _____
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits		427			
MISC ITEMS	(417)		12		(405)
Total Account 237.2	\$ (417)		\$ 12	\$ -	\$ (405)
Total Account 237 (1)	\$ (417)		\$ 77,808	\$ 77,796	\$ (405)
INTEREST EXPENSED:					
Total accrual Account 237		237	77,796		
Less Capitalized Interest Portion of AFUDC:			-		
Net Interest Expensed to Account No. 427 (2)			\$ 77,796		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.  
(2) Must agree to F-3 (c), Current Year Interest Expense



UTILITY NAME: CYPRESS LAKES UTILITIES INC

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

ADVANCES FOR CONSTRUCTION  
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
NONE _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____		\$ _____ _____ _____ _____ _____ _____ _____		\$ _____ _____ _____ _____ _____ _____ _____
Total	\$ _____		\$ _____		\$ _____

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

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**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):		
<u>NONE</u>	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ _____	\$ _____

**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>259,561</u>	\$ <u>711,034</u>	\$ <u>-</u>	\$ <u>970,595</u>
Add credits during year:	\$ <u>7,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>7,000</u>
Less debit charged during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Contribution In Aid of Construction	\$ <u><u>266,561</u></u>	\$ <u><u>711,034</u></u>	\$ <u><u>-</u></u>	\$ <u><u>977,595</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>48,057</u>	\$ <u>108,066</u>	\$ <u>-</u>	\$ <u>156,123</u>
Debits during the year:	\$ <u>7,906</u>	\$ <u>20,200</u>	\$ <u>-</u>	\$ <u>28,106</u>
Credits during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>55,963</u></u>	\$ <u><u>128,266</u></u>	\$ <u><u>-</u></u>	\$ <u><u>184,229</u></u>

UTILITY NAME: **CYPRESS LAKES UTILITIES INC**

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE  
INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

- The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable 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, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ (4,568)
Reconciling items for the year:		
Taxable income not reported on books:		
Tap Fees		7,000
Deductions recorded on books not deducted for return:		
Net Change - Deferred Maintenance		(87)
Net Change - Rate Case		18,417
Excess Tax Depreciation over Book Depreciation		(17,021)
Current FIT		(786)
Deferred FIT		(1,290)
Deferred SIT		(1,364)
Income recorded on books not included in return:		
Interest During Construction		(20)
Deduction on return not charged against book income:		
Organization Exp		(2,592)
		-
Federal tax net income		\$ (2,311)

Computation of tax :	(2,311)	
	34%	
	(786)	

**WATER  
OPERATION  
SECTION**

UTILITY NAME:

CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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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
CYPRESS LAKES / POLK	592W 509S	

UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
---

SYSTEM NAME / COUNTY : Polk County

**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)	\$ 1,476,226
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	427,984
110	Accumulated Amortization	F-8	11,959
271	Contributions In Aid of Construction	W-7	266,561
252	Advances for Construction	F-20	-
Subtotal			\$ 769,722
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 55,963
Subtotal			\$ 825,685
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		14,823
	Other (Specify):		
WATER RATE BASE			\$ 840,508
WATER OPERATING INCOME		W-3	\$ 63,881
RNRN (Water Operating Income / Water Rate Base)			<u>7.60%</u>

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
---

SYSTEM NAME / COUNTY : Polk County

**WATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 247,020
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		\$ _____
401	Operating Expenses	W-10(a)	\$ 118,587
403	Depreciation Expense	W-6(a)	55,720
	Less: Amortization of CIAC	W-8(a)	(7,906)
	Net Depreciation Expense		\$ 47,814
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	2,022
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		15,404
408.11	Property Taxes		5,991
408.12	Payroll Taxes		4,287
408.13	Other Taxes and Licenses		-
408	Total Taxes Other Than Income		\$ 25,682
409.1	Income Taxes		(29,622)
410.10	Deferred Federal Income Taxes		9,068
410.11	Deferred State Income Taxes		9,588
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		\$ 183,139
	Utility Operating Income		\$ 63,881
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ _____
413	Income From Utility Plant Leased to Others		_____
414	Gains (losses) From Disposition of Utility Property		_____
420	Allowance for Funds Used During Construction		20
	Total Utility Operating Income		\$ 63,901



YEAR OF REPORT  
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UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 46,507	-		\$ 46,507
302	Franchises	34,044	-		34,044
303	Land and Land Rights	509	-		509
304	Structures and Improvements	64,755	2,170	-	66,925
305	Collecting and Impounding Reservoirs	-	-		-
306	Lake, River and Other Intakes	-	-		-
307	Wells and Springs	57,331	1,078		58,409
308	Infiltration Galleries and Tunnels	-	-		-
309	Supply Mains	-	-		-
310	Power Generation Equipment	-	-		-
311	Pumping Equipment	160,259	171		160,430
320	Water Treatment Equipment	13,858	200		14,058
330	Distribution Reservoirs and Standpipes	73,575	10,486		84,061
331	Transmission and Distribution Mains	450,370	3,733		454,103
333	Services	210,693	16,050	2,336	224,407
334	Meters and Meter Installations	124,242	10,914	891	134,265
335	Hydrants	71,116	233		71,349
336	Backflow Prevention Devices	-	-		-
339	Other Plant Miscellaneous Equipment	-	-		-
340	Office Furniture and Equipment	686	246		932
341	Transportation Equipment	19,448	38,645	3,300	54,793
342	Stores Equipment	-	-		-
343	Tools, Shop and Garage Equipment	29,876	953		30,829
344	Laboratory Equipment	5,203	885		6,088
345	Power Operated Equipment	-	-		-
346	Communication Equipment	-	-		-
347	Miscellaneous Equipment	-	-		-
348	Other Tangible Plant	34,543	(26)		34,517
TOTAL WATER PLANT		\$ 1,397,015	\$ 85,738	\$ 6,527	\$ 1,476,226

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

W-4(a)  
GROUP \_\_\_\_\_

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

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	\$ 46,507	\$ 46,507				
302	Franchises	34,044	34,044				
303	Land and Land Rights	509		509			
304	Structures and Improvements	66,925		66,925			
305	Collecting and Impounding Reservoirs	-					
306	Lake, River and Other Intakes	-					
307	Wells and Springs	58,409		58,409			
308	Infiltration Galleries and Tunnels	-					
309	Supply Mains	-					
310	Power Generation Equipment	-					
311	Pumping Equipment	160,430		160,430	14,058		
320	Water Treatment Equipment	14,058					
330	Distribution Reservoirs and Standpipes	84,061				84,061	
331	Transmission and Distribution Mains	454,103				454,103	
333	Services	224,407				224,407	
334	Meters and Meter Installations	134,265				134,265	
335	Hydrants	71,349				71,349	
336	Backflow Prevention Devices	-					
339	Other Plant Miscellaneous Equipment	-					
340	Office Furniture and Equipment	932					932
341	Transportation Equipment	54,793					54,793
342	Stores Equipment	-					
343	Tools, Shop and Garage Equipment	30,829					30,829
344	Laboratory Equipment	6,088					6,088
345	Power Operated Equipment	-					
346	Communication Equipment	-					
347	Miscellaneous Equipment	-					
348	Other Tangible Plant	34,517					34,517
TOTAL WATER PLANT		\$ 1,476,226	\$ 80,551	\$ 286,273	\$ 14,058	\$ 968,185	\$ 127,159

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-04
-----------------------------

SYSTEM NAME / COUNTY : Polk County

**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			3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs			3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment			5.00%
320	Water Treatment Equipment			4.55%
330	Distribution Reservoirs and Standpipes			2.70%
331	Transmission and Distribution Mains			2.33%
333	Services			2.50%
334	Meters and Meter Installations			5.00%
335	Hydrants			2.22%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment			6.67%
341	Transportation Equipment			16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			6.25%
344	Laboratory Equipment			6.67%
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			10.00%
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  
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UTILITY NAME: CYPRESS LAKES UTILITIES, INC

SYSTEM NAME / COUNTY : Polk County

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	\$ 26,754	\$ 1,985	-	\$ 1,985
305	Collecting and Impounding Reservoirs				-
306	Lake, River and Other Intakes				-
307	Wells and Springs	22,282	1,936		1,936
308	Infiltration Galleries and Tunnels				-
309	Supply Mains				-
310	Power Generation Equipment				-
311	Pumping Equipment	61,767	8,045		8,045
320	Water Treatment Equipment	4,635	632		632
330	Distribution Reservoirs and Standpipes	18,629	2,092		2,092
331	Transmission and Distribution Mains	115,935	10,381		10,381
333	Services	49,644	5,365		5,365
334	Meters and Meter Installations	30,901	6,321		6,321
335	Hydrants	18,007	1,601		1,601
336	Backflow Prevention Devices				-
339	Other Plant Miscellaneous Equipment				-
340	Office Furniture and Equipment				-
341	Transportation Equipment	16,087	12,056		12,056
342	Stores Equipment				-
343	Tools, Shop and Garage Equipment	5,774	2,112	(215)	1,897
344	Laboratory Equipment	1,604	364	(5)	359
345	Power Operated Equipment				-
346	Communication Equipment				-
347	Miscellaneous Equipment				-
348	Other Tangible Plant	9,573	2,830	(2,581)	249
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 381,592	\$ 55,720	\$ (2,801)	\$ 52,919

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

OTHER CREDITS column (E) \* are due to allocation of UIF plant

W-6(a)  
GROUP \_\_\_\_\_

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY : Polk County

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 (e+f-k) (l)
304	Structures and Improvements	\$ -	\$ -	\$ -	\$ -	\$ 28,739
305	Collecting and Impounding Reservoirs	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-
307	Wells and Springs	-	-	-	-	24,218
308	Infiltration Galleries and Tunnels	-	-	-	-	-
309	Supply Mains	-	-	-	-	-
310	Power Generation Equipment	-	-	-	-	-
311	Pumping Equipment	-	-	-	-	69,812
320	Water Treatment Equipment	-	-	-	-	5,267
330	Distribution Reservoirs and Standpipes	-	-	-	-	20,721
331	Transmission and Distribution Mains	-	-	-	-	126,316
333	Services	2,336	-	-	2,336	52,673
334	Meters and Meter Installations	891	-	-	891	36,331
335	Hydrants	-	-	-	-	19,608
336	Backflow Prevention Devices	-	-	-	-	-
339	Other Plant Miscellaneous Equipment	-	-	-	-	-
340	Office Furniture and Equipment	-	-	-	-	-
341	Transportation Equipment	3,300	-	-	3,300	24,843
342	Stores Equipment	-	-	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-	-	7,671
344	Laboratory Equipment	-	-	-	-	1,963
345	Power Operated Equipment	-	-	-	-	-
346	Communication Equipment	-	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-	-
348	Other Tangible Plant	-	-	-	-	9,822
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 6,527	\$ -	\$ -	\$ 6,527	\$ 427,984

UTILITY NAME: CYPRESS LAKES UTILITIES INC

**YEAR OF REPORT**  
**31-Dec-04**

SYSTEM NAME / COUNTY : Polk County

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>259,561</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>7,000</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>                    </u>
Total Credits		\$ <u>7,000</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>                    </u>
Total Contributions In Aid of Construction		\$ <u>266,561</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:

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UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
---

SYSTEM NAME / COUNTY : Polk County

**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)
WATER CONNECTIONS FEES	56	\$ 125	\$ 7,000
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
Total Credits			\$ <u>7,000</u>

**ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 48,057
Debits during the year:	
Accruals charged to Account 272	\$ 7,906
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 7,906
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ -
Balance end of year	\$ <u>55,963</u>

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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SYSTEM NAME / COUNTY : Polk County

**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)
NONE		\$ -
Total Credits		\$ -



Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Water Operations

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-04
-----------------------------

(A)	(B)	(C)	(D)
Accounts	Gross Water Revenues per Sch W-9	Gross Water Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:			-
Unmetered Water Revenues			-
Total Metered Sales	247,020	247,020	-
Total Fire Protection Revenue			-
Other Sales to Public Authorities			-
Sales to Irrigation Customers			-
Sales for Resale			-
Interdepartmental Sales			-
Total Other Water Revenue			-
Total Water Operating Revenue	247,020	247,020	-
Less: Expense for Purchased Water from FPSC Regulated Utility			-
Net Water Operating Revenues	247,020	247,020	-

UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
---

SYSTEM NAME / COUNTY : Polk County

**WATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	1,211	1,267	245,808
461.2	Sales to Commercial Customers			
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		1,211	1,267	\$ 245,808
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue				\$
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		1,211	1,267	\$ 245,808
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			1,212
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 1,212
Total Water Operating Revenues				\$ 247,020

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

**YEAR OF REPORT**  
31-Dec-04

SYSTEM NAME / COUNTY : Polk County

**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	\$ 40,351	\$ 8,877	\$ 2,421
603	Salaries and Wages - Officers, Directors and Majority Stockholders			
604	Employee Pensions and Benefits	8,977	1,975	539
610	Purchased Water			
615	Purchased Power	5,064		
616	Fuel for Power Purchased			
618	Chemicals	3,352	3,352	
620	Materials and Supplies	31,083	12,433	3,108
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	2,025		
633	Contractual Services - Legal			
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Testing			
636	Contractual Services - Other	-		
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expenses	4,623	1,017	277
656	Insurance - Vehicle			
657	Insurance - General Liability			
658	Insurance - Workman's Comp.			
659	Insurance - Other	4,266	939	256
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	9,555		
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	79		
675	Miscellaneous Expenses	9,212		
Total Water Utility Expenses		\$ 118,587	\$ 28,593	\$ 6,601

UTILITY NAME:

CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-04
-----------------------------

SYSTEM NAME / COUNTY :

Polk County

WATER EXPENSE ACCOUNT MATRIX					
.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 8,877	\$ 2,421	\$ 14,123	\$ 3,632	\$	\$
1,975	539	3,142	807		
5,064					
		13,055	2,487		2,025
		0			0
				0	0
1,017	277	1,618	417		
939	256	1,493	383		9,555
				79	
				4,606	4,606
\$ 17,872	\$ 3,493	\$ 33,431	\$ 7,726	\$ 4,685	\$ 16,186

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-04
-----------------------------

SYSTEM NAME / COUNTY : CYPRESS LAKES / POLK

**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		5.659	0.182	5.477	4.699
February		5.071	0.215	4.856	4.436
March		6.485	0.088	6.397	4.554
April		6.559	0.178	6.381	5.723
May		6.934	0.069	6.866	5.304
June		6.011	0.225	5.787	6.140
July		5.039	0.436	4.603	4.951
August		3.905	0.098	3.807	3.633
September		3.156	0.075	3.081	2.931
October		4.576	0.278	4.298	2.816
November		6.667	0.000	6.667	4.056
December		5.761	0.010	5.752	6.071
Total for Year		65.823	1.852	63.971	55.314

\*Reflects final accounts, adjustments, etc. for billing period 1/14/04 to 1/13/05

If water is purchased for resale, indicate the following:

Vendor None

Point of delivery \_\_\_\_\_

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

None

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well #1	730 gpm	1,051,000	Well
Well #2	770 gpm	1,109,000	Well
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

YEAR OF REPORT  
31-Dec-04

SYSTEM NAME / COUNTY : CYPRESS LAKES / POLK

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

<b>Permitted Capacity of Plant (GPD):</b>	<u>448,200</u>
<b>Location of measurement of capacity (i.e. Wellhead, Storage Tank):</b>	<u>Storage Tank</u>
<b>Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):</b>	<u>Chlorination</u>
<b>LIME TREATMENT</b>	
Unit rating (i.e., GPM, pounds per gallon): <u>N/A</u>	Manufacturer: <u>N/A</u>
<b>FILTRATION</b>	
Type and size of area:	
Pressure (in square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>

UTILITY NAME:

CYPRESS LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-04
-----------------------------

SYSTEM NAME / COUNTY :

CYPRESS LAKES / POLK

**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	1,225	1,225
5/8"	Displacement	1.0	19	19
3/4"	Displacement	1.5		
1"	Displacement	2.5	15	37.5
1 1/2"	Displacement or Turbine	5.0	4	20
2"	Displacement, Compound or Turbine	8.0	4	32
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>1,333.5</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:  
 $ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$

<p>ERC Calculation:</p> $49.791/1225/366 = 111$
--

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

YEAR OF REPORT  
31-Dec-04

SYSTEM NAME / COUNTY : CYPRESS LAKES / POLK

**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. 1,266

2. Maximum number of ERCs \* which can be served. 1,550

3. Present system connection capacity (in ERCs \*) using existing lines. 1,550

4. Future connection capacity (in ERCs \*) upon service area buildout. 1,550

5. Estimated annual increase in ERCs \*. 50

6. Is the utility required to have fire flow capacity? Yes  
If so, how much capacity is required? 500 gpm residential / 1000 gpm commercial

7. Attach a description of the fire fighting facilities. Two (2) 10,000 gallon hydropneumatic storage tanks, 65 hydrants and water production facilities.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
2004 - Modify 12 fire hydrants

9. When did the company last file a capacity analysis report with the DEP? 1993

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? N/A

c. When will construction begin? N/A

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 6535055

12. Water Management District Consumptive Use Permit # 2011531.001

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  
OPERATION  
SECTION**

UTILITY NAME:

CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> 31-Dec-04
------------------------------------

**WASTEWATER 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 wastewater financial schedules (S-2 through S-10) should be filed for the group in total.

The wastewater engineering schedules (S-11 and S-12) must be filed for each system in the group.

All of the following wastewater pages (S-2 through S-12) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
<u>CYPRESS LAKES / POLK</u>	<u>592W 509S</u>	<u>                    </u>
<u>  </u>	<u>  </u>	<u>  </u>
<u>  </u>	<u>  </u>	<u>  </u>
<u>  </u>	<u>  </u>	<u>  </u>
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<u>  </u>	<u>  </u>	<u>  </u>
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<u>  </u>	<u>  </u>	<u>  </u>

UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
---

SYSTEM NAME / COUNTY : Polk County

**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4A	\$ 2,593,169
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6B	<u>735,292</u>
110	Accumulated Amortization	F-8	<u>4,495</u>
271	Contributions In Aid of Construction	S-7	<u>711,034</u>
252	Advances for Construction	F-20	<u>-</u>
Subtotal			\$ <u>1,142,348</u>
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8A	\$ <u>128,266</u>
Subtotal			\$ <u>1,270,614</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	<u>-</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>-</u>
	Working Capital Allowance (3)		<u>28,913</u>
	Other (Specify):		
WASTEWATER RATE BASE			\$ <u>1,299,527</u>
WASTEWATER OPERATING INCOME		S-3	\$ <u>11,741</u>
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u><u>0.90%</u></u>

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

<p>YEAR OF REPORT 31-Dec-04</p>
-------------------------------------

SYSTEM NAME / COUNTY : Polk County

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9A	\$ 344,882
530	Less: Guaranteed Revenue (and AFPI)	S-9A	
	Net Operating Revenues		\$ 344,882
401	Operating Expenses	S-10A	\$ 231,305
403	Depreciation Expense	S-6A	72,567
	Less: Amortization of CIAC	S-8A	(20,200)
	Net Depreciation Expense		\$ 52,367
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	794
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		21,509
408.11	Property Taxes		10,477
408.12	Payroll Taxes		4,163
408.13	Other Taxes and Licenses		-
408	Total Taxes Other Than Income		\$ 36,149
409.1	Income Taxes		33,836
410.10	Deferred Federal Income Taxes		(10,358)
410.11	Deferred State Income Taxes		(10,952)
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		\$ 333,141
	Utility Operating Income		\$ 11,741
530	Add Back: Guaranteed Revenue (and AFPI)	S-9A	\$
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		\$ 11,741

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 10,115	-		\$ 10,115
352	Franchises	18,206	-		18,206
353	Land and Land Rights	-	-		-
354	Structures and Improvements	82,043	5,387		87,430
355	Power Generation Equipment				
360	Collection Sewers - Force	337,496	3,387		340,883
361	Collection Sewers - Gravity	900,190	5,394		905,584
362	Special Collecting Structures	-	-		-
363	Services to Customers	-	-		-
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	1,201,450	18,988	3,393	1,217,045
381	Plant Sewers	-	-		-
382	Outfall Sewer Lines	-	-		-
389	Other Plant Miscellaneous Equipment				
390	Office Furniture and Equipment	311	-		311
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	3,814	-		3,814
394	Laboratory Equipment	3,940	2,966		6,906
395	Power Operated Equipment				
396	Communication Equipment	2,875	-		2,875
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 2,560,440	\$ 36,122	\$ 3,393	\$ 2,593,169

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC  
SYSTEM NAME / COUNTY : Polk County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
351	Organization	\$ 10,115						
352	Franchises	18,206						
353	Land and Land Rights							
354	Structures and Improvements		87,430					
355	Power Generation Equipment							
360	Collection Sewers - Force		340,883					
361	Collection Sewers - Gravity		905,584					
362	Special Collecting Structures							
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				1,217,045			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment							311
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							3,814
395	Power Operated Equipment							6,906
396	Communication Equipment							
397	Miscellaneous Equipment							2,875
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 28,321	\$ 1,333,897	\$ -	\$ 1,217,045	\$ -	\$ -	\$ 13,906

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
---

SYSTEM NAME / COUNTY : Polk County

**BASIS FOR WASTEWATER 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)
354	Structures and Improvements			3.13%
355	Power Generation Equipment			
360	Collection Sewers - Force			3.33%
361	Collection Sewers - Gravity			2.22%
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells			
371	Pumping Equipment			
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment			5.56%
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment			
390	Office Furniture and Equipment			6.67%
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			6.25%
394	Laboratory Equipment			6.67%
395	Power Operated Equipment			
396	Communication Equipment			10.00%
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater 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.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY : Polk County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 55,255	\$ 3,265	-	\$ 3,265
355	Power Generation Equipment				
360	Collection Sewers - Force	61,419	5,966	-	5,966
361	Collection Sewers - Gravity	144,384	13,166	-	13,166
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	35,572	4,716	-	4,716
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	-	-	-	-
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	250,621	34,423	-	34,423
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-
389	Other Plant Miscellaneous Equipment	113,228	10,243	-	10,243
390	Office Furniture and Equipment	-	-	-	-
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	2,579	239	-	239
394	Laboratory Equipment	1,479	262	-	262
395	Power Operated Equipment				
396	Communication Equipment	1,581	287	-	287
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 666,118	\$ 72,567	\$ -	\$ 72,567

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



UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY : Polk County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	PLANT RETIRED (e)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
(a)						
354	Structures and Improvements	\$ -	\$ -	\$ -	\$ -	\$ 58,520
355	Power Generation Equipment	-	-	-	-	67,385
360	Collection Sewers - Force	-	-	-	-	157,550
361	Collection Sewers - Gravity	-	-	-	-	-
362	Special Collecting Structures	-	-	-	-	40,288
363	Services to Customers	-	-	-	-	-
364	Flow Measuring Devices	-	-	-	-	-
365	Flow Measuring Installations	-	-	-	-	-
366	Reuse Services	-	-	-	-	-
367	Reuse Meters and Meter Installations	-	-	-	-	-
370	Receiving Wells	-	-	-	-	-
371	Pumping Equipment	-	-	-	-	-
375	Reuse Transmission and Distribution System	-	-	-	-	-
380	Treatment and Disposal Equipment	3,393	-	-	3,393	281,651
381	Plant Sewers	-	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-	-
389	Other Plant Miscellaneous Equipment	-	-	-	-	123,471
390	Office Furniture and Equipment	-	-	-	-	-
391	Transportation Equipment	-	-	-	-	-
392	Stores Equipment	-	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-	2,818
394	Laboratory Equipment	-	-	-	-	1,741
395	Power Operated Equipment	-	-	-	-	-
396	Communication Equipment	-	-	-	-	1,868
397	Miscellaneous Equipment	-	-	-	-	-
398	Other Tangible Plant	-	-	-	-	-
Total Depreciable Wastewater Plant in Service						\$ 735,292

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

<b>YEAR OF REPORT</b> 31-Dec-04
------------------------------------

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY : Polk County

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>711,034</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8A	\$ <u>-</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8B	<u>-</u>
<b>Total Credits</b>		\$ <u>-</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>          </u>
<b>Total Contributions In Aid of Construction</b>		\$ <u>711,034</u>

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

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UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
---

SYSTEM NAME / COUNTY : Polk County

**WASTEWATER 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)
<u>SEWER CONNECTIONS FEES (NONE)</u>	-	\$ -	\$ -
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
_____	_____	_____	-
Total Credits			\$ <u>-</u>

**ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ <u>108,066</u>
Debits during the year:	
Accruals charged to Account 272	\$ <u>20,200</u>
Other debits (specify) :	_____
_____	_____
_____	_____
Total debits	\$ <u>20,200</u>
Credits during the year (specify) :	\$ _____
_____	_____
_____	_____
Total credits	\$ <u>-</u>
Balance end of year	\$ <u><u>128,266</u></u>

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
31-Dec-04

SYSTEM NAME / COUNTY : Polk County

**WASTEWATER 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)
NONE		\$ -
Total Credits		\$ -

Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Wastewater Operations

**UTILITY NAME:** CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-04
-----------------------------

(A)	(B)	(C)	(D)
Accounts	Gross Wastewater Revenues per Sch S-9	Gross Wastewater Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:			-
Total Flat-Rate Revenues			-
Total Measured Revenues	344,882	344,882	-
Revenues from Public Authorities			-
Revenues from Other Systems			-
Interdepartmental Revenues			-
Total Other Wastewater Revenues			-
Reclaimed Water Sales			-
<b>Total Wastewater Operating Revenue</b>	<b>344,882</b>	<b>344,882</b>	-
Less: Expense for Purchased Wastewater from FPSC Regulated Utility			-
<b>Net Wastewater Operating Revenues</b>	<b>344,882</b>	<b>344,882</b>	-

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT 31-Dec-04
-----------------------------

SYSTEM NAME / COUNTY : Polk County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
521.1	Flat Rate Revenues: Residential Revenues	1,174	1,230	\$ 343,192
521.2	Commercial Revenues	_____	_____	_____
521.3	Industrial Revenues	_____	_____	_____
521.4	Revenues From Public Authorities	_____	_____	_____
521.5	Multiple Family Dwelling Revenues	_____	_____	_____
521.6	Other Revenues	_____	_____	_____
521	Total Flat Rate Revenues	1,174	1,230	\$ 343,192
522.1	Measured Revenues: Residential Revenues	_____	_____	_____
522.2	Commercial Revenues	_____	_____	_____
522.3	Industrial Revenues	_____	_____	_____
522.4	Revenues From Public Authorities	_____	_____	_____
522.5	Multiple Family Dwelling Revenues	_____	_____	_____
522	Total Measured Revenues	_____	_____	\$ _____
523	Revenues From Public Authorities	_____	_____	_____
524	Revenues From Other Systems	_____	_____	_____
525	Interdepartmental Revenues	_____	_____	_____
Total Wastewater Sales		<u>1,174</u>	<u>1,230</u>	\$ <u>343,192</u>
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues	_____	_____	\$ _____
531	Sale of Sludge	_____	_____	_____
532	Forfeited Discounts	_____	_____	_____
534	Rents From Wastewater Property	_____	_____	_____
535	Interdepartmental Rents	_____	_____	_____
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)	_____	_____	1,690
Total Other Wastewater Revenues				\$ 1,690

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

<b>YEAR OF REPORT</b> <b>31-Dec-04</b>
---

SYSTEM NAME / COUNTY : Polk County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	_____	_____	\$ _____
541.1	Measured Reuse Revenues: Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	_____	_____	\$ _____
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ _____
Total Wastewater Operating Revenues				\$ <u>344,882</u>

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY Polk County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 39,174	\$ 1,175	\$ 4,701	\$ 7,835	\$ 1,959	\$ 18,804	\$ 4,700
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits	8,716	261	610	1,046	436	2,615	1,046
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	52,500			12,165		52,500	
715	Purchased Power	48,660					36,495	
716	Fuel for Power Purchased							
718	Chemicals	5,901					5,901	
720	Materials and Supplies	44,061	1,762	7,050	10,575	2,644	17,624	4,406
731	Contractual Services-Engineering	-						
732	Contractual Services - Accounting	1,965						
733	Contractual Services - Legal	-						
734	Contractual Services - Mgt. Fees	-						
735	Contractual Services - Testing							
736	Contractual Services - Other							
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expenses	4,488	135	539	898	224	2,154	538
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workman's Comp.							
759	Insurance - Other	7,510						
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	9,276						
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	111						
775	Miscellaneous Expenses	8,943						
Total Wastewater Utility Expenses		\$ 231,305	\$ 3,333	\$ 12,900	\$ 32,519	\$ 5,263	\$ 136,093	\$ 10,690



UTILITY NAME: CYPRESS LAKES UTILITIES INC

SYSTEM NAME / COUNTY : Polk County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees						
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits	2,702					
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering		0				
732	Contractual Services - Accounting		1,965				
733	Contractual Services - Legal		0				
734	Contractual Services - Mgt. Fees		0				
735	Contractual Services - Testing		0				
736	Contractual Services - Other	0	0				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.						
759	Insurance - Other		7,510				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense		9,276				
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	111					
775	Miscellaneous Expenses	4,472	4,471				
Total Wastewater Utility Expenses		\$ 7,285	\$ 23,222	\$ -	\$ -	\$ -	\$ -

UTILITY NAME:

CYPRESS LAKES UTILITIES, INC.

YEAR OF REPORT 31-Dec-04
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SYSTEM NAME / COUNTY :

CYPRESS LAKES / POLK

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,225	1,225
5/8"	Displacement	1.0	3	3
3/4"	Displacement	1.5		
1"	Displacement	2.5	1	2.5
1 1/2"	Displacement or Turbine	5.0	2	10
2"	Displacement, Compound or Turbine	8.0		
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 Wastewater System Meter Equivalents				1,240.5

**CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS**

Provide a calculation used to determine the value of one wastewater 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:

$$ERC = ( \text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day} )$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

**NOTE:** Total gallons treated includes both treated and purchased treatment.

ERC Calculation:		
43.227/366/280 =	422	One (1) ERC = 422 gallons AADF

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : CYPRESS LAKES / POLK

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>0.175 mgd</u>		
Basis of Permit Capacity (1)	<u>TMADF</u>		
Manufacturer	<u>Poured In Place</u>		
Type (2)	<u>Ext. Aeration</u>		
Hydraulic Capacity	<u>0.175 mgd</u>		
Average Daily Flow	<u>0.118</u> mgd		
Total Gallons of Wastewater Treated	<u>43.227</u> mgd		
Method of Effluent Disposal	<u>Golf Course Irrigation</u>		

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

SYSTEM NAME / COUNTY : CYPRESS LAKES / POLK

OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present number of ERCs\* now being served 1,230

2. Maximum number of ERCs\* which can be served 1,550

3. Present system connection capacity (in ERCs\*) using existing lines 1,550

4. Future connection capacity (in ERCs\*) upon service area buildout 1,550

5. Estimated annual increase in ERCs\* 50

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
2005 - Initiate design of WWTP improvements

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. Cypress Lakes Golf Course - 0.118 mgd

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? N/A

If so, when? N/A

9. Has the utility been required by the DEP or water management district to implement reuse? No

If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_

10. When did the company last file a capacity analysis report with the DEP? 2003

11. 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? \_\_\_\_\_

12. Department of Environmental Protection ID # FLA 013123

\* An ERC is determined based on the calculation on S-11.