

**CLASS "C"**

**WATER AND/OR WASTEWATER UTILITIES**

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

**ANNUAL REPORT**

OF  
SU526-03-AR & WU649-03-AR  
C & H Utilities, Inc.

Exact Legal Name of Respondent

536-W 423-S

Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**



EDUCATION & REGULATION

04 FEB 25 AM 10:01

STATE OF FLORIDA  
PUBLIC SERVICE COMMISSION

**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 2003**

## 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		431 S Pine Street Sebring, FL 33870		Highlands
Mailing Address		Street Address		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: 431 S Pine 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: <u>Wendell L. Faircloth</u>	<u>President</u>	<u>P.O. Box 1088</u> <u>Sebring, FL 33871-1088</u>	
Person who prepared this report: <u>The NCT Group CPA's, L.L.P.</u>	<u>CPA</u>	<u>435 South Commerce Ave.</u> <u>Sebring, FL 33870</u>	
Officers and Managers: <u>Wendell L. Faircloth</u>	<u>President</u>	<u>Same</u>	\$ 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
<u>Wendell L. Faircloth</u>	<u>50%</u>	<u>Same</u>	\$ 0
<u>Mary Jane Faircloth</u>	<u>50%</u>	<u>Same</u>	\$ 0
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
<b>Gross Revenue:</b>					
Residential _____		\$ 6,936	\$ 12,180	\$ _____	\$ 19,116
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
<b>Total Gross Revenue</b> _____		<b>\$ 6,936</b>	<b>\$ 12,180</b>	<b>\$ _____</b>	<b>\$ 19,116</b>
<b>Operation Expense (Must tie to pages W-3 and S-3)</b>	W-3				
	S-3	\$ 6,033	\$ 13,924	\$ _____	\$ 19,957
Depreciation Expense _____	F-5	220	716	_____	936
CIAC Amortization Expense _____	F-8	(46)	_____	_____	(46)
Taxes Other Than Income _____	F-7	846	1,256	_____	2,102
Income Taxes _____	F-7	_____	_____	_____	_____
<b>Total Operating Expense</b> _____		<b>\$ 7,053</b>	<b>15,896</b>	<b>_____</b>	<b>\$ 22,949</b>
<b>Net Operating Income (Loss)</b> _____		<b>\$ (117)</b>	<b>\$ (3,716)</b>	<b>\$ _____</b>	<b>\$ (3,833)</b>
<b>Other Income:</b>					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
<b>Other Deductions:</b>					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		_____	_____	_____	_____
Amortization - loan _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
<b>Net Income (Loss)</b> _____		<b>\$ (117)</b>	<b>\$ (3,716)</b>	<b>\$ _____</b>	<b>\$ (3,833)</b>

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2003
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COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ 24,114	\$ 24,114
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>(14,669)</u>	<u>(13,733)</u>
Net Utility Plant _____		\$ 9,445	\$ 10,381
Cash _____		163	37
Customer Accounts Receivable (141) _____		-	436
Other Assets (Specify): _____			
Deposits _____		195	195
Loans to Shareholders _____		4,343	4,343
Total Assets _____		\$ <u>14,146</u>	\$ <u>15,392</u>
<b>Liabilities and Capital:</b>			
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	<u>(24,673)</u>	<u>(20,840)</u>
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>(23,916)</u>	\$ <u>(20,083)</u>
Long Term Debt (224) _____	F-6	\$	\$
Accounts Payable (231) _____		30,939	28,996
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____			
Other Liabilities (Specify) _____			
Accrued Wages _____		4,800	4,800
Prepaid Sewer _____		873	414
Prepaid Water _____		231	-
Advances for Construction _____		.	
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>1,219</u>	<u>1,265</u>
Total Liabilities and Capital _____		\$ <u>14,146</u>	\$ <u>15,392</u>

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2003
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**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 _____	\$ 3,946	\$ 9,787	\$ _____	\$ 13,733
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 220	\$ 716	\$ _____	\$ 936
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____ _____	_____	_____	_____	_____
Total Credits _____	\$ 220	\$ 716	\$ _____	\$ 936
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	0
Other debits (specify) _____ _____	_____	_____	_____	_____
Total Debits _____	\$ 0	\$ 0	\$ _____	\$ 0
Balance End of Year _____	\$ 4,166	\$ 10,503	\$ _____	\$ 14,669



UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2003
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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 _____	\$ _____	\$ (20,840)
Changes during the year (Specify):		
Net income (loss) for current year _____		(3,833)
_____		_____
_____		_____
Balance end of year _____	\$ _____	\$ (24,673)

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_____	359	539	_____	898
Regulatory assessment fee_____	379	555	_____	934
Other (Specify)_____	_____	_____	_____	_____
Licenses_____	108	162	_____	270
Total Taxes Accrued_____	\$ 846	\$ 1,256	\$ _____	\$ 2,102

**PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES**

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar 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	\$ _____	\$ 1,550	Operations and maintenance
Short Environmental Labs, Inc.	\$ 1840	\$ 1,310	Water testing
The NCT Group CPA's, L.L.P.	\$ 650	\$ 975	Accounting and consulting
Amp Check Electric	\$ _____	\$ 1,161	Operations and maintenance
Lagrow Systems, Inc.	\$ _____	\$ 580	Operations and maintenance
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 2003

**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_____	(281)	_____	(281)
7) Net CIAC_____	\$ 1,219	\$ _____	\$ 1,219

**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_____	\$ 235	\$ _____	\$ 235
Add Credits During Year:_____	46	_____	46
Deduct Debits During Year:_____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ 281	\$ _____	\$ 281

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

UTILITY NAME C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2003
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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: _____
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**WATER  
OPERATING  
SECTION**

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2003
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**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_____	4755			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_____				
	<b>Total Water Plant_____</b>	<b>\$ 6024</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 6024</b>

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 2003

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	3520		205	3725
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	426		15	441
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				\$ 3946	\$ 0	\$ 220	\$ 4166 *

\* 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	_____ 1,234
616	Fuel for Power Production	_____
618	Chemicals	_____ 561
620	Materials and Supplies	_____
630	Contractual Services:	_____
	Billing	_____
	Professional	_____ 650
	Testing	_____ 2,160
	Other	_____
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)	_____ 468
	Total Water Operation And Maintenance Expense	\$ _____ 6,033 *

\* 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)	
<b>Residential Service</b>					
5/8"	D	1.0	51	51	51
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
<b>General Service</b>					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers Other (Specify)	_____	_____	_____	_____	_____
Total			51	51	51

\*\* D = Displacement  
C = Compound  
T = Turbine

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 2003

SYSTEM NAME: Hickory Ridge

**PUMPING AND PURCHASED WATER STATISTICS**

(a)	(b)	(c)	(d)	(e)	(f)
	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [ (b)+(c)-(d) ]	Water Sold To Customers (Omit 000's)
January		224		224	224
February		233		233	233
March		231		231	231
April		239		239	239
May		219		219	219
June		168		168	168
July		181		181	181
August		184		184	184
September		188		188	188
October		207		207	207
November		179		179	179
December		220		220	220
Total for Year		2,473		2,473	2,473

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.

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

**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, 2003

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, 2003

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.	19	$[(2,473,000 / 365) / 350 = 19.36]$
2. Maximum number of ERCs * which can be served.	229	$(80,000 / 350 = 229)$
3. Present system connection capacity (in ERCs *) using existing lines.	19	
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? If so, how much capacity is required?	No	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, 2003
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**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_____	5,794			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_____				
	<b>Total Wastewater Plant_____</b>	<b>\$ 18,090</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 18,090 *</b>

\* This amount should tie to sheet F-5.

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 2003

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 %	2,820			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 %	2,118		685	2,803
390	Office Furniture and Equipment	Various	%	Various %	847		31	878
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				\$ 9,787	\$ 0	\$ 716	\$ 10,503 *

\* 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	1,550
715	Purchased Power	1,618
716	Fuel for Power Production	_____
718	Chemicals	4,546
720	Materials and Supplies	_____
730	Contractual Services:	_____
	Billing	_____
	Professional	975
	Testing	1,340
	Other	_____
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)	2,455
	<b>Total Wastewater Operation And Maintenance Expense</b>	<b>\$ 13,924 *</b>

\* 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	93	93
Other (Specify)			_____	_____	_____
			_____	_____	_____
<b>Total</b>			<u>92</u>	<u>93</u>	<u>93</u>

\*\* D = Displacement  
C = Compound  
T = Turbine

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2003
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**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>93</u>	_____	_____	_____	_____	_____
Beginning of year _____	<u>92</u>	_____	_____	_____	_____	_____
Added during year _____	<u>1</u>	_____	_____	_____	_____	_____
Retired during year _____	<u>0</u>	_____	_____	_____	_____	_____
End of year _____	<u>93</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

<b>YEAR OF REPORT</b> DECEMBER 31, 2003
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**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_____	1,712,000		

**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_____	231,000		231,000
February_____	177,000		177,000
March_____	263,000		263,000
April_____	174,000		174,000
May_____	146,000		146,000
June_____	112,000		112,000
July_____	100,000		100,000
August_____	86,000		86,000
September_____	80,000		80,000
October_____	72,000		72,000
November_____	103,000		103,000
December_____	168,000		168,000
Total for year_____	1,712,000	.	1,712,000

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

UTILITY NAME: C & H Utilities, Inc.  
 SYSTEM NAME: Valencia Acres

YEAR OF REPORT  
 DECEMBER 31, 2003

**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. 17 [(1,712,000 / 365) / 280 = 16.75]
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. 17
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  NO

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.

YES  NO

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES  NO

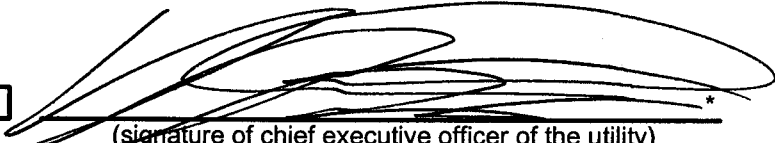
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.

YES  NO

4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents.

**Items Certified**

1.  2.  3.  4.



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

1.  2.  3.  4.

(signature of chief financial officer of the utility)

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

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