

OFFICIAL COPY

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF
SU526-02-AR & WU649-02-AR
C & H Utilities, Inc.
Exact Legal Name of Respondent

536-W 423-S
Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
03 APR 15 AM 10:00

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)

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FINANCIAL SECTION

REPORT OF

C & H Utilities, Inc.
(EXACT NAME OF UTILITY)

P.O. Box 1088 Sebring, FL 33871-1088 <hr/> Mailing Address	3433 Herd Street Sebring, FL 33870 <hr/> Street Address	Highlands <hr/> County
Telephone Number (863) 471-1400	Date Utility First Organized	5-11-87
Fax Number	E-mail Address	
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: 3433 Herd Street
 Sebring, FL 33870

Name of subdivisions where services are provided: Valencia Acres and Hickory Ridge

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Wendell L. Faircloth	President	P.O. Box 1088 Sebring, FL 33871-1088	
Person who prepared this report: The NCT Group CPA's, L.L.P.	CPA	435 South Commerce Ave. Sebring, FL 33870	
Officers and Managers: Wendell L. Faircloth	President	Same	\$ 0
			\$
			\$
			\$
			\$
			\$

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
Wendell L. Faircloth	50%	Same	\$ 0
Mary Jane Faircloth	50%	Same	\$ 0
			\$
			\$
			\$
			\$
			\$

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 7,594	\$ 11,122	\$ _____	\$ 18,716
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ 7,594	\$ 11,122	\$ _____	\$ 18,716
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 5,173	\$ 12,289	\$ _____	\$ 17,462
Depreciation Expense _____	F-5	213	509	_____	722
CIAC Amortization Expense _____	F-8	(47)	_____	_____	(47)
Taxes Other Than Income _____	F-7	799	1,268	_____	2,067
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 6,138	14,066	_____	\$ 20,204
Net Operating Income (Loss)		\$ 1,456	\$ (2,944)	\$ _____	\$ (1,488)
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		_____	_____	_____	_____
Amortization - loan _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ 1,456	\$ (2,944)	\$ _____	\$ (1,488)

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 24,114	\$ 20,898
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>(13,733)</u>	<u>(14,577)</u>
Net Utility Plant -----		\$ 10,381	\$ 6,321
Cash -----		37	1,741
Customer Accounts Receivable (141) -----		436	919
Other Assets (Specify): -----			
Deposits -----		195	195
Loans to Shareholders -----		4,343	4,343
Total Assets -----		\$ <u>15,392</u>	\$ <u>13,519</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	500	500
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----		257	257
Retained Earnings (215) -----	F-6	(20,840)	(19,352)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ <u>(20,083)</u>	\$ <u>(18,595)</u>
Long Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----		28,996	26,002
Notes Payable (232) -----			
Customer Deposits (235) -----			
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			
Accrued Wages -----		4,800	4,800
Prepaid Sewer -----		414	
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>1,265</u>	<u>1,312</u>
Total Liabilities and Capital -----		\$ <u>15,392</u>	\$ <u>13,519</u>

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service -----	\$ 6,024	\$ 18,090	\$ _____	\$ 24,114
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____ _____ _____	_____	_____	_____	_____
Total Utility Plant _____	\$ 6,024	\$ 18,090	\$ _____	\$ 24,114

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 4,006	\$ 10,571	\$ _____	\$ 14,577
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 213	\$ 509	\$ _____	\$ 722
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____ _____	_____	_____	_____	_____
Total Credits _____	\$ 213	\$ 509	\$ _____	\$ 722
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	273	1,293	_____	1,566
Other debits (specify) _____ _____	_____	_____	_____	_____
Total Debits _____	\$ 273	\$ 1,293	\$ _____	\$ 1,566
Balance End of Year _____	\$ 3,946	\$ 9,787	\$ _____	\$ 13,733

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$ 1.00	
Shares authorized _____	6,000	
Shares issued and outstanding _____	500	
Total par value of stock issued _____	\$ 500	
Dividends declared per share for year _____	0	

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ _____	\$ (19,352)
Changes during the year (Specify):		
Net income (loss) for current year _____		(1,488)

Balance end of year _____	\$ _____	\$ (20,840)

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 _____			\$ _____

TAXES ACCRUED (236)

(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 _____	353	529	_____	882
Regulatory assessment fee _____	350	595	_____	945
Other (Specify) _____	_____	_____	_____	_____
Licenses _____	96	144	_____	240
Total Taxes Accrued _____	\$ 799	\$ 1,268	\$ _____	\$ 2,067

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
Roto-Rooter	\$ _____	\$ 2,000	Operations and maintenance
Short Utility Service, Inc.	\$ 841	\$ 4,633	Operations and maintenance
Short Environmental Labs, Inc.	\$ 690	\$ 1,437	Water testing
The NCT Group CPA's, L.L.P.	\$ 610	\$ 915	Accounting and consulting
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 1,500	\$ _____	\$ 1,500
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	1,500	_____	1,500
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	1,500	_____	1,500
6) Less Accumulated Amortization _____	(235)	_____	(235)
7) Net CIAC _____	\$ 1,265	\$ _____	\$ 1,265

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

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ 188	\$ _____	\$ 188
Add Credits During Year: _____	47	_____	47
Deduct Debits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ 235	\$ _____	\$ 235

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

UTILITY NAME C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

N/A

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

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

APPROVED AFUDC RATE

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

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

UTILITY NAME C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

N/A

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
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: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises_____				
303	Land and Land Rights_____	820			820
304	Structures and Improvements_____				
305	Collecting and Impounding Reservoirs_____				
306	Lake, River and Other Intakes_____				
307	Wells and Springs_____				
308	Infiltration Galleries and Tunnels_____				
309	Supply Mains_____				
310	Power Generation Equipment_____				
311	Pumping Equipment_____	3733	1295	273	4755
320	Water Treatment Equipment_____				
330	Distribution Reservoirs and Standpipes_____				
331	Transmission and Distribution Lines_____				
333	Services_____				
334	Meters and Meter Installations_____				
335	Hydrants_____				
336	Backflow Prevention Devices_____				
339	Other Plant and Miscellaneous Equipment_____				
340	Office Furniture and Equipment_____	449			449
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_____	\$ 5002	\$ 1295	\$ 273	\$ 6024

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

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		%		\$	\$		\$
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs		%					
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%					
311	Pumping Equipment	7	%	14.3	3650	273	143	3520
320	Water Treatment Equipment		%					
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains		%					
333	Services		%					
334	Meter & Meter Installations		%					
335	Hydrants		%					
336	Backflow Prevention Devices		%					
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment							
341	Transportation Equipment	Various	%	Various	356		70	426
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				\$ 4006	\$ 273	\$ 213	\$ 3946 *

* 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	_____
604	Employee Pensions and Benefits	_____
610	Purchased Water	_____
615	Purchased Power	1,240
616	Fuel for Power Production	_____
618	Chemicals	841
620	Materials and Supplies	_____
630	Contractual Services:	_____
	Billing	_____
	Professional	610
	Testing	_____
	Other	1,200
640	Rents	960
650	Transportation Expense	_____
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
670	Bad Debt Expense	_____
675	Miscellaneous Expenses (bank charges, postage, office exp., dues & memb., & R/M)	322
	Total Water Operation And Maintenance Expense	\$ 5,173 *

* 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	51	51	51
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
General Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	51	51

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: Hickory Ridge

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_____	_____	222	_____	222	222
February_____	_____	241	_____	241	241
March_____	_____	269	_____	269	269
April_____	_____	203	_____	203	203
May_____	_____	210	_____	210	210
June_____	_____	201	_____	201	201
July_____	_____	224	_____	224	224
August_____	_____	220	_____	220	220
September_____	_____	191	_____	191	191
October_____	_____	229	_____	229	229
November_____	_____	203	_____	203	203
December_____	_____	198	_____	198	198
Total for Year_____	_____	2,611	_____	2,611	2,611

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:

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	2"	6,333	0	0	6,333
PVC	4"	945	0	0	945
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME:

C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME:

Hickory Ridge

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1988	_____	_____	_____
Types of Well Construction and Casing _____	Steel	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	800'	_____	_____	_____
Diameters of Wells _____	4"	_____	_____	_____
Pump - GPM _____	60 GPM	_____	_____	_____
Motor - HP _____	SHP	_____	_____	_____
Motor Type * _____	Centrifugal	_____	_____	_____
Yields of Wells in GPD _____	80,000	_____	_____	_____
Auxiliary Power _____	No	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Pneumatic	_____	_____	_____
Capacity of Tank _____	_____	_____	_____	_____
Ground or Elevated _____	Ground	_____	_____	_____

HIGH SERVICE PUMPING

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

UTILITY NAME:

C & H Utilities, Inc.

YEAR OF REPORT

DECEMBER 31, 2002

Hickory Ridge

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day _____	6,112	_____	_____
Type of Source _____	Ground Water	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	Liquid	_____	_____
Make _____	Chem-Tech	_____	_____
Permitted Capacity (GPD) _____	24	_____	_____
High service pumping	_____	_____	_____
Gallons per minute _____	_____	_____	_____
Reverse Osmosis _____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating _____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft. _____	_____	_____	_____
Gravity GPD/Sq.Ft. _____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator _____	_____	_____	_____
Ozone _____	_____	_____	_____
Other _____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: Hickory Ridge

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. 20 $[(2,611,000 / 365) / 350 = 20.44]$
2. Maximum number of ERCs * which can be served. 229 $(80,000 / 350 = 229)$
3. Present system connection capacity (in ERCs *) using existing lines. 20
4. Future connection capacity (in ERCs *) upon service area buildout. 120
5. Estimated annual increase in ERCs *. 1 - 5
6. Is the utility required to have fire flow capacity? No
If so, how much capacity is required? N/A
7. Attach a description of the fire fighting facilities. N/A
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
None
9. When did the company last file a capacity analysis report with the DEP? _____
10. If the present system does not meet the requirements of DEP rules, submit the following: N/A
 - 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 # D028155176
12. Water Management District Consumptive Use Permit # N/A
 - a. Is the system in compliance with the requirements of the CUP? _____
 - 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**

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	4,589	_____	_____	4,589
354	Structures and Improvements_____	2,000	_____	_____	2,000
355	Power Generation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	2,000	_____	_____	2,000
361	Collection Sewers - Gravity_____	2,819	_____	_____	2,819
362	Special Collecting Structures_____	_____	_____	_____	_____
363	Services to Customers_____	_____	_____	_____	_____
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____	_____
371	Pumping Equipment_____	_____	_____	_____	_____
380	Treatment and Disposal Equipment_____	_____	_____	_____	_____
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	3,600	3,487	1,293	5,794
390	Office Furniture and Equipment_____	888	_____	_____	888
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ 15,896	\$ 3,487	\$ 1,293	\$ 18,090 *

* This amount should tie to sheet F-5.

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

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)
354	Structures and Improvements	7	%	14.3	\$ 2,002	\$	\$	\$ 2,002
355	Power Generation Equipment		%					
360	Collection Sewers - Force	7	%	14.3	2,000			2,000
361	Collection Sewers - Gravity	15	%	6.7	2,726		94	2,820
362	Special Collecting Structures		%					
363	Services to Customers		%					
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells		%					
371	Pumping Equipment		%					
380	Treatment and Disposal Equipment		%					
381	Plant Sewers		%					
382	Outfall Sewer Lines		%					
389	Other Plant and Miscellaneous Equipment	7	%	14.3	3,132	1,293	279	2,118
390	Office Furniture and Equipment	Various	%	Various	711		136	847
391	Transportation Equipment		%					
392	Stores Equipment		%					
393	Tools, Shop and Garage Equipment		%					
394	Laboratory Equipment		%					
395	Power Operated Equipment		%					
396	Communication Equipment		%					
397	Miscellaneous Equipment		%					
398	Other Tangible Plant		%					
	Totals				\$ 10,571	\$ 1,293	\$ 509	\$ 9,787 *

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
704	Employee Pensions and Benefits	_____
710	Purchased Wastewater Treatment	_____
711	Sludge Removal Expense	2,000
715	Purchased Power	1,399
716	Fuel for Power Production	_____
718	Chemicals	4,633
720	Materials and Supplies	_____
730	Contractual Services:	_____
	Billing	_____
	Professional	915
	Testing	_____
	Other	1,467
740	Rents	1,440
750	Transportation Expense	_____
755	Insurance Expense	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	_____
775	Miscellaneous Expenses (bank charges, postage, office exp., dues & memb., & R/M)	435
	Total Wastewater Operation And Maintenance Expense	\$ 12,289 *

* This amount should tie to Sheet F-3.

WASTEWATER 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					
All meter sizes	D	1.0	_____	_____	_____
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			92	92	92
Other (Specify)			_____	_____	_____
			_____	_____	_____
			_____	_____	_____
Total			92	92	92

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

PUMPING EQUIPMENT

Lift Station Number _____	<u>1</u>	_____	_____	_____	_____	_____
Make or Type and nameplate data on pump _____	<u>Goulds</u>	_____	_____	_____	_____	_____
Year installed _____	<u>1993</u>	_____	_____	_____	_____	_____
Rated capacity _____	<u>50 GPM</u>	_____	_____	_____	_____	_____
Size _____	<u>1 HP</u>	_____	_____	_____	_____	_____
Power:						
Electric _____	<u>Electric</u>	_____	_____	_____	_____	_____
Mechanical _____		_____	_____	_____	_____	_____
Nameplate data of motor _____	<u>Goulds</u>	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	<u>4"</u>	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	<u>PVC</u>	_____	_____	_____	_____	_____
Average length _____	<u>10'</u>	_____	_____	_____	_____	_____
Number of active service connections _____	<u>92</u>	_____	_____	_____	_____	_____
Beginning of year _____	<u>92</u>	_____	_____	_____	_____	_____
Added during year _____	<u>0</u>	_____	_____	_____	_____	_____
Retired during year _____	<u>0</u>	_____	_____	_____	_____	_____
End of year _____	<u>92</u>	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	<u>N/A</u>	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains		Force Mains			
Size (inches) _____	<u>6"</u>	<u>8"</u>	_____	_____	_____	_____
Type of main _____	<u>PVC</u>	<u>PVC</u>	_____	_____	_____	_____
Length of main (nearest foot) _____	<u>1,365</u>	<u>3,531</u>	_____	_____	_____	_____
Beginning of year _____	<u>1,365</u>	<u>3,531</u>	_____	_____	_____	_____
Added during year _____	<u>0</u>	<u>0</u>	_____	_____	_____	_____
Retired during year _____	<u>0</u>	<u>0</u>	_____	_____	_____	_____
End of year _____	<u>1,365</u>	<u>3,531</u>	_____	_____	_____	_____

MANHOLES

Size (inches) _____	<u>70"</u>	_____	_____	_____
Type of Manhole _____	<u>Concrete</u>	_____	_____	_____
Number of Manholes:				
Beginning of year _____	<u>30</u>	_____	_____	_____
Added during year _____	<u>0</u>	_____	_____	_____
Retired during year _____	<u>0</u>	_____	_____	_____
End of Year _____	<u>30</u>	_____	_____	_____

UTILITY NAME: C & H Utilities, Inc.

SYSTEM NAME: Valencia Acres

YEAR OF REPORT DECEMBER 31, 2002

TREATMENT PLANT

Manufacturer _____	Triad - Tech	_____	_____
Type _____	Extended Air	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Permitted Capacity _____	10,000 GPD	_____	_____
Average Daily Flow _____	3,600 GPD	_____	_____
Method of Effluent Disposal _____	Perk Pond	_____	_____
Permitted Capacity of Disposal _____	_____	_____	_____
Total Gallons of Wastewater treated _____	2,024,000	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	Goulds	Goulds	_____	_____	_____	_____
Capacity (GPM's) _____	50 GPM	40 GPM	_____	_____	_____	_____
Motor:						
Manufacturer _____						
Horsepower _____	1 HP	3/4 HP	_____	_____	_____	_____
Power (Electric or Mechanical) _____	Electric	Electric	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	186,000	_____	186,000
February _____	195,000	_____	195,000
March _____	212,000	_____	212,000
April _____	179,000	_____	179,000
May _____	155,000	_____	155,000
June _____	144,000	_____	144,000
July _____	140,000	_____	140,000
August _____	134,000	_____	134,000
September _____	136,000	_____	136,000
October _____	158,000	_____	158,000
November _____	183,000	_____	183,000
December _____	202,000	_____	202,000
Total for year _____	2,024,000	_____	2,024,000

If Wastewater Treatment is purchased, indicate the vendor: N/A

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: Valencia Acres

GENERAL WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs* now being served. 20 [(2,024,000 / 365) / 280 = 19.80]

2. Maximum number of ERCs* which can be served. 36 (10,000 / 280 = 35.71)

3. Present system connection capacity (in ERCs*) using existing lines. 20

4. Future connection capacity (in ERCs*) upon service area buildout. N/A

5. Estimated annual increase in ERCs*. 1 - 2

6. 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, provide a list of the reuse end users and the amount of reuse provided to each, if known. N/A

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? NO

If so, when? N/A

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

If so, what are the utility's plans to comply with this requirement? N/A

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

11. 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. N/A

b. Have these plans been approved by DEP? N/A

c. When will construction begin? N/A

d. Attach plans for funding the required upgrading. N/A

e. Is this system under any Consent Order with DEP? N/A

12. Department of Environmental Protection ID # D028155176

* 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)/280 gallons per day).


CERTIFICATION OF ANNUAL REPORT

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

- | | | | |
|--|--------------------------------|----|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 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
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. | There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. | The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified

- | | | | |
|---|---|---|---|
| 1.
<input checked="" type="checkbox"/> | 2.
<input checked="" type="checkbox"/> | 3.
<input checked="" type="checkbox"/> | 4.
<input checked="" type="checkbox"/> |
|---|---|---|---|



(signature of chief executive officer of the utility)
Wendell L. Faircloth, President

- | | | | |
|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| 1.
<input type="checkbox"/> | 2.
<input type="checkbox"/> | 3.
<input type="checkbox"/> | 4.
<input type="checkbox"/> |
|--------------------------------|--------------------------------|--------------------------------|--------------------------------|

(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.