

CLASS "C"

OFFICIAL COPY
Public Service Commission
Do Not Remove from this Office

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

WU811-04-AR
Town and Country Utilities Company
2220 Palmer Street
Pittsburgh, PA 15218-2603

613-W

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



05 MAR 26 11:10:02
COMMUNICATIONS SECTION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2004

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITLEIN, C.P.A.
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD
SUITE 200
CLEARWATER, FLORIDA 33765-4419
(727) 791-4020
FACSIMILE
(727) 797-3602
e-Mail
cpas@cjinw.net

February 4, 2005

To the Officers and Directors
Town & Country Utility Company

We have compiled the 2004 Annual Report of Town & Country Utility Company in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of Town & Country Utility Company. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

Cronin, Jackson, Nixon & Wilson

CRONIN, JACKSON, NIXON & WILSON

TABLE OF CONTENTS

Financial Section	
Identification	F-2
Income Statement	F-3
Balance Sheet	F-4
Net Utility Plant	F-5
Accumulated Depreciation and Amortization of Utility Plant	F-5
Capital Stock	F-6
Retained Earnings	F-6
Proprietary Capital	F-6
Long Term Debt	F-6
Taxes Accrued	F-7
Payments For Services Rendered By Other Than Employees	F-7
Contributions in Aid of Construction	F-8
Cost of Capital Used For AFUDC Calculation	F-9
AFUDC Capital Structure Adjustments	F-10
Water Operating Section	
Water Utility Plant Accounts	W-1
Analysis of Accumulated Depreciation By Primary Account - Water	W-2
Water Operation And Maintenance Expense	W-3
Water Customers	W-3
Pumping and Purchased Water Statistics	W-4
Well and Well Pumps, Reservoirs, and High Service Pumping	W-5
Other Water System Information	W-6
Wastewater Operating Section	
Wastewater Utility Plant Accounts	S-1
Analysis of Accumulated Depreciation By Primary Account - Wastewater	S-2
Wastewater Operation And Maintenance Expense	S-3
Wastewater Customers	S-3
Pumping Equipment, Collecting and Force Mains and Manholes	S-4
Other Wastewater System Information	S-5
Verification	
Verification	V-1

FINANCIAL SECTION

REPORT OF

TOWN & COUNTRY UTILITY COMPANY

(Exact name of utility)

2220 Palmer Street	800 State Road 31
Pittsburg, PA 15218	Punta Gorda, FL 33982
Mailing Address	Street Address

Telephone Number (412) 351-3515 Date Utility First Organized 11/10/99

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

Individual Sub Chapter S Corporation 1120 Corporation Partnership

Location where books and records are located: 2220 Palmer Street
Pittsburgh, PA 15218

Names of subdivisions where service is provided: Babcock Ranch

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Carl P. Stillitano	Vice President/Treasurer	2220 Palmer Street Pittsburgh, PA 15218	
Person who prepared this report: Cronin, Jackson, Nixon & Wilson	CPA's	2560 Gulf-to-Bay Blvd. Clearwater, Fl.	
Officers and Managers: Richard S Cuda	President	2220 Palmer Street Pittsburgh, PA 15218	None
Carl P Stillitano	Vice President/Treasurer	Same	None
Howard L DeVane	Vice President	Same	None
Gerald Farabaugh	Assistant Treasurer	Same	None
Earl D Farr Jr	Secretary	Same	None
Maxine Perry	Assistant Secretary	Same	None

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
Babcock Florida Company	100%	2220 Palmer Street Pittsburgh, PA 15218	None

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 5,141			\$ 5,141
Commercial _____		11,783			11,783
Industrial (Agricultural Water) _____		151,698			151,698
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____					-
Total Gross Revenue _____		168,622	N/A	N/A	168,622
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	120,641	-		120,641
Depreciation Expense _____	F-5	22,515			22,515
CIAC Amortization Expense _____	F-8	(1,367)			(1,367)
Taxes Other Than Income _____	F-7	7,588	-	-	7,588
Income Taxes _____	F-7	-	-		-
Total Operating Expenses _____		149,377			149,377
Net Operating Income (Loss)		19,245		-	19,245
Other Income:					
Nonutility Income _____					-
Interest Income _____		-	-		-
_____					-
Other Deductions:					
Miscellaneous Nonutility Expenses _____					-
Interest Expense _____		-			-
AFUDC _____		-	-		-
_____					-
_____					-
Net Income (Loss)		\$ 19,245	N/A	N/A	\$ 19,245

UTILITY NAME: TOWN & COUNTRY UTILITY COMPANY

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 729,685	N/A	N/A	\$ 729,685
Construction Work In Progress (105) _____				-
Other (Specify) _____	-	-		-
_____				-
Total Utility Plant _____	\$ 729,685	N/A	N/A	\$ 729,685

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 511,612	N/A	N/A	\$ 511,612
Add Credits During Year:				
Accruals charged to depreciation account _____	22,515			22,515
Salvage _____	-	-		-
Other credits (specify) _____	-	-		-
_____	-	-		-
Total credits _____	22,515			22,515
Deduct Debits During Year:				
Book cost of plant retired _____	-	-		-
Cost of removal _____	-			-
Other debits (specify) _____				-
_____				-
Total debits _____	-	-		-
Balance End of Year _____	\$ 534,127	N/A	N/A	\$ 534,127

UTILITY NAME: TOWN & COUNTRY UTILITY COMPANY

YEAR OF REPORT
December 31, 2004

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$ 1.00	N/A
Shares authorized _____	500	
Shares issued and outstanding _____	10	
Total par value of stock issued _____	10	
Dividends declared per share for year _____	None	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	N/A	\$ 19,093
Charges during the year (specify):		
Current Year Income _____	-	19,245

Balance end of year _____	\$	\$ 38,338

PROPRIETARY CAPITAL (218)

	Proprietor or Partner	Partner
Balance first of year _____	N/A	N/A
Charges during the year (specify):		
Current year income _____		-

Balance end of year _____		

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity)	Interest		Principal Per Balance Sheet Date
	Rate	# of Payments	
_____	%		\$ -
_____	%		-
_____	%		-
_____	%		
Total _____			N/A

TAXES ACCRUED (236)

(a)	WATER (b)	SEWER (c)	OTHER (d)	TOTAL (e)
Income Taxes:				
Federal income tax _____	\$ -	N/A	N/A	\$ -
State income tax _____	-	-		
Taxes Other Than Income:				
State ad valorem tax _____	-	-		
Local property tax _____		-		
Regulatory assessment fee _____	7,588			7,588
Other (Specify):				
Total taxes accrued _____	\$ 7,588			\$ 7,588

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning 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
Cronin Jackson Nixon & Wilson CPA	\$ 2,495		Accounting
Babcock Florida Company	53,500		Management - all operating services

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	\$ 36,490	N/A	\$ 36,490
2. Add credits during year: _____	-	-	
3. Total _____	36,490		36,490
4. Deduct charges during year _____			-
5. Balance end of year _____	36,490		36,490
6. Less Accumulated Amortization _____	(28,499)		(28,499)
7. Net CIAC _____	\$ 7,991		\$ 7,991

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 _____				NONE	NONE
Report below all capacity charges, main extension charges and customer connections charges received during the year.					
Description of Charge	Number of Connections	Charge per Connection			
None					

Total Credits During Year (Must agree with line # 2 above) _____				\$ -	\$ -

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	\$ 27,132	N/A	\$ 27,132
Add Debits During Year: _____	1,367	-	1,367
_____	-	-	
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ 28,499	\$ -	\$ 28,499

**WATER
OPERATION
SECTION**

UTILITY NAME: TOWN & COUNTRY UTILITY COMPANY

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization _____	\$ 190,227	\$ -	\$ -	\$ 190,227
302	Franchises _____	-	-	-	-
303	Land and Land Rights _____	-	-	-	-
304	Structure and Improvements _____	-	-	-	-
305	Collecting and Impounding Reservoirs _____	-	-	-	-
306	Lake, River and Other Intakes _____	-	-	-	-
307	Wells and Springs _____	513,118	-	-	513,118
308	Infiltration Galleries and Tunnels _____	-	-	-	-
309	Supply Mains _____	-	-	-	-
310	Power Generation Equipment _____	-	-	-	-
311	Pumping Equipment _____	9,340	-	-	9,340
320	Water Treatment Equipment _____	6,900	-	-	6,900
330	Distribution Reservoirs and Standpipes _____	10,100	-	-	10,100
331	Transmission and Distribution Mains _____	-	-	-	-
333	Services _____	-	-	-	-
334	Meters and Meter Installations _____	-	-	-	-
335	Hydrants _____	-	-	-	-
339	Other Plant and Miscellaneous Equipment _____	-	-	-	-
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 _____	\$ 729,685	\$ -	\$ -	\$ 729,685

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

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

ACCT. NO. (a)	ACCOUNT NAME (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)
301	Organization	40	%	2.50	\$ 16,645	\$ -	\$ 4,756	\$ 21,401
302	Franchises	-	%	-	-	-	-	-
304	Structure and Improvements	-	%	-	-	-	-	-
305	Collecting and Impounding Reservoirs	-	%	-	-	-	-	-
306	Lake, River and Other Intakes	-	%	-	-	-	-	-
307	Wells and Springs	30	%	3.33	470,147	-	17,087	487,234
308	Infiltration Galleries and Tunnels	-	%	-	-	-	-	-
309	Supply Mains	-	%	-	-	-	-	-
310	Power Generation Equipment	-	%	-	-	-	-	-
311	Pumping Equipment	20	%	5.00	9,182	-	158	9,340
320	Water Treatment Equipment	22	%	4.55	6,659	-	241	6,900
330	Distribution Reservoirs and Standpipes	37	%	2.70	8,979	-	-	9,252
331	Transmission and Distribution Mains	-	%	-	-	-	-	-
333	Services	-	%	-	-	-	-	-
334	Meters and Meter Installations	-	%	-	-	-	-	-
335	Hydrants	-	%	-	-	-	-	-
339	Other Plant and Miscellaneous Equipment	-	%	-	-	-	-	-
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				\$ 511,612	\$ -	\$ 22,515	\$ 534,127

* This amount should tie to Sheet F-5

UTILITY NAME: TOWN & COUNTRY UTILITY COMPANY

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	
610	Purchased Water _____	995
615	Purchased Power _____	
616	Fuel for Power Production _____	
618	Chemicals _____	
620	Materials and Supplies _____	
630	Contractual Services:	
	Billing _____	
	Operator and Management _____	53,500
	Testing _____	
	Other__ (Outside accounting fees) _____	2,495
640	Rents _____	63,000
650	Transportation Expense _____	
655	Insurance Expense _____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	651
	Total Water Operation and Maintenance Expense _____	\$ 120,641 *

* 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	16	16	16	
3/4"	D	1.5				
1"	D	2.5				
1 1/2"	D,T	5.0				
General Service						
5/8"	D	1.0	6	6	6	
3/4"	D	1.5				
1"	D	2.5	1	1	3	
1 1/2"	D,T	5.0	4	4	20	
2"	D,C,T	8.0				
3"	D	15.0				
3"	C	16.0				
3"	T	17.5				
Unmetered Customers		1.0				
Other (Specify):						
** D = Displacement C = Compound T = Turbine			Total	27	27	45

PUMPING AND PURCHASED WATER STATISTICS

MONTH (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	-	453		453	453
February	-	476		476	476
March	-	511		511	511
April	-	1,053		1,053	1,053
May	-	559		559	559
June	-	286		286	286
July	-	288		288	288
August	-	242		242	242
September	-	236		236	236
October	-	267		267	267
November	-	326		326	326
December	-	277		277	277
Total for year	N/A	4,974		4,974	4,974

If water is purchased for resale, indicate the following:

Vendor N/A
 Point of Delivery N/A

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

N/A

MAINS (Feet)

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
N/A	N/A	N/A	N/A	N/A	N/A

WELLS AND WELL PUMPS
 (If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	See Note (1)			
Types of Well Construction and Casing _____	Various			

Depth of Wells _____	18' to 600'			
Diameters of Wells _____	1" to 12"			
Pump - GPM _____	Various			
Motor - HP _____	Various			
Motor Type * _____	Various			
Yeilds of Wells in GPD _____	Various			
Auxillary Power _____	None			
* Submersable, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	None			
Capacity of Tank _____				
Ground of Elevated _____				

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>MOTORS</u>				
Manufacturer _____	None			
Type _____	None			
Rated Horsepower _____	None			
<u>PUMPS</u>				
Manufacturer _____	Various			
Type _____	Various			
Capacity in GPM _____	Various			
Average Number of Hours Operated Per Day _____	Various			
Auxiliary Power _____	N/A			

(1) The Company has 322 non-potable agricultural wells and 22 wells serving potable customers.

UTILITY NAME: TOWN & COUNTRY UTILITY COMPANY

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water, etc):

Gallons per day of source_____	N/A	_____	_____
Type of source_____	Ground	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

Type_____	Chlorination	_____	_____
Make_____	Unknown	_____	_____
Permitted Capacity (GPD)	Unknown	_____	_____
High service pumping Gallons per minute_____ See Page W-5		_____	_____
Reverse Osmosis_____	N/A	_____	_____
Lime treatment Unit Rating_____	N/A	_____	_____
Filtration Pressure Sq. Ft._____	N/A	_____	_____
Gravity GPD/Sq. Ft._____		_____	_____
Disinfection Chlorinator_____	X	_____	_____
Ozone_____		_____	_____
Other_____		_____	_____
Auxiliary Power_____		_____	_____

WASTEWATER OPERATION SECTION

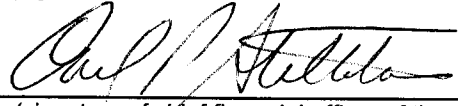
Town & Country Utility Company provides water service only;
therefore, Pages S-1 through S-6 have been omitted.

CERTIFICATION OF ANNUAL REPORT

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

- | | | |
|--------------|-----------|--|
| YES
(X) | 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
(X) | NO
() | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
(X) | 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
(X) | 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.
()	()	()	()
(X)	(X)	(X)	(X)

N/A	*
(signature of chief executive officer of the utility)	
	*
(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.

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class A & B**

Company: TOWN & COUNTRY UTILITY COMPANY

For the Year Ended December 31, 2004

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales ((461.1 - 461.5)	16,924	-	16,924
Total Fire Protection Revenue (462.1 - 462.2)	-	-	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	151,698	-	151,698
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	-	-	-
Total Water Operating Revenue	\$ 168,622	\$ -	\$ 168,622
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 168,622	\$ -	\$ 168,622

Explanations:

Instructions:

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