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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU383-01-AR
Neighborhood Utilities, Inc.
200 North Laura Street - 10th Floor
Jacksonville, FL 32202-3517

Submitted To The

STATE OF FLORIDA



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PUBLIC SERVICE
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ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2001

GENERAL INSTRUCTIONS

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

Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

FINANCIAL SECTION

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REPORT OF

NEIGHBORHOOD UTILITIES, INC.

(EXACT NAME OF UTILITY)

200 N Laura St 10th Floor Jacksonville FL 32202	200 N Laura St 10th Floor Jacksonville FL 32202	Duval
Mailing Address	Street Address	County

Telephone Number 904/350-9824 Date Utility First Organized 9/28/1984

Fax Number 904/356-1520 E-mail Address N/A

Sunshine State One-Call of Florida, Inc. Member No. _____

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

- Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and phone where records are located: Neighborhood Utilities, Inc.; 200 N. Laura St. 10th Floor, Jacksonville, FL 32202

Name of subdivisions where services are provided: Victoria Forest Unit I & II; Timber Creek Unit I; Clayton Communities Estate 572

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>W. Larry O'Steen</u>	<u>President</u>	<u>200 N Laura St 10th FL Jacksonville FL 32202</u>	
Person who prepared this report: <u>W. Larry O'Steen</u>	<u>President</u>	<u>200 N Laura St 10th FL Jacksonville FL 32202</u>	
Officers and Managers: <u>W. Larry O'Steen</u>	<u>President</u>	<u>200 N Laura St 10th FL Jacksonville FL 32202</u>	\$ _____ \$ _____ \$ _____ \$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
<u>W. Larry O'Steen</u>	<u>100%</u>	<u>200 N Laura St 10th F Jacksonville FL 32202</u>	\$ _____ \$ _____ \$ _____ \$ _____ \$ _____ \$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Neighborhood Utilities, Inc.

REVISED
 YEAR OF REPORT
 DECEMBER 31, 2001

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 58,978	\$ _____	\$ _____	\$ 58,978
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
<u>Total Gross Revenue</u> _____		<u>\$ 58,978</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 58,978</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 59,243	\$ _____	\$ _____	\$ 59,243
Depreciation Expense _____	F-5	19,833	_____	_____	19,833
CIAC Amortization Expense _____	F-8	(23,236)	_____	_____	(23,236)
Taxes Other Than Income _____	F-7	8,683	_____	_____	8,683
Income Taxes _____	F-7	_____	_____	_____	_____
<u>Total Operating Expense</u> _____		<u>\$ 64,523</u>	<u>_____</u>	<u>_____</u>	<u>\$ 64,523</u>
Net Operating Income (Loss)		\$ (5,545)	\$ _____	\$ _____	\$ (5,545)
Other Income:					
Nonutility Income _____		\$ 5,226	\$ _____	\$ _____	\$ 5,226
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		6,676	_____	_____	6,676
Adjustment to Accrued Int Payable prior to 2001 _____		(1,501)	_____	_____	(1,501)
_____		_____	_____	_____	_____
<u>Net Income (Loss)</u> _____		<u>\$ (5,494)</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ (5,494)</u>

UTILITY NAME: Neighborhood Utilities, Inc.

REVISED

YEAR OF REPORT
DECEMBER 31 2001

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 485,012	\$ 479,419
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	(271,719)	(251,886)
Net Utility Plant -----		\$ 213,293	\$ 227,533
Cash -----		2,152	894
Customer Accounts Receivable (141) -----		560	560
Other Assets (Specify): -----			

Total Assets -----		\$ 216,005	\$ 228,987
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	200	200
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----		19,800	19,800
Retained Earnings (215) -----	F-6	(321,758)	(316,264)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ (301,758)	\$ (296,264)
Long Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----		15,071	12,657
Notes Payable (232) -----		99,632	98,197
Customer Deposits (235) -----		6,628	4,876
Accrued Taxes (236) -----		78,680	83,757
Other Liabilities (Specify) -----		2,654	1,710

Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	315,098	324,054
Total Liabilities and Capital -----		\$ 216,005	\$ 228,987

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
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GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service	\$ 485,012	\$ _____	\$ _____	\$ 485,012
-----	_____	_____	_____	_____
Construction Work in -----	_____	_____	_____	_____
Other (Specify) -----	_____	_____	_____	_____
-----	_____	_____	_____	_____
Total Utility Plant -----	\$ 485,012	\$ _____	\$ _____	\$ 485,012

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year -----	\$ 251,886	\$ _____	\$ _____	\$ 251,886
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account -----	\$ 19,833	\$ _____	\$ _____	\$ 19,833
Salvage -----	_____	_____	_____	_____
Other Credits (specify) -----	_____	_____	_____	_____
-----	_____	_____	_____	_____
Total Credits -----	\$ 19,833	\$ _____	\$ _____	\$ 19,833
<u>Deduct Debits During Year:</u>				
Book cost of plant retired -----	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal -----	_____	_____	_____	_____
Other debits (specify) -----	_____	_____	_____	_____
-----	_____	_____	_____	_____
Total Debits -----	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year -----	\$ 271,719	\$ _____	\$ _____	\$ 271,719

UTILITY NAME: Neighborhood Utilities, Inc.

REVISED
 YEAR OF REPORT
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CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1,000	_____
Shares authorized _____	1,000	_____
Shares issued and outstanding _____	200	_____
Total par value of stock issued _____	200	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ (316,264)
Changes during the year (Specify):		
Net Income (Loss) _____	_____	(5,494)
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ (321,758)

PROPRIETARY CAPITAL (218)

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

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ _____

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2001

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 _____	6,251	_____	_____	6,251
Regulatory assessment fee _____	2,431	_____	_____	2,431
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ <u>8,683</u>	\$ _____	\$ _____	\$ <u>8,683</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
Judith W. Stone	\$ _____	\$ 4,748	Accounting
Pumping Solutions, Inc.	\$ _____	\$ 21,011	Plant Operation
W. Larry O'Steen	\$ _____	\$ 3,960	Generator Lease
W. Larry O'Steen	\$ _____	\$ 12,000	Management Fee
Frederick R. Brock, Esq.	\$ _____	\$ 2,352	Contingency Fee Legal Fees
C.R. Wintz, CPA	\$ _____	\$ 1,096	Accounting Fees
Progen, Inc.	\$ _____	\$ 4,082	Generator Repairs
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 566,630	\$ _____	\$ 566,630
2) Add credits during year _____	\$ 14,280	\$ _____	\$ 14,280
3) Total _____	580,910	_____	580,910
4) Deduct charges during the year _____	580,910	_____	580,910
5) Balance end of year _____	265,812	_____	265,812
6) Less Accumulated Amortization _____	\$ 315,098	\$ _____	\$ 315,098
7) Net CIAC _____			

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Sub-total _____		\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
Capacity Charges	28	\$ 420	\$ 11,760
Meter Charges	28	90	2,520
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____		\$ 14,280	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ 242,576	\$ _____	\$ 242,576
Add Debits During Year: _____	23,236	_____	23,236
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ 265,812	\$ _____	\$ 265,812

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

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT DECEMBER 31 2001

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	\$ N/A	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	100.00 %		_____ %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: _____ % Commission Order Number approving AFUDC rate: _____
--

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

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2001

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	\$ N/A	\$ _____	\$ _____	\$ _____	\$ _____
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted	_____	_____	_____	_____	_____
Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

(1) Explain below all adjustments made in Column (e):

**WATER
OPERATING
SECTION**

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT DECEMBER 31 2001

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$	\$	\$	\$
302	Franchises	243			243
303	Land and Land Rights	1,000			1,000
304	Structures and Improvements	6,922			6,922
305	Collecting and Impounding Reservoirs	96,940			96,940
306	Lake, River and Other Intakes				
307	Wells and Springs	37,693			37,693
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	54,498			54,498
320	Water Treatment Equipment	23,225			23,225
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Lines	183,199			183,199
333	Services	14,312			14,312
334	Meters and Meter Installations	21,003	5,593		26,596
335	Hydrants	26,463			26,463
336	Backflow Prevention Devices				
339	Other Plant and Miscellaneous Equipment	13,921			13,921
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	Total Water Plant	\$ 479,419	\$ 5,593	\$	\$ 485,012

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
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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	%	3.57 %	\$ 4,508		247	\$ 4,755
305	Collecting and Impounding Reservoirs	28	%	3.57 %	51,997		3,461	55,458
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	4.70 %	22,690		1,771	24,461
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%					
311	Pumping Equipment	15	%	6.67 %	47,068		3,635	50,703
320	Water Treatment Equipment	17	%	5.88 %	24,930		1,366	26,296
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains	38	%	2.63 %	63,682		4,818	68,500
333	Services	28	%	2.63 %	6,276		376	6,652
334	Meter & Meter Installations	17	%	5.88 %	11,243		1,564	12,807
335	Hydrants	40	%	2.50 %	6,751		1,662	8,413
336	Backflow Prevention Devices		%					
339	Other Plant and Miscellaneous Equipment	15	%	6.70 %	12,741		933	13,674
340	Office Furniture and Equipment		%					
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment		%					
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 251,886	\$	\$ 19,833	\$ 271,719*

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	12,000
604	Employee Pensions and Benefits _____	_____
610	Purchased Water _____	_____
615	Purchased Power _____	3,452
616	Fuel for Power Production _____	26
618	Chemicals _____	648
620	Materials and Supplies _____	1,561
630	Contractual Services:	
	Billing _____	4,748
	Professional _____	3,523
	Testing _____	620
	Other _____	18,874
640	Rents _____	8,802
650	Transportation Expense _____	_____
655	Insurance Expense _____	3,362
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
670	Bad Debt Expense _____	665
675	Miscellaneous Expenses _____	962
	Total Water Operation And Maintenance Expense _____	\$ 59,243 *

* 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	267	311	311
3/4"	D	1.5	1 XXX5	1	2.5
1"	D	2.5	2 XX	2	10
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers Other (Specify)					
			Total		
			270 XXXXX5	314	323.5

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2001

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_____	_____	1.682	_____	1.682	_____
February_____	_____	1.730	_____	1.730	_____
March_____	_____	1.876	_____	1.876	5.200
April_____	_____	2.787	_____	2.787	_____
May_____	_____	3.791	_____	3.791	_____
June_____	_____	2.159	_____	2.159	8.420
July_____	_____	2.495	_____	2.495	_____
August_____	_____	2.182	_____	2.182	_____
September_____	_____	1.774	_____	1.774	6.389
October_____	_____	1.999	_____	1.999	_____
November_____	_____	1.957	_____	1.957	_____
December_____	_____	1.896	_____	1.896	5.504
Total for Year_____	_____	26.328	_____	26.328	25.513

If water is purchased for resale, indicate the following:

Vendor _____
 Point of delivery _____

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

JEA - Jacksonville Electric Authority

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	10"	280'	_____	_____	280'
PVC	8"	11,450'	_____	_____	11,450'
PVC	6"	1,300'	_____	_____	1,300'
PVC	4"	1,460'	_____	_____	1,460'
PVC	2"	2,910'	_____	_____	2,910'
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2001

SYSTEM NAME: Neighborhood Utilities, Inc.

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1982	1986	_____	_____
Types of Well Construction and Casing _____	Drilled/Casings	Blk Steel	_____	_____
Depth of Wells _____	600'	1,000'	_____	_____
Diameters of Wells _____	4 x 3	12 x 8	_____	_____
Pump - GPM _____	90	350	_____	_____
Motor - HP _____	5	10	_____	_____
Motor Type * _____	Submersible	Submersible	_____	_____
Yields of Wells in GPD _____	140,000	540,000	_____	_____
Auxiliary Power _____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Pneumatic	Steel	Steel	_____
Capacity of Tank _____	2,000 gals	20,000 gals	40,000 gals	_____
Ground or Elevated _____	Ground	Ground	Ground	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	Marathon	Peerless	Peerless	_____
Type _____	Peerless 3-Phase	3-Phase	3-Phase	_____
Rated Horsepower _____	10 hp	15 hp	20 hp	_____
Pumps				
Manufacturer _____	Marathon	Peerless	Peerless	_____
Type _____	Peerless Series C	Series C	Series C	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	60KW Gen	60KW Gen	60KW Gen	_____

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2001

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	140,000_____	540,000_____	_____
Type of Source_____	Well#1_____	Well#2_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	Steel Ground Storage w/Aerator	Steel Ground Storage w/Aerator	_____
Make_____	Custom Built	Custom Built	_____
Permitted Capacity (GPD)_____	130,000	240,000	_____
High service pumping	Flow Meter	Flow Meter	_____
Gallons per minute_____	100	500	_____
Reverse Osmosis_____	_____	_____	_____
Lime Treatment_____	_____	_____	_____
Unit Rating_____	_____	_____	_____
Filtration_____	_____	_____	_____
Pressure Sq. Ft._____	_____	_____	_____
Gravity GPD/Sq.Ft._____	_____	_____	_____
Disinfection_____	_____	_____	_____
Chlorinator_____	Yes	Yes	_____
Ozone_____	No	No	_____
Other_____	No	No	_____
Auxiliary Power_____	60KW Diesel Gen	60KW Diesel Gen	_____

UTILITY NAME: Neighborhood Utilities, Inc. YEAR OF REPORT
DECEMBER 31, 2001
SYSTEM NAME: Neighborhood Utilities, Inc.

GENERAL WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve. 686
2. Maximum number of ERCs * which can be served. 1,057
3. Present system connection capacity (in ERCs *) using existing lines. 686
4. Future connection capacity (in ERCs *) upon service area buildout. 371
5. Estimated annual increase in ERCs *. 70
6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? 500 GPM
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
Increase hydro tank to accomodate 270 new lots late 2002 or 2003
9. When did the company last file a capacity analysis report with the DEP? N/A
10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # _____
12. Water Management District Consumptive Use Permit # 756
 - a. Is the system in compliance with the requirements of the CUP? Yes
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on one of the following methods:
(a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available use:
ERC = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).

WASTEWATER OPERATING SECTION

N/A

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)
W. Larry O'Steen, President & Treasurer

1. 2. 3. 4.

(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.