

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

**ANNUAL REPORT**

**OF**

SU336-03-AR  
Mr. Doug Carter  
K W Resort Utilities Corp.  
% K.W. Resort Utility  
P. O. Box 2125  
Key West, FL 33045-2125

Submitted To The  
STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

**YEAR ENDED DECEMBER 31, 2003**

RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
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DIVISION OF  
ECONOMIC REGULATION

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

*JAMES L. CARLSTEDT, C.P.A.*  
*JOHN H. CRONIN, JR., C.P.A.*  
*SHAWN M. FOLBERG, 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@cjnw.net](mailto:cpas@cjnw.net)

March 4, 2004

Officers and Directors  
K.W. Resort Utilities Corp.

We have compiled the 2003 Annual Report of K.W. Resort Utilities Corp. 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 K.W. Resort Utilities Corp.. 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

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

**Company: KW Resort Utilities Corporation**

**For the Year Ended December 31, 2003**

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate revenues (521.1 - 521.6)	\$ 479,852	\$ 479,852	\$ -
Total Measured Revenues (522.1 - 522.5)	182,091	182,091	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	73,586	73,586	-
Reclaimed Water Sales (540.1 - 544)	40,252	40,252	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 775,781</b>	<b>\$ 775,781</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Wastewater Operating Revenues</b>	<b>\$ 775,781</b>	<b>\$ 775,781</b>	<b>\$ -</b>

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).

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**EXECUTIVE**

**SUMMARY**

**CERTIFICATION OF ANNUAL REPORT**

UTILITY NAME:                     KW Resort Utilities Corporation                    

<b>YEAR OF REPORT</b> <b>December 31, 2003</b>
---

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

- |                     |                    |    |   |
|---------------------|--------------------|----|---|
| <b>YES</b><br>( X ) | <b>NO</b><br>(   ) | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.   |
| <b>YES</b><br>( X ) | <b>NO</b><br>(   ) | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| <b>YES</b><br>( X ) | <b>NO</b><br>(   ) | 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.  |
| <b>YES</b><br>( X ) | <b>NO</b><br>(   ) | 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 )

  
\_\_\_\_\_  
(signature of the chief executive officer of the utility) \*

1.	2.	3.	4.
(   )	(   )	(   )	(   )

\_\_\_\_\_  
(signature of the 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  
December 31, 2003

KW Resort Utilities Corporation  
(Exact Name of Utility)

County: Monroe

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

KW Resort Utilities Corp.  
Key West Golf Club  
6450 College Road  
Key West, Florida 33040

Telephone: ( 305 ) 294-9578

e-Mail Address: N/A

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number N/A

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

Robert C. Nixon, CPA  
Cronin, Jackson, Nixon & Wilson, CPA's, PA  
2560 Gulf-to-Bay Blvd, Suite 200  
Clearwater, Florida 34625

Telephone: ( 727 ) 791-4020

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

KW Resort Utilities Corp.  
6630 Front Street  
Key West, Florida 33045

Telephone: ( 305 ) 294-9578

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

Cronin, Jackson, Nixon and Wilson, CPA's

Date of original organization of the utility: 01/01/1972

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 percent or more of the voting securities of the utility:

Name	Percent Ownership
1. WS Utility, Inc.	100 %
2.	%
3.	%
4.	%
5.	%
6.	%
7.	%
8.	%
9.	%
10.	%



UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
December 31, 2003

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

<b>NAME OF COMPANY REPRESENTATIVE (1)</b>	<b>TITLE OR POSITION (2)</b>	<b>ORGANIZATIONAL UNIT TITLE (3)</b>	<b>USUAL PURPOSE FOR CONTACT WITH FPSC</b>
Ed Castle	Manager	Wyler Engineering	Manager of utility operation
Robert C. Nixon (727) 791-4020	CPA	Cronin Jackson, Nixon & Wilson, CPA's, PA	Regulatory and accounting matters
William L. Smith, Jr. (312) 939-0100	Owner	President	All utility matters

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

**UTILITY NAME:** KW Resort Utilities Corporation

**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.**

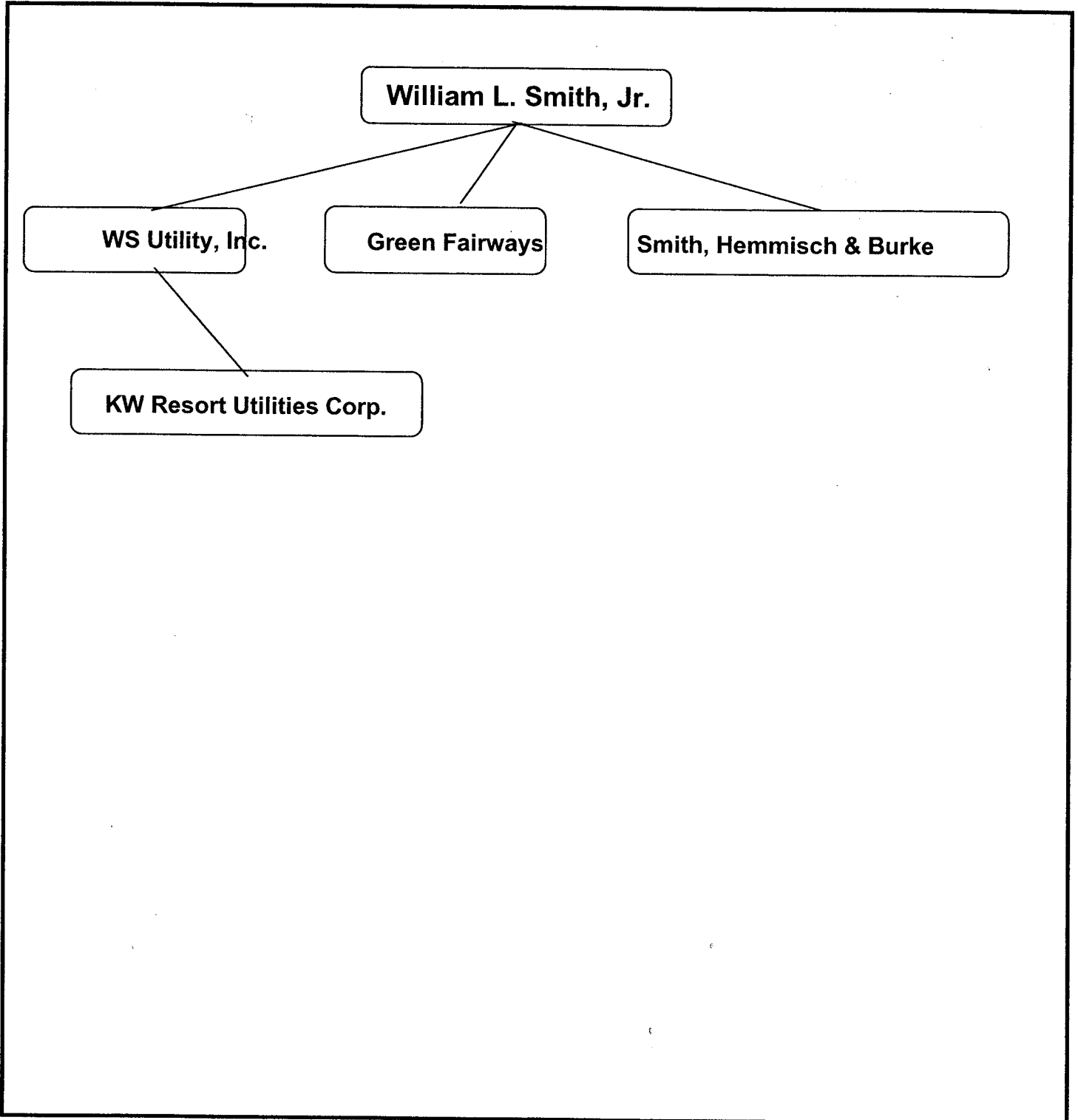
- A. K W Resort Utilities Corp. was formed for the purpose of taking possession of a sewage treatment facility located on Stock Island, Florida from a trustee of the Court. Possession was taken on January 1, 1985. The Stock of the Utility was sold to WS Utility, Inc. August 13, 1998.
- B. K W Resort Utilities Corporation provides Wastewater treatment services to the residential area of Stock Island, Florida, in the immediate vicinity of the treatment plant
- C. K W Resort Utilities Corp.'s goal is to provide a fair return on investment to its stockholders while providing quality wastewater treatment service to its customers
- D. The Utility provides wastewater treatment services only
- E. Growth is expected of approximately 100 ERC's per year through buildout
- F. In 2003, the Stock Island expansion was completed. Connections are expected to take approximately 5 years, to begin once a Monroe County Ordinance which will help the residents of Stock Island pay the service availability charges is enacted. The Utility will have a liability to repay Monroe County \$2,100 per connection as the new customers come on-line.

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
December 31, 2003

**PARENT / AFFILIATE ORGANIZATION CHART**  
Current as of 12/31/03

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



UTILITY NAME: KW Resort Utilities Corporation

<b>YEAR OF REPORT</b> December 31, 2003
--

**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.			
<b>NAME (a)</b>	<b>TITLE (b)</b>	<b>% OF TIME SPENT AS OFFICER OF UTILITY (c)</b>	<b>OFFICERS COMPENSATION (d)</b>
William L. Smith, Jr.	President	30 %	\$ None
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as an director from the respondent.			
<b>NAME (a)</b>	<b>TITLE (b)</b>	<b>NUMBER OF DIRECTORS MEETINGS ATTENDED (c)</b>	<b>DIRECTORS COMPENSATION (d)</b>
William L. Smith, Jr.	President	1	\$ None
Alexander Smith	Director	1	\$ None
Barton W. Smith	Director	1	\$ None
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
December 31, 2003

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

List all contracts, agreements, and 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)
None		\$	

\* 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: KW Resort Utilities Corporation

**YEAR OF REPORT**  
December 31, 2003

**AFFILIATION OF OFFICERS AND DIRECTORS**

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

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
William L. Smith, Jr.	President	WS Utility, Inc.	11 East Adams Street Suite 1400 Chicago, IL 60603
	President	Green Fairways	11 East Adams Street Suite 1400 Chicago, IL 60603
	Attorney	Smith, Hemmisch & Burke	11 East Adams Street Suite 1400 Chicago, IL 60603

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
December 31, 2003

**BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT  
OF PROVIDING WATER OR SEWER SERVICE**

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

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
None	\$		\$		\$	

UTILITY NAME: KW Resort Utilities Corporation

<b>YEAR OF REPORT</b> December 31, 2003
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**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

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

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

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
 

<ul style="list-style-type: none"> <li>- management, legal and accounting services</li> <li>- computer services</li> <li>- engineering &amp; construction services</li> <li>- repairing and servicing of equipment</li> </ul>	<ul style="list-style-type: none"> <li>- material and supplies furnished</li> <li>- leasing of structures, land and equipment</li> <li>- rental transactions</li> <li>- sale, purchase or transfer of various products</li> </ul>
---	---

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Green Fairways	Management	8/17/98 - Open	P	\$ 80,000
Key West Golf Course	Accounting, billing, customer accounts & service	8/17/98 - open	P	51,759



UTILITY NAME: KW Resort Utilities Corporation

<b>YEAR OF REPORT</b> December 31, 2003
--

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

**Part II. Specific Instructions: Sale, Purchase and Transfer of Assets**

- |  |   |
|--|---|
| <p>1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.</p> <p>2. Below are examples of some types of transactions to include:</p> <ul style="list-style-type: none"> <li>- purchase, sale or transfer of equipment.</li> <li>- purchase, sale or transfer of land and structures.</li> <li>- purchase, sale or transfer of securities.</li> <li>- noncash transfers of assets.</li> <li>- noncash dividends other than stock dividends.</li> <li>- writeoff of bad debts or loans.</li> </ul> | <p>3. The columnar instructions follow:</p> <ul style="list-style-type: none"> <li>(a) Enter name of related party or company.</li> <li>(b) Describe briefly the type of assets purchased, sold or transferred.</li> <li>(c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".</li> <li>(d) Enter the net book value for each item reported.</li> <li>(e) Enter the net profit or loss for each item (column (c) - column (d)).</li> <li>(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.</li> </ul> |
|--|---|

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)
None		\$	\$	\$	\$

**FINANCIAL**

**SECTION**

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
December 31, 2003

**COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 9,024,891	\$ 4,951,284
108-110	Less: Accumulated Depreciation and Amortization	F-8	(1,956,679)	(1,783,546)
Net Plant			7,068,212	3,167,738
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			7,068,212	3,167,738
<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 and Investments				
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		177,632	362,674
132	Special Deposits	F-9	18,057	8,024
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts	F-11	71,951	84,628
145	Accounts Receivable from Associated Companies	F-12	853,807	262,143
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments		8,528	2,922
171	Accrued Interest and Dividends Receivable			
172*	Rents Receivable			
173*	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12	8,121	4,921
Total Current and Accrued Assets			1,138,096	725,312

\* Not Applicable for Class B Utilities

UTILITY NAME: KW Resort Utilities Corporation

**COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ 4,454	
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14	13,337	17,766
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		17,791	17,766
	<b>TOTAL ASSETS AND OTHER DEBITS</b>		<b>\$ 8,224,099</b>	<b>\$ 3,910,816</b>

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

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

UTILITY NAME: KW Resort Utilities Corporation

**COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS 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		797,142	797,142
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	415,464	565,110
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
<b>Total Equity Capital</b>			<b>1,213,606</b>	<b>1,363,252</b>
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222*	Reacquire 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		107,580	20,829
232	Notes Payable	F-18	553,927	
233	Accounts Payable to Associated Co.	F-18	79,379	11,117
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		27,306	30,952
236	Accrued Taxes		36,340	31,402
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	40,280	46,330
<b>Total Current and Accrued Liabilities</b>			<b>844,812</b>	<b>140,630</b>

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20	3,150,000	545,786
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			3,150,000	545,786
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve			
262	Injuries and 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	3,333,213	2,113,052
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(317,532)	(251,904)
Total Net C.I.A.C.			3,015,681	1,861,148
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation			
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes				
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			<b>\$ 8,224,099</b>	<b>\$ 3,910,816</b>

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 697,825	\$ 775,781
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			697,825	775,781
401	Operating Expenses	F-3(b)	540,287	722,020
403	Depreciation Expense	F-3(b)	123,030	217,242
	Less: Amortization of CIAC	F-22	(54,570)	(65,628)
Net Depreciation Expense			68,460	151,614
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3	41,512	41,935
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
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			650,259	915,569
Net Utility Operating Income			47,566	(139,788)
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			
Total Utility Operating Income [Enter here and on Page F-3(c)]			47,566	(139,788)

\* For each account, column e should agree with columns f, g + h on F-3(b)

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

WATER SCHEDULE W-3* (f)	SEWER SCHEDULE S-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
N/A N/A	\$ 775,781	N/A
-	775,781	-
	722,020	
	217,242	
-	(65,628)	
-	151,614	-
	41,935	
	915,569	
N/A	(139,788)	
	(139,788)	N/A

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



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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR (e)
Total Utility Operating Income [from Page F-3(a)]			\$ 47,566	\$ (139,788)
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income		8,246	6,989
421	Miscellaneous Nonutility Revenue			
426	Miscellaneous Nonutility Expenses		(1)	17,014
Total Other Income and Deductions			8,245	24,003
<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		33,861
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense				33,861
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
<b>NET INCOME</b>			<b>55,811</b>	<b>(149,646)</b>

Explain Extraordinary Income:

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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	N/A	\$ 8,964,613
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8		(1,956,679)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22		(3,333,213)
252	Advances for Construction	F-20		(3,150,000)
Subtotal				524,721
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22		317,532
Subtotal				842,253
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			90,253
	Other (Specify): _____ _____ _____			
RATE BASE			\$ -	\$ 932,506
NET UTILITY OPERATING INCOME			\$ -	\$ (139,788)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-- %	-- %

**NOTES:**

- (1) Estimated if not known.
  - (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 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	\$ 1,213,606	67.63 %	10.25 %	6.93 %
Preferred Stock		%	- %	%
Long Term Debt	553,927	30.86 %	5.25 %	1.6202 %
Customer Deposits	27,306	1.52 %	6.00 %	0.0912 %
Tax Credits - Zero Cost		%	- %	%
Tax Credits - Weighted Cost		%	- %	%
Deferred Income Taxes		%	- %	%
Other (Explain)		%	- %	%
		%	%	%
<b>Total</b>	<b>\$ 1,794,839</b>	<b>100.01 %</b>		<b>8.64 %</b>

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

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(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>10.45 %</u>
Commission order approving Return on Equity:	<u>PSC-03-0707-PAA-WS (Leverage Formula)</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING THE YEAR

Current Commission approved AFUDC rate:	<u>None %</u>
Commission order approving AFUDC rate:	_____

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

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 SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (g)
Common Equity	\$ 1,213,606	-	-	-	-	\$ 1,213,606
Preferred Stock	-	-	-	-	-	-
Long Term Debt	553,927	-	-	-	-	553,927
Customer Deposits	27,306	-	-	-	-	27,306
Tax Credits - Zero Cost	-	-	-	-	-	-
Tax Credits - Weighted Cost	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-
Other (Explain):	-	-	-	-	-	-
Notes Payable - Assoc Co	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,794,839</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,794,839</b>

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


**UTILITY PLANT  
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts Utility Plant In Service	N/A	\$ 8,964,613	N/A	\$ 8,964,613
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress		60,278		60,278
106	Completed Construction Not Classified				
Total Utility Plant		N/A	\$ 9,024,891	N/A	\$ 9,024,891

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

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

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	N/A	N/A	\$ -	\$ -
Total Plant Acquisition Adjustment		\$ -	\$ -	\$ -	\$ -
115	Accumulated Amortization			\$ -	\$ -
Total Accumulated Amortization		\$ -	\$ -	\$ -	\$ -
Total Acquisition Adjustments		\$ -	\$ -	\$ -	\$ -

UTILITY NAME: KW Resort Utilities Corporation

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b> Account 108				
Balance first of year	N/A	\$ 1,783,546	N/A	\$ 1,783,546
Credits during year:				
Accruals charged:				
to Account 108.1 (1)		217,242		217,242
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify):				
_____				
Salvage				
Other Credits (specify):				
_____				
_____				
Total credits		217,242		217,242
Debits during year:				
Book cost of plant retired		(44,108)		(44,108)
Cost of removal				
Other debits (specify)				
Rounding		(1)		(1)
Total debits		(44,109)		(44,109)
Balance end of year	N/A	\$ 1,956,679	N/A	\$ 1,956,679

<b>ACCUMULATED AMORTIZATION</b> Account 110				
Balance first of year N/A	N/A	N/A	N/A	N/A
Credits during year:				
Accruals charged:				
to Account 110.2 (2)				
Other Accounts (specify):				
_____				
_____				
Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				
_____				
Total debits				
Balance end of year	N/A	N/A	N/A	N/A

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

UTILITY NAME: KW Resort Utilities Corporation

<b>YEAR OF REPORT</b> December 31, 2003
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**REGULATORY COMMISSION EXPENSE  
AMORTIZATION OF RATE CASE EXPENSE (ACCTS. 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (c)	AMOUNT (d)
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): Monroe County Escrow account	\$ 18,057
Total Special Deposits	\$ 18,057
OTHER SPECIAL DEPOSITS (Account 133): None	\$ -
Total Other Special Deposits	\$ -

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
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**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): N/A	\$ -	\$ -
Total Investment In Associated Companies		\$ -
UTILITY INVESTMENTS (Account 124): N/A	\$ -	\$ -
Total Utility Investments		\$ -
OTHER INVESTMENTS (Account 125): N/A	\$ -	\$ -
Total Other Investments		\$ -
SPECIAL FUNDS (Class A Utilities: Accounts 126 & 127; Class B Utilities: Account 127)) N/A		\$ -
Total Special Funds		\$ -



UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
**December 31, 2003**

**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 Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Combined Water & Wastewater	\$ -	
Wastewater	68,286	
Other		
Total Customer Accounts Receivable		\$ 68,286
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
Mackenzie - Paving	\$ 13,665	
Total Other Accounts Receivable		\$ 13,665
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		81,951
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ 10,000	
Add: Provision for uncollectables for current year		
Collections 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		10,000
Total Accounts and Notes Receivable - Net		\$ 71,951

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
**December 31, 2003**

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

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Due from parent - WS Utility, Inc.	\$ 853,807
Total	\$ 853,807

**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)	TOTAL (c)
Utility deposits (Water and electric)	\$ 8,121
Total	\$ 8,121

UTILITY NAME: KW Resort Utilities Corporation

<b>YEAR OF REPORT</b> December 31, 2003
--

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT**  
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):		
Closing costs	\$ -	\$ 4,454
Total Unamortized Debt Discount and Expense		\$ 4,454
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$ -	\$ -
Total Unamortized Premium on Debt	\$ -	\$ -

**EXTRAORDINARY PROPERTY LOSSES**  
**ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
N/A	\$ -
Total Extraordinary Property Losses	\$ -

UTILITY NAME: KW Resort Utilities Corporation

<b>YEAR OF REPORT</b> <b>December 31, 2003</b>
---

**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): None	\$ -	\$ -
Total Deferred Rate Case Expense	\$ -	\$ -
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): Deferred permitting costs	\$ 4,379	\$ 13,337
Total Other Deferred Debits	\$ 4,379	\$ 13,337
REGULATORY ASSETS (Class A Utilities: Account 186.3): None	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	<b>\$ 4,379</b>	<b>\$ 13,337</b>

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
**December 31, 2003**

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

DESCRIPTION (a)	RATE (b)	TOTAL (d)
<b>COMMON STOCK</b>		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized		1,000
Shares issued and outstanding		1,000
Total par value of stock issued	\$ -	1,000
Dividends declared per share for year	None	None
<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	None	None

\* 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)	
N/A	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ -

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

UTILITY NAME: KW Resort Utilities Corporation

**STATEMENT OF RETAINED EARNINGS**

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance beginning of year	\$ 565,110
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	(149,646)
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	
	Year end Balance	415,464
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
		_____
		_____
214	Total Appropriated Retained Earnings	
	Total Retained Earnings	\$ 415,464

Notes to Statement of Retained Earnings:

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
**December 31, 2003**

**ADVANCES FROM ASSOCIATED COMPANIES**  
**ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$ -
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)	
	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			NONE

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

UTILITY NAME: KW Resort Utilities Corporation

**YEAR OF REPORT**  
December 31, 2003

**NOTES PAYABLE (ACCTS. 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):			
Republic Bank-Vehicle Loan	4.50 %	Fixed	\$ 37,358
Republic Bank-Property Loan	6.91 %	Fixed	516,569
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ 553,927
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
N/A	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES  
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
A/P-Key Wesy Golf Club	\$ 5,206
A/P-Green Fairways	74,173
Total	\$ 79,379



**ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBT (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					
Vehicle loan	\$ -	427.0	\$ 1,735	\$ 1,735	\$ -
Republic Bank	-	427.0	32,126	32,126	
Total Account No. 237.1	-		33,861	33,861	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
None					-
Total Account 237.2	-				
Total Account 237 (1)	\$ -		\$ 33,861	\$ 33,861	\$ -
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 33,861		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 33,861		

(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: KW Resort Utilities Corporation

**YEAR OF REPORT**  
**December 31, 2003**

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES**  
**ACCOUNT 241**

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Prepaid revenue	\$ 40,280
<b>Total Miscellaneous Current and Accrued Liabilities</b>	<b>\$ 40,280</b>

**ADVANCES FOR CONSTRUCTION**  
**ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	ACCT.		CREDITS (e)	BALANCE END OF YEAR (f)
		DEBIT (c)	AMOUNT (d)		
Monroe County	545,786		\$ -	\$ 2,604,214	\$ 3,150,000
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
<b>Total</b>	<b>\$ 545,786</b>		<b>\$ -</b>	<b>\$ 2,604,214</b>	<b>\$ 3,150,000</b>

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

**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)		
N/A	\$ -	\$ -
Total Regulatory Liabilities	\$ -	\$ -
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)		
N/A	\$ -	\$ -
Total Deferred Liabilities	\$ -	\$ -
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ -	\$ -

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	N/A	\$ 2,113,052	N/A	\$ 2,113,052
Add credits during year:		1,220,161		1,220,161
Less debits charged during				-
Total Contributions In Aid of Construction	\$ -	\$ 3,333,213	\$ -	\$ 3,333,213

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance First of year	N/A	\$ 251,904	N/A	\$ 251,904
Debits during year:		65,628		65,628
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction		\$ 317,532		\$ 317,532

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

1. The reconciliation should include the same detail as furnished on schedule M-1 of the federal income 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 computation of all tax accruals.

2. 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, assignment, or sharing of the consolidated tax among group members.

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year (loss)	<u>F-3 (c)</u>	\$ (149,646)
Reconciling items for the year:		
Taxable income not reported on the books:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Income recorded on books not included in return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income (loss)		\$ (149,646)
Computation of tax:		
The Company is taxed as a Subchapter - S Corp.; therefore, this Schedule is not applicable.		

# **WATER OPERATION SECTION**

The Company provides wastewater service only; therefore this section has been omitted

**WASTEWATER  
OPERATION  
SECTION**





**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 8,964,613
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(1,956,679)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(3,333,213)
252	Advances for Construction	F-20	(3,150,000)
	Subtotal		524,721
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	317,532
	Subtotal		842,253
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		90,253
	Other (Specify):		-
	WASTEWATER RATE BASE		\$ 932,506
	UTILITY OPERATING INCOME	S-3	\$ (139,789)
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		-- %

- NOTES: (1) Class A calculate consistent with last rate proceeding. Class B estimated if not known.  
 (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.

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	S-9	\$ 775,781
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		775,781
401	Operating Expenses	S-10(a)	722,020
403	Depreciation Expense	S-6(a)	217,242
	Less: Amortization of CIAC	S-8(a)	(65,628)
	Net Depreciation Expense		151,614
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC) (Loss on plant abandonment)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		34,910
408.11	Property Taxes		5,194
408.12	Payroll Taxes		
408.13	Other Taxes & Licenses		1,831
408	Total Taxes Other Than Income		41,935
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		915,569
	Utility Operating Income (Loss)		(139,788)
530	Add Back: Guaranteed Revenue (and AFPI)		
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 (Loss)		\$ (139,788)

**UTILITY NAME:** KW Resort Utilities Corporation  
**SYSTEM NAME / COUNTY:** KW Resort Utilities / Monroe

**YEAR OF REPORT**  
**December 31, 2003**

**WASTEWATER UTILITY PLANT ACCOUNTS**

ACCT. NO.	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization		\$ -	\$ -	\$ -
352	Franchises	125,364			125,364
353	Land and Land Rights	222,745			222,745
354	Structure and Improvements	82,956	437,417	44,450 (1)	564,823
355	Power Generation Equipment		34,512		34,512
360	Collection Sewers - Force	1,375,879	2,286,093		3,661,972
361	Collection Sewers - Gravity	269,378	185,598		454,976
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		868,737		868,737
371	Pumping Equipment	206,022	18,323	(37,257)	187,088
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System	194,789	70,369	(29,561) (1)	235,597
380	Treatment & Disposal Equipment	1,616,045	822,053	29,561 (1)	2,467,659
381	Plant Sewers		1,610		1,610
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	88,653		(44,450) (1)	44,203
390	Office Furniture & Equipment	13,095	5,234		18,329
391	Transportation Equipment	33,129	11,828	(6,852)	38,105
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	6,135	9,712		15,847
394	Laboratory Equipment				
395	Power Operated Equipment	23,046			23,046
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 4,257,236	\$ 4,751,486	\$ (44,109)	\$ 8,964,613

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

Note (1): Reclassify to proper account

**S-4(a)**  
**GROUP 1**

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$ -						
352	Franchises	125,364						
353	Land and Land Rights	\$ -			222,745	\$ -		
354	Structure and Improvements				564,823			
355	Power Generation Equipment				34,512			
360	Collection Sewers - Force		3,661,972					
361	Collection Sewers - Gravity		454,976					
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			868,737				
371	Pumping Equipment			187,088				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System						235,597	
380	Treatment & Disposal Equipment				2,467,659			
381	Plant Sewers				1,610			
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipment				44,203			
390	Office Furniture & Equipment							18,329
391	Transportation Equipment							38,105
392	Stores Equipment							15,847
393	Tools, Shop and Garage Equipment							23,046
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 125,364	\$ 4,116,948	\$ 1,055,825	\$ 3,335,552	\$ -	\$ 235,597	\$ 95,327

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

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)
351	Organization		%	%
352	Franchises	40	%	2.50 %
354	Structure and Improvements	30	%	3.33 %
355	Power Generation Equipment	20	%	5.00 %
360	Collection Sewers - Force	30	%	3.33 %
361	Collection Sewers - Gravity	30	%	3.33 %
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	25	%	4.00 %
371	Pumping Equipment	10	%	10.00 %
374	Reuse Distribution Reservoirs		%	%
375	Reuse Transmission and Distribution System	43	%	2.33 %
380	Treatment & Disposal Equipment	30	%	3.33 %
381	Plant Sewers	35	%	2.86 %
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment	10	%	10.00 %
390	Office Furniture & Equipment	6	%	16.67 %
391	Transportation Equipment	10	%	10.00 %
392	Stores Equipment		%	%
393	Tools, Shop and Garage Equipment	10	%	10.00 %
394	Laboratory Equipment		%	%
395	Power Operated Equipment	12	%	8.33 %
396	Communication Equipment		%	%
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: KW Resort Utilities Corporation  
 SYSTEM NAME / COUNTY: KW Resort Utilities / Monroe

YEAR OF REPORT  
 December 31, 2003

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization	\$ -	\$ -	\$ -	\$ -
352	Franchises	10,969	3,134		3,134
354	Structure and Improvements	48,161	10,046	44,450	54,496
355	Power Generation Equipment		863		863
360	Collection Sewers - Force	483,103	83,880		83,880
361	Collection Sewers - Gravity	113,493	12,060		12,060
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		17,375		17,375
371	Pumping Equipment	206,022	(946)		(946)
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System	5,277	4,670	(2,755)	1,915
380	Treatment & Disposal Equipment	855,636	68,485	2,755	71,240
381	Plant Sewers		23		23
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	46,425	8,865	(44,450)	(35,585)
390	Office Furniture & Equipment	2,478	3,091		3,091
391	Transportation Equipment	3,313	3,562		3,562
392	Stores Equipment	885	(885)		(885)
393	Tools, Shop and Garage Equipment	1,385	1,099		1,099
394	Laboratory Equipment				
395	Power Operated Equipment	6,399	1,920		1,920
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 1,783,546	\$ 217,242	\$ -	\$ 217,242

\* Specify nature of transaction.

Use ( ) to denote reversal entries.

Note: Other Charges to reclassify accumulated depreciation on assets reclassified per S-4; \$1 rounding

S-6(a)  
 GROUP 1

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (k)
351	Organization	\$ -	\$ -	\$ -	\$ -	
352	Franchises					14,103
354	Structure and Improvements					102,657
355	Power Generation Equipment					863
360	Collection Sewers - Force					566,983
361	Collection Sewers - Gravity					125,553
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					17,375
371	Pumping Equipment	(37,257)			(37,257)	167,819
374	Reuse Distribution Reservoirs					
375	Reuse Transmission and Distribution System					7,192
380	Treatment & Disposal Equipment					926,876
381	Plant Sewers					23
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					10,840
390	Office Furniture & Equipment					5,569
391	Transportation Equipment	(6,852)			(6,852)	23
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					2,484
394	Laboratory Equipment					
395	Power Operated Equipment					8,319
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service		\$ (44,109)	\$ -	\$ -	\$ (44,109)	\$ 1,956,679

UTILITY NAME: KW Resort Utilities Corporation  
 SYSTEM NAME / COUNTY: KW Resort Utilities / Monroe

<b>YEAR OF REPORT</b> December 31, 2003
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**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (b)
Balance First of Year		\$ 2,113,052
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	S-8(a)	40,500
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	1,179,661
Total Credits		1,220,161
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 3,333,213

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: KW Resort Utilities Corporation  
 SYSTEM NAME / COUNTY: KW Resort Utilities / Monroe

**YEAR OF REPORT**  
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**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)
Service Availability Charge	15	2,700	\$ 40,500
			-
<b>Total Credits</b>			<b>\$ 40,500</b>

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 251,904
Debits during year:	
Accruals charged to Account	65,628
Other Debits (specify):	
<b>Total debits</b>	<b>65,628</b>
Credits during year (specify):	
<b>Total credits</b>	
Balance end of year	\$ 317,532



WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
Flat Rate Revenues:				
521.1	Residential Revenues	950	953	\$ 410,898
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	7	10	68,954
521.6	Other Revenues			
521	Total Flat Rate Revenues	957	963	479,852
Measured Revenues:				
522.1	Residential Revenues			
522.2	Commercial Revenues	22	31	182,091
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)			
522	Total Measured Revenues	22	31	182,091
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	979	994	\$ 661,943
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			33,800
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			39,786
	Total Other Wastewater Revenues			\$ 73,586

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

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER 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 Reuse Revenues			
540	Total Flat Rate Reuse Revenues			
541.1	Measured Reuse Revenues: Residential Reuse Revenues			
541.2	Commercial Reuse Revenues	2	2	40,252
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues			40,252
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				40,252
Total Wastewater Operating Revenues				\$ 775,781

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

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits							
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	3,631					3,631	
715	Purchased Power	90,703	11,945				78,758	
716	Fuel for Power Production							
718	Chemicals	12,293					12,293	
720	Materials and Supplies	55,609		16,749			3,202	1,508
731	Contractual Services - Engineering	54,334		54,334				
732	Contractual Services - Accounting	11,564						
733	Contractual Services - Legal	23,280						
734	Contractual Services - Mgt. Fees	80,000						
735	Contractual Services - Testing							
736	Contractual Services - Other	310,896		20,012		3,339	189,775	15,661
741	Rental of Building/Real Property							
742	Rental of Equipment	306						306
750	Transportation Expense							
756	Insurance - Vehicle							
757	Insurance - General Liability	12,097					12,097	
758	Insurance - Workmens Comp.							
759	Insurance - Other							
760	Advertising Expense	1,780						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense						869	
775	Miscellaneous Expenses	65,527						
	Total Wastewater Utility Expenses	\$ 722,020	\$ -	\$ 91,095	\$ 11,945	\$ 3,339	\$ 300,625	\$ 17,475

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	.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						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Production						
718	Chemicals						
720	Materials and Supplies	25,375	8,775				
731	Contractual Services - Engineering		11,564				
732	Contractual Services - Accounting		23,280				
733	Contractual Services - Legal		80,000				
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other		81,759		350		
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expense						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workmens Comp.						
759	Insurance - Other						
760	Advertising Expense		1,780				
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense		64,658				
775	Miscellaneous Expenses						
Total Wastewater Utility Expenses		\$ 25,375	\$ 271,816	\$ -	\$ 350	\$ -	\$ -

S-10(b)  
 GROUP 1

UTILITY NAME: KW Resort Utilities Corporation  
 SYSTEM NAME / COUNTY: KW Resort Utilities / Monroe

**YEAR OF REPORT**  
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**CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS**

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	957	957
5/8"	Displacement	1.0	28	28
3/4"	Displacement	1.5		
1"	Displacement	2.5	4	10
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0	3	24
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	2	50
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				1,069

**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:

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

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

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

ERC Calculation:	(	102,565,000	/ 365 days ) / 205 gpd =	1,004
		(total gallons treated)		

UTILITY NAME: KW Resort Utilities Corporation  
 SYSTEM NAME / COUNTY: KW Resort Utilities / Monroe

**YEAR OF REPORT**  
**December 31, 2003**

**WASTEWATER TREATMENT PLANT INFORMATION**  
 Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	499,000.00		
Basis of Permit Capacity (1)	3 Month Average		
Manufacturer	Davco/US Filter		
Type (2)	Extended Aeration		
Hydraulic Capacity	499,000		
Average Daily Flow	281,000		
Total Gallons of Wastewater Treated	102,565,000		
Method of Effluent Disposal	Golf Course Reuse		

- (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: KW Resort Utilities Corporation  
 SYSTEM NAME / COUNTY: KW Resort Utilities / Monroe

**YEAR OF REPORT**  
**December 31, 2003**

**OTHER WASTEWATER SYSTEM INFORMATION**

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

1. Present ERC's \* that system can efficiently serve. 1,069

2. Maximum number of ERC's \* which can be served. 1,782

3. Present system connection capacity (in ERC's \*) using existing lines. 2569

4. Future system connection capacity (in ERC's \*) upon service area buildout. 2569

5. Estimated annual increase in ERC's Approximately 100 over the next 5 years

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. None

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. Key West Golf Club & Monroe County Detention Center - 102.565 MG

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

9. Has the utility been required by the DEP or water management district to implement reuse? N/A  
 If so, what are the utility's plans to comply with the DEP? \_\_\_\_\_

10. When did the company last file a capacity analysis report with the DEP? December, 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? N/A  
 c. When will construction begin? \_\_\_\_\_  
 d. Attach plans for funding the required upgrading. \_\_\_\_\_  
 e. Is this system under any Consent Order of the DEP? \_\_\_\_\_

11. Department of Environmental Protection ID # FLA014951-258748

\* An ERC is determined based on the calculation on the bottom of Page S-11