

CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

SU749-03-AR  
Mr. Patrick C. Flynn  
Utilities, Inc. of Eagle Ridge  
200 Weathersfield Avenue  
Altamonte Springs, FL 32714-4027

369-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

OFFICE OF  
PUBLIC SERVICE  
04 APR 28 PM 12:09  
REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED

31-Dec-03

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# **EXECUTIVE SUMMARY**

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

**YEAR OF REPORT**  
**31-Dec-03**

**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.

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 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 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.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\_\_\_\_\_  
(Signature of Chief Executive Officer of the utility) \*

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

*[Handwritten Signature]*  
\_\_\_\_\_  
(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.

ANNUAL REPORT OF

YEAR OF REPORT  
31-Dec-03

UTILITIES INC OF EAGLE RIDGE

County: Lee County

(Exact Name of Utility)

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

2335 SANDERS ROAD  
NORTHBROOK IL 60062

Telephone: 847-498-6440

E Mail Address: NONE

WEB Site: NONE

Sunshine State One-Call of Florida, Inc. Member Number UER828

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

JOHN S HAYNES  
2335 SANDERS ROAD  
NORTHBROOK IL 60062

Telephone: 847-498-6440

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

2335 SANDERS ROAD  
NORTHBROOK IL 60062

Telephone: 847-498-6440

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

PRICEWATERHOUSECOOPERS

Date of original organization of the utility: 06/20/95

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% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	UTILITIES INC	100%
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		



**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. 100% of the stock to this company was acquired by Utilities, Inc. The Company Provides sewer service.
- B. The Company supplies sewer services only.
- C. Provide adequate sewerage and disposal services and earn a fair return.
- D. Sewer division only.
- E. Anticipated growth
- F. The stock of this company was purchased by Utilities, Inc. Improvements have been and are still being made to the system.



PARENT / AFFILIATE ORGANIZATION CHART

Current as of                      12/31/2003

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

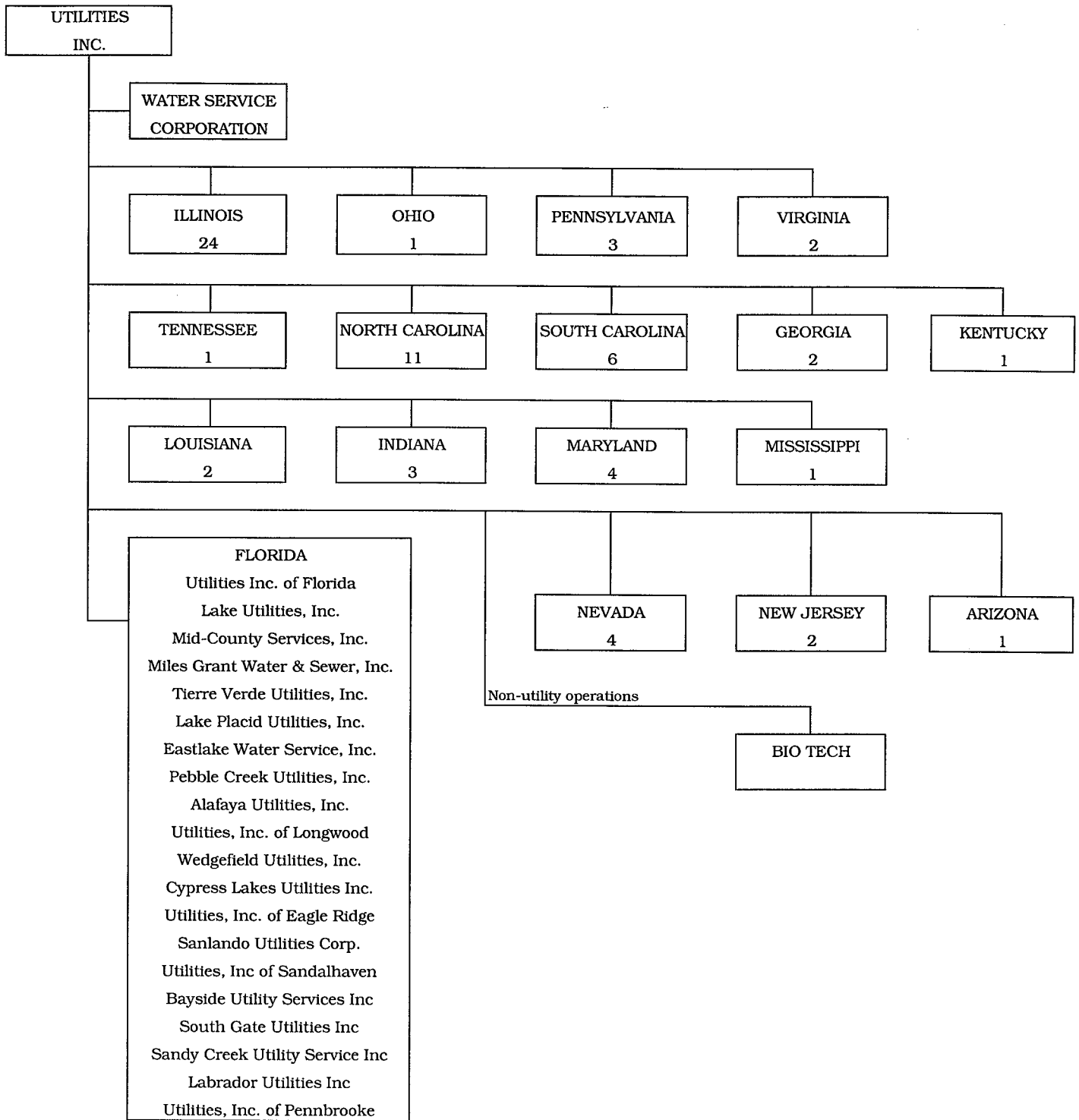
UTILITIES, INC. -- PARENT COMPANY

WATER SERVICE CORP. -- SERVICE COMPANY SUPPLYING MOST  
SERVICES REQUIRED BY UTILITY.

UTILITIES INC. of FLORIDA -- provides office personnel and administrative  
staff.

SEE ATTACHED

## Parent And Affiliate Organizational Chart



UTILITIES, INC. - Parent Company

WATER SERVICE CORP. - Service organization providing administrative and other service functions for the utility.

NOTE: Within each state except Florida is the number of companies owned.

**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</b> (a)	<b>TITLE</b> (b)	<b>% OF TIME SPENT AS OFFICER OF THE UTILITY</b> (c)	<b>OFFICERS' COMPENSATION</b> (d)
JAMES L CAMAREN	CEO		\$ NONE
LAWRENCE N SCHUMACHER	PRES/SEC/CFO		NONE

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.

<b>NAME</b> (a)	<b>TITLE</b> (b)	<b>NUMBER OF DIRECTORS' MEETINGS ATTENDED</b> (c)	<b>DIRECTORS' COMPENSATION</b> (d)
JAMES L CAMAREN	CEO	1	\$ NONE
LAWRENCE N SCHUMACHER	PRES/SEC/CFO	1	NONE

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

List all contracts, agreements, or 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)	
<b>NO BUSINESS CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS WERE ENTERED INTO DURING THE CURRENT YEAR BY THE OFFICERS LISTED ON PAGE E6, THE DIRECTORS OR AFFILIATES.</b>		\$ _____		
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	
			_____	

\* 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:** UTILITIES INC OF EAGLE RIDGE

**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

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

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
2. Below are examples of some types of transactions to include:
  - purchase, sale or transfer of equipment
  - purchase, sale or transfer of land and structures
  - purchase, sale or transfer of securities
  - noncash transfers of assets
  - noncash dividends other than stock dividends
  - write-off of bad debts or loans
3. The columnar instructions follow:
  - (a) Enter name of related party or company.
  - (b) Describe briefly the type of assets purchased, sold or transferred.
  - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
  - (d) Enter the net book value for each item reported.
  - (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
  - (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.

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)
NO ASSETS WERE SOLD, PURCHASED OR		\$ _____	\$ _____	\$ _____	\$ _____
TRANSFERRED WITH		_____	_____	_____	_____
A RELATED PARTY		_____	_____	_____	_____
DURING THE FISCAL		_____	_____	_____	_____
YEAR ENDED 31-Dec-03		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____



# **FINANCIAL SECTION**

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 5,616,011	\$ 5,711,424
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,216,612	2,367,408
Net Plant			\$ 3,399,399	\$ 3,344,016
114-115	Utility Plant Acquisition adjustment (Net)	F-7	266,765	266,765
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 3,666,164	\$ 3,610,781
<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 & Investments			\$ _____	\$ _____
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ -	\$ -
132	Special Deposits	F-9	10,345	10,345
133	Other Special Deposits	F-9	_____	_____
134	Working Funds		_____	_____
135	Temporary Cash Investments		_____	_____
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	89,206	85,141
145	Accounts Receivable from Associated Companies	F-12	_____	_____
146	Notes Receivable from Associated Companies	F-12	-	-
151-153	Material and Supplies		_____	_____
161	Stores Expense		_____	_____
162	Prepayments		-	-
171	Accrued Interest and Dividends Receivable		-	-
172 *	Rents Receivable		_____	_____
173 *	Accrued Utility Revenues		_____	_____
174	Misc. Current and Accrued Assets	F-12	-	-
Total Current and Accrued Assets			\$ 99,551	\$ 95,486

\* Not Applicable for Class B Utilities

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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED DEBITS</b>				
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	8,031	18,106
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		16,705	19,643
Total Deferred Debits			\$ <u>24,736</u>	\$ <u>37,749</u>
<b>TOTAL ASSETS AND OTHER DEBITS</b>			\$ <u><u>3,790,451</u></u>	\$ <u><u>3,744,016</u></u>

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

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

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT 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		1,831,088	1,845,827
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	109,152	123,684
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
<b>Total Equity Capital</b>			<b>\$ 1,941,240</b>	<b>\$ 1,970,511</b>
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
<b>Total Long Term Debt</b>			<b>\$ -</b>	<b>\$ -</b>
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		2,303	13,843
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	147,100	120,971
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		41,076	41,886
236	Accrued Taxes	W/S-3	15,861	15,861
237	Accrued Interest	F-19	4,400	4,295
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
<b>Total Current &amp; Accrued Liabilities</b>			<b>\$ 210,740</b>	<b>\$ 196,856</b>

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		-	-
Total Deferred Credits			\$ _____	\$ _____
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & 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	\$ 3,543,348	\$ 3,553,024
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,974,764	2,078,617
Total Net C.I.A.C.			\$ 1,568,584	\$ 1,474,407
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 43,330	\$ 66,317
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		26,557	35,925
Total Accumulated Deferred Income Tax			\$ 69,887	\$ 102,242
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ 3,790,451	\$ 3,744,016

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 698,437	\$ 713,813
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 698,437	\$ 713,813
401	Operating Expenses	F-3(b)	\$ 527,030	\$ 486,718
403	Depreciation Expense:	F-3(b)	\$ 160,597	\$ 158,556
	Less: Amortization of CIAC	F-22	(101,425)	(103,852)
Net Depreciation Expense			\$ 59,172	\$ 54,704
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	-	-
407	Amortization Expense (Other than CIAC)	F-3(b)	8,563	8,564
408	Taxes Other Than Income	W/S-3	47,709	46,837
409	Current Income Taxes	W/S-3	(33,659)	(18,368)
410.10	Deferred Federal Income Taxes	W/S-3	30,283	26,695
410.11	Deferred State Income Taxes	W/S-3	(323)	110
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			\$ 638,775	\$ 605,260
Net Utility Operating Income			\$ 59,662	\$ 108,553
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		1,764	353
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 61,426	\$ 108,906

\* For each account, Column e should agree with Columns f, g and h on F-3(b)

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

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ -	\$ 713,813	\$ -
\$ -	\$ 713,813	\$ -
\$ -	\$ 486,718	\$ -
-	158,556	-
-	(103,852)	-
\$ -	\$ 54,704	\$ -
-	-	-
-	8,564	-
-	46,837	-
-	(18,368)	-
-	26,695	-
-	110	-
-	-	-
-	-	-
-	-	-
\$ -	\$ 605,260	\$ -
\$ -	\$ 108,553	\$ -
-	-	-
-	-	-
-	-	-
-	353	-
\$ -	\$ 108,906	\$ -

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

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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 61,426	\$ 108,906
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income		(2,048)	(2,186)
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses		-	-
Total Other Income and Deductions			\$ (2,048)	\$ (2,186)
<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	\$ 65,054	\$ 92,188
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			\$ 65,054	\$ 92,188
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ -	\$ -
NET INCOME			\$ (5,676)	\$ 14,532

Explain Extraordinary Income:

NONE

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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	\$ -	\$ 5,689,400
	Less:			
	Nonused and Useful Plant (1)			-
108	Accumulated Depreciation	F-8	-	2,315,369
110	Accumulated Amortization	F-8	-	52,039
271	Contributions In Aid of Construction	F-22	-	3,553,024
252	Advances for Construction	F-20		-
Subtotal			\$ -	\$ (231,032)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	-	1,084,294
Subtotal			\$ -	\$ 853,262
114	Plus or Minus: Acquisition Adjustments (2)	F-7		-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		-
	Working Capital Allowance (3)			60,840
	Other (Specify):			-
	_____			-
	_____			-
	_____			-
RATE BASE			\$ _____	\$ 914,102
NET UTILITY OPERATING INCOME			\$ _____	\$ 108,553
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			_____	11.88%

**NOTES :**

- (1) Estimate based on the methodology used in the last rate proceeding.
- (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.

**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)</b> (d)	<b>WEIGHTED COST (c x d)</b> (e)
Common Equity	\$ 330,342	36.14%	11.96%	4.32%
Preferred Stock	-	0.00%	0.00%	0.00%
Long Term Debt	459,275	50.24%	7.31%	3.68%
Customer Deposits	41,886	4.58%	6.00%	0.27%
Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
Deferred Income Taxes	82,599	9.04%	0.00%	0.00%
Other (Explain) Short Term Debt	-	0.00%	0.00%	0.00%
<b>Total</b>	\$ <u>914,102</u>	<u>100.00%</u>		<u>8.27%</u>

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

\_\_\_\_\_

\_\_\_\_\_

(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>11.96%</u>
Commission order approving Return on Equity:	<u>Leverage Formula</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>9.03%</u>
Commission order approving AFUDC rate:	<u>PSC_04-0262-PAA-WS</u>

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.

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 82,943,449	\$ 0	\$ 0	\$ 0	\$ (82,613,107)	\$ 330,342
Preferred Stock	-	0	0	0		-
Long Term Debt	115,316,615	0	0	0	(114,857,340)	459,275
Customer Deposits	41,886	0	0	0		41,886
Tax Credits - Zero Cost	-	0	0	0		-
Tax Credits - Weighted Cost	-	0	0	0		-
Deferred Inc. Taxes	82,599	0	0	0		82,599
Other (Explain)	-	0	0	0		-
Total	\$ 198,384,549	\$ 0	\$ 0	\$ 0	\$ (197,470,447)	\$ 914,102

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

NOT APPLICABLE

UTILITY PLANT  
ACCOUNTS 101 - 106

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ -	\$ 5,689,400	\$	\$ 5,689,400
102	Utility Plant Leased to Other				-
103	Property Held for Future Use				-
104	Utility Plant Purchased or Sold				-
105	Construction Work in Progress		22,024		22,024
106	Completed Construction Not Classified	-	-		-
	Total Utility Plant	\$ -	\$ 5,711,424	\$ -	\$ 5,711,424

UTILITY PLANT ACQUISITION ADJUSTMENTS  
ACCOUNTS 114 AND 115

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

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ -	\$ 266,765	\$ -	\$ 266,765
					-
					-
					-
	Total Plant Acquisition Adjustments	\$ -	\$ 266,765	\$ -	\$ 266,765
115	Accumulated Amortization Accruals charged during year	\$ -	\$ -	\$ -	\$ -
					-
					-
					-
	Total Accumulated Amortization	\$ -	\$ -	\$ -	\$ -
	Net Acquisition Adjustments	\$ -	\$ 266,765	\$ -	\$ 266,765

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b>				
Account 108				
Balance first of year	\$ -	\$ 2,173,137	\$ -	\$ 2,173,137
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ -	\$ 158,556	\$ -	\$ 158,556
Account 108.2 (2)				-
Account 108.3 (2)				-
Other Accounts (specify):				-
	-	(3,053)		(3,053)
Salvage				-
Other Credits (Specify):				-
<b>Total Credits</b>	\$ -	\$ 155,503	\$ -	\$ 155,503
Debits during year:				
Book cost of plant retired	-	13,271		13,271
Cost of Removal				-
Other Debits (specify):				-
				-
<b>Total Debits</b>	\$ -	\$ 13,271	\$ -	\$ 13,271
Balance end of year	\$ -	\$ 2,315,369	\$ -	\$ 2,315,369
<b>ACCUMULATED AMORTIZATION</b>				
Account 110				
Balance first of year	\$ -	\$ 43,475	\$ -	\$ 43,475
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ -	\$ 8,564	\$ -	\$ 8,564
Other Accounts (specify):				-
		-		-
<b>Total credits</b>	\$ -	\$ 8,564	\$ -	\$ 8,564
Debits during year:				
Book cost of plant retired		-		-
Other debits (specify):				-
		-		-
<b>Total Debits</b>	\$ -	\$ -	\$ -	\$ -
Balance end of year	\$ -	\$ 52,039	\$ -	\$ 52,039

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

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

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**REGULATORY COMMISSION EXPENSE  
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
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): Electric	\$ 10,345
_____	_____
_____	_____
Total Special Deposits	\$ 10,345
OTHER SPECIAL DEPOSITS (Account 133): NONE	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ -

**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): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Special Funds		\$ _____

**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  
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ -	
Wastewater	85,141	
Other		
<b>Total Customer Accounts Receivable</b>		\$ 85,141
OTHER ACCOUNTS RECEIVABLE ( Account 142):		
_____	\$ _____	
_____	_____	
_____	_____	
<b>Total Other Accounts Receivable</b>		\$ -
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	
_____	_____	
_____	_____	
<b>Total Notes Receivable</b>		\$ -
<b>Total Accounts and Notes Receivable</b>		\$ 85,141
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143 )		
Balance first of year	\$ -	
Add: Provision for uncollectibles for current year	\$ _____	
Collection of accounts previously written off	_____	
Utility Accounts	_____	
Others	_____	
_____	_____	
<b>Total Additions</b>	\$ -	
Deduct accounts written off during year:		
Utility Accounts	_____	
Others	_____	
_____	_____	
<b>Total accounts written off</b>	\$ -	
<b>Balance end of year</b>		\$ _____
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>		\$ <u>85,141</u>



UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

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

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

**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)	BALANCE END OF YEAR (b)
NONE	\$ _____
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

**YEAR OF REPORT**  
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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT  
ACCOUNTS 181 AND 251**

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): <b>NONE</b>	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
<b>NONE</b>	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

**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)		
<u>RATE CASE</u>	\$ -	\$ 15,882
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ -	\$ 15,882
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
<u>OTHER DEFERRED MAINTENANCE</u>	\$ -	\$ 2,224
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ -	\$ 2,224
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
<u>NONE</u>	\$ -	\$ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Assets	\$ -	\$ -
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ -	\$ 18,106

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

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

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	_____ %	\$ _____ 1
Shares authorized		_____ -
Shares issued and outstanding		_____ 1,000
Total par value of stock issued	_____ %	\$ _____ 1,000
Dividends declared per share for year	_____ %	\$ _____ -
<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	_____ %	\$ _____ -

\* 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)	
NONE	_____ %	_____	\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
Total			\$ _____

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

**STATEMENT OF RETAINED EARNINGS**

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. 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	\$ 109,152
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	\$ 14,532
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	\$ _____
215	Year end Balance	\$ _____
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>123,684</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

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**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

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

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

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

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**NOTES PAYABLE  
ACCOUNTS 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): <b>NONE</b>			\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
<b>Total Account 232</b>			\$ _____
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): <b>NONE</b>			\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
<b>Total Account 234</b>			\$ _____

\* 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)
<b>WATER SERVICE CORPORATION</b>	\$ (120,971)
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
<b>Total</b>	\$ (120,971)

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427

DESCRIPTION OF DEBIT (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	\$ _____		\$ _____	\$ _____	\$ _____
UTILITIES INC INTERCOMPANY INTEREST	-		92,188	92,188	-
Total Account 237.1	\$ _____		\$ 92,188	\$ 92,188	\$ _____
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$ _____		\$ _____	\$ _____	\$ _____
Customer Deposits	(4,400)	427	105		(4,295)
MISC ITEMS					
Total Account 237.2	\$ (4,400)		\$ 105	\$ _____	\$ (4,295)
Total Account 237 (1)	\$ (4,400)		\$ 92,293	\$ 92,188	\$ (4,295)
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 92,188		
Less Capitalized Interest Portion of AFUDC:			-		
Net Interest Expensed to Account No. 427 (2)			\$ 92,188		

(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: UTILITIES INC OF EAGLE RIDGE

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

ADVANCES FOR CONSTRUCTION  
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
NONE _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____
Total	\$ _____	_____	_____	\$ _____	\$ _____

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

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

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**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):  <b>NONE</b> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
<b>Total Regulatory Liabilities</b>	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):  <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____
<b>Total Other Deferred Liabilities</b>	\$ _____	\$ _____
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ _____	\$ _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

<b>DESCRIPTION (a)</b>	<b>WATER (W-7) (b)</b>	<b>WASTEWATER (S-7) (c)</b>	<b>W &amp; WW OTHER THAN SYSTEM REPORTING (d)</b>	<b>TOTAL (e)</b>
Balance first of year	\$ _____ -	\$ <u>3,543,348</u>	\$ _____ -	\$ <u>3,543,348</u>
Add credits during year:	\$ _____ -	\$ <u>9,676</u>	\$ _____ -	\$ <u>9,676</u>
Less debit charged during the year	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Total Contribution In Aid of Construction	\$ _____ -	\$ <u>3,553,024</u>	\$ _____ -	\$ <u>3,553,024</u>

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

<b>DESCRIPTION (a)</b>	<b>WATER (W-8(a)) (b)</b>	<b>WASTEWATER (S-8(a)) (c)</b>	<b>W &amp; WW OTHER THAN SYSTEM REPORTING (d)</b>	<b>TOTAL (e)</b>
Balance first of year	\$ _____ -	\$ <u>1,974,764</u>	\$ _____ -	\$ <u>1,974,764</u>
Debits during the year:	\$ _____ -	\$ <u>103,853</u>	\$ _____ -	\$ <u>103,853</u>
Credits during the year	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Total Accumulated Amortization of Contributions In Aid of Construction	\$ _____ -	\$ <u>2,078,617</u>	\$ _____ -	\$ <u>2,078,617</u>

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

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**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 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 computations 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, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 14,532
Reconciling items for the year:		
Taxable income not reported on books:		
Tap Fees		9,676
Deductions recorded on books not deducted for return:		
Net Change - Deferred Maintenance		5,465
Net Change - Rate Case		(15,539)
Excess Tax Depreciation over Book Depreciation		(58,444)
Current FIT		(18,368)
Deferred FIT		26,695
Deferred SIT		110
Amortization Adj PSC-03-1308		184
Income recorded on books not included in return:		
Interest During Construction		(353)
Deduction on return not charged against book income:		
Organization Exp		(17,981)
		-
Federal tax net income		\$ (54,023)

Computation of tax :

(54,023)  
34%  
(18,368)

**WATER  
OPERATION  
SECTION**

# **WATER OPERATING SECTION**

**Note:** This utility is a wastewater only service; therefore, Pages W-1 through W-14 have been omitted from this report.



UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> 31-Dec-03
------------------------------------

SYSTEM NAME / COUNTY : Lee County

**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4A	\$ 5,689,400
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6B	2,315,369
110	Accumulated Amortization	F-8	52,039
271	Contributions In Aid of Construction	S-7	3,553,024
252	Advances for Construction	F-20	-
Subtotal			\$ (231,032)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8A	\$ 1,084,294
Subtotal			\$ 853,262
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		60,840
	Other (Specify):		
WASTEWATER RATE BASE			\$ 914,102
WASTEWATER OPERATING INCOME		S-3	\$ 108,553
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			11.88%

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(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.



UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-03</b>
---

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9A	\$ 713,813
530	Less: Guaranteed Revenue (and AFPI)	S-9A	
	Net Operating Revenues		\$ 713,813
401	Operating Expenses	S-10A	\$ 486,718
403	Depreciation Expense	S-6A	158,556
	Less: Amortization of CIAC	S-8A	(103,852)
	Net Depreciation Expense		\$ 54,704
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	8,564
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		31,581
408.11	Property Taxes		4,120
408.12	Payroll Taxes		11,136
408.13	Other Taxes and Licenses		-
408	Total Taxes Other Than Income		\$ 46,837
409.1	Income Taxes		(18,368)
410.10	Deferred Federal Income Taxes		26,695
410.11	Deferred State Income Taxes		110
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		\$ 605,260
	Utility Operating Income		\$ 108,553
530	Add Back: Guaranteed Revenue (and AFPI)	S-9A	\$
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		353
	Total Utility Operating Income		\$ 108,906

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 98,590	\$ -	\$ -	\$ 98,590
352	Franchises	243,953	-	-	243,953
353	Land and Land Rights	39,579	-	-	39,579
354	Structures and Improvements	331,956	3,450	974	334,432
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	244,307	14,436	7,743	251,000
361	Collection Sewers - Gravity	1,417,065	4,351	-	1,421,416
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	-	-	-	-
371	Pumping Equipment	-	-	-	-
374	Reuse Distribution Reservoirs	-	-	-	-
375	Reuse Transmission and Distribution System	-	-	-	-
380	Treatment and Disposal Equipment	3,142,005	62,265	4,066	3,200,204
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	16,375	-	-	16,375
389	Other Plant Miscellaneous Equipment	-	-	-	-
390	Office Furniture and Equipment	3,384	650	488	3,546
391	Transportation Equipment	49,353	-	-	49,353
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	18,482	208	-	18,690
394	Laboratory Equipment	7,939	122	-	8,061
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	3,023	1,178	-	4,201
Total Wastewater Plant		\$ 5,616,011	\$ 86,660	\$ 13,271	\$ 5,689,400

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.  
\*Note: The (d) column is recording allocation of UIF and adjustments to the acquisition entry.

S-4(a)  
GROUP \_\_\_\_\_

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (i)	.7 GENERAL PLANT (k)
351	Organization	\$ 98,590						
352	Franchises	243,953						
353	Land and Land Rights		39,579					
354	Structures and Improvements		334,432					
355	Power Generation Equipment		-					
360	Collection Sewers - Force		251,000					
361	Collection Sewers - Gravity		1,421,416					
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							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				3,200,204			
381	Plant Sewers							
382	Outfall Sewer Lines				16,375			
389	Other Plant Miscellaneous Equipment							3,546
390	Office Furniture and Equipment							49,353
391	Transportation Equipment							-
392	Stores Equipment							-
393	Tools, Shop and Garage Equipment							18,690
394	Laboratory Equipment							8,061
395	Power Operated Equipment							-
396	Communication Equipment							-
397	Miscellaneous Equipment							-
398	Other Tangible Plant							4,201
	Total Wastewater Plant	\$ 342,543	\$ 2,046,427	\$ -	\$ 3,216,579	\$ -	\$ -	\$ 83,851

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

S-4(b)  
GROUP \_\_\_\_\_

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

**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)
354	Structures and Improvements			3.13%
355	Power Generation Equipment			
360	Collection Sewers - Force			3.33%
361	Collection Sewers - Gravity			2.22%
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			
371	Pumping Equipment			
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment			5.56%
381	Plant Sewers			
382	Outfall Sewer Lines			2.86%
389	Other Plant Miscellaneous Equipment			
390	Office Furniture and Equipment			6.67%
391	Transportation Equipment			16.67%
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			6.25%
394	Laboratory Equipment			6.67%
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			10.00%
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: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY: Lee County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 103,901	\$ 16,558	\$ (2,364)	\$ 14,194
355	Power Generation Equipment				
360	Collection Sewers - Force	126,354	11,354	-	11,354
361	Collection Sewers - Gravity	405,530	31,695	-	31,695
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	-	-	-	-
371	Pumping Equipment	-	-	-	-
375	Reuse Transmission and Distribution System	-	-	-	-
380	Treatment and Disposal Equipment	1,486,112	90,698	-	90,698
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	3,924	545	-	545
389	Other Plant Miscellaneous Equipment	-	-	-	-
390	Office Furniture and Equipment	(621)	103	-	103
391	Transportation Equipment	38,830	4,762	-	4,762
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	8,056	1,025	-	1,025
394	Laboratory Equipment	(1,830)	487	-	487
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment-Allocation from UIF	-	-	-	-
398	Other Tangible Plant	2,881	1,329	(689)	640
Total Depreciable Wastewater Plant in Service		\$ 2,173,137	\$ 158,556	\$ (3,053)	\$ 155,503

\* Specify nature of transaction.

Use ( ) to denote reversal entries.

\*Note: The "other credits" (e) is recording allocation of UIF and adjustments to the acquisition entry.

S-6(a)  
GROUP \_\_\_\_\_

YEAR OF REPORT  
31-Dec-03

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	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-j) (k)
(a)	(b)					
354	Structures and Improvements	\$ 974	\$ -	\$ -	\$ 974	\$ 117,121
355	Power Generation Equipment	-	-	-	-	-
360	Collection Sewers - Force	7,743	-	-	7,743	129,965
361	Collection Sewers - Gravity	-	-	-	-	437,225
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	-	-	-	-	-
371	Pumping Equipment	-	-	-	-	-
375	Reuse Transmission and Distribution System	-	-	-	-	-
380	Treatment and Disposal Equipment	4,066	-	-	4,066	1,572,744
381	Plant Sewers	-	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-	4,469
389	Other Plant Miscellaneous Equipment	-	-	-	-	-
390	Office Furniture and Equipment	488	-	-	488	(1,006)
391	Transportation Equipment	-	-	-	-	43,592
392	Stores Equipment	-	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-	9,081
394	Laboratory Equipment	-	-	-	-	(1,343)
395	Power Operated Equipment	-	-	-	-	-
396	Communication Equipment	-	-	-	-	-
397	Miscellaneous Equipment-Allocation from UJF	-	-	-	-	-
398	Other Tangible Plant	-	-	-	-	3,521
Total Depreciable Wastewater Plant in Service		\$ 13,271	\$ -	\$ -	\$ 13,271	\$ 2,315,369

\* Specify nature of transaction.  
Use ( ) to denote reversal entries.

S-6(b)  
GROUP \_\_\_\_\_



UTILITY NAME:

UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-03</b>
---

SYSTEM NAME / COUNTY : Lee County

**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)
SEWER CONNECTIONS FEES	14	\$ 692	\$ 9,688
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ 9,688

**ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 980,442
Debits during the year:	
Accruals charged to Account 272	\$ 103,852
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 103,852
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ _____
Balance end of year	\$ 1,084,294



UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

**YEAR OF REPORT**  
31-Dec-03

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER CIAC SCHEDULE "B"**  
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION  
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS  
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
None		\$ -
Total Credits		\$ -

Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Wastewater Operations

**UTILITY NAME:** UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b>
31-Dec-03

(A)	(B)	(C)	(D)
Accounts	Gross Wastewater Revenues per Sch S-9	Gross Wastewater Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:			-
Total Flat-Rate Revenues			-
Total Measured Revenues	713,813	713,813	-
Revenues from Public Authorities			-
Revenues from Other Systems			-
Interdepartmental Revenues			-
Total Other Wastewater Revenues			-
Reclaimed Water Sales			-
Total Wastewater Operating Revenue	713,813	713,813	-
Less: Expense for Purchased Wastewater from FPSC Regulated Utility			-
Net Wastewater Operating Revenues	713,813	713,813	-

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

YEAR OF REPORT 31-Dec-03
-----------------------------

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
	Flat Rate Revenues:			
521.1	Residential Revenues	2,839	858	\$ 711,786
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues	2,839	858	\$ 711,786
	Measured Revenues:			
522.1	Residential Revenues			
522.2	Commercial Revenues			
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues			\$
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		2,839	858	\$ 711,786
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			2,027
Total Other Wastewater Revenues				\$ 2,027

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

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-03</b>
---

SYSTEM NAME / COUNTY : Lee County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
	Flat Rate Reuse Revenues:			
540.1	Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	_____	_____	\$ _____
	Measured Reuse Revenues:			
541.1	Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	_____	_____	\$ _____
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ _____
Total Wastewater Operating Revenues				\$ <u>713,813</u>

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

UTILITY NAME: UTILITIES, INC. OF EAGLE RIDGE

SYSTEM NAME / COUNTY Lee County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION 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	\$ 113,226	\$ 3,397	\$ 13,587	\$ 22,645	\$ 5,661	\$ 54,348	\$ 13,588
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits	36,667	1,100	2,567	4,400	1,833	11,000	4,400
710	Purchased Sewage Treatment	1,686					1,686	
711	Sludge Removal Expense	76,538					76,538	
715	Purchased Power	68,434			17,109		51,325	
716	Fuel for Power Purchased							
718	Chemicals	31,340					31,340	
720	Materials and Supplies	105,395	4,216	16,863	25,295	6,324	42,158	10,539
731	Contractual Services-Engineering	-						
732	Contractual Services - Accounting	-						
733	Contractual Services - Legal	-						
734	Contractual Services - Mgt. Fees	-						
735	Contractual Services - Testing	-						
736	Contractual Services - Other	7,081						
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expenses	7,301	219	876	1,460	365	3,504	877
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workman's Comp.							
759	Insurance - Other	13,349						
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	1,242						
767	Regulatory Commission Exp -Other							
770	Bad Debt Expense	875						
775	Miscellaneous Expenses	23,584						
	Total Wastewater Utility Expenses	\$ 486,718	\$ 8,932	\$ 33,893	\$ 70,909	\$ 14,183	\$ 271,899	\$ 29,404

UTILITY NAME: UTILITIES INC OF EAGLE RIDGE

SYSTEM NAME / COUNTY : Lee County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	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	11,367					
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering		0				
732	Contractual Services - Accounting		0				
733	Contractual Services - Legal		0				
734	Contractual Services - Mgt. Fees		0				
735	Contractual Services - Testing		0				
736	Contractual Services - Other	3,541	3,540				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.		13,349				
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense		1,242				
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	875					
775	Miscellaneous Expenses	11,792	11,792				
Total Wastewater Utility Expenses		\$ 27,575	\$ 29,923	\$ -	\$ -	\$ -	\$ -

UTILITY NAME:

UTILITIES, INC. OF EAGLE RIDGE

<b>YEAR OF REPORT</b> 31-Dec-03
------------------------------------

SYSTEM NAME / COUNTY :

EAGLE RIDGE / LEE

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	776	776
5/8"	Displacement	1.0		
3/4"	Displacement	1.5		
1"	Displacement	2.5	17	42.5
1 1/2"	Displacement or Turbine	5.0	36	180
2"	Displacement, Compound or Turbine	8.0	28	224
3"	Displacement	15.0	1	
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
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				<u>1222.5</u>

**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:

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

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 day.

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

ERC Calculation:		
$91.760/365/280 =$	898	One (1) ERC = 898 gallons AADF

UTILITY NAME: UTILITIES, INC. OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-03</b>
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SYSTEM NAME / COUNTY : EAGLE RIDGE / LEE

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>0.443 mgd/0.318mgd</u>		
Basis of Permit Capacity (1)	<u>TMADF</u>		
Manufacturer	<u>Davco</u>		
Type (2)	<u>Contact Stabilization/ Ext Aeration</u>		
Hydraulic Capacity	<u>0.443 mgd</u>		
Average Daily Flow	<u>0.251</u> mgd		
Total Gallons of Wastewater Treated	<u>91.760</u> mgd		
Method of Effluent Disposal	<u>Golf Course Irrigation</u>		

(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: UTILITIES, INC. OF EAGLE RIDGE

YEAR OF REPORT  
31-Dec-03

SYSTEM NAME / COUNTY : EAGLE RIDGE / LEE

OTHER 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 856

2. Maximum number of ERCs\* which can be served 1582

3. Present system connection capacity (in ERCs\*) using existing lines 1582

4. Future connection capacity (in ERCs\*) upon service area buildout 1582

5. Estimated annual increase in ERCs\* 10

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
Convert from gas chlorination to sodium hypochlorite-2004; 2004 - Replace sand filter; refurbish travelling bridge filter; LS #1 electrical rehab - 11/30/04

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. Eagle Ridge Golf and Country Club - 0.252 mgd

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? No

If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_

10. When did the company last file a capacity analysis report with the DEP? 2002

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? N/A

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

12. Department of Environmental Protection ID # FLA014498

\* An ERC is determined based on the calculation on S-11.

UTILITY NAME:

UTILITIES, INC. OF EAGLE RIDGE

<b>YEAR OF REPORT</b> 31-Dec-03
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SYSTEM NAME / COUNTY :

CROSS CREEK/LEE

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential	(1) Bulk Sewer Connection	1.0	1	1
5/8"	Displacement	1.0		
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
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				1.0

**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:

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

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 day.

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

ERC Calculation:	
27.431/365/280 =	268
	One (1) ERC = 268 gallons AADF

UTILITY NAME: UTILITIES, INC. OF EAGLE RIDGE

<b>YEAR OF REPORT</b> <b>31-Dec-03</b>
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SYSTEM NAME / COUNTY : CROSS CREEK/LEE

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>0.249 mgd</u>		
Basis of Permit Capacity (1)	<u>MMADF</u>		
Manufacturer	<u>Marolf</u>		
Type (2)	<u>Extended Aeration</u>		
Hydraulic Capacity	<u>0.249 mgd</u>		
Average Daily Flow	<u>0.075</u> mgd		
Total Gallons of Wastewater Treated	<u>27.431</u> mgd		
Method of Effluent Disposal	<u>Golf Course Irrigation</u>		

(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: UTILITIES, INC. OF EAGLE RIDGE

YEAR OF REPORT  
31-Dec-03

SYSTEM NAME / COUNTY : CROSS CREEK/LEE

**OTHER 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 905

2. Maximum number of ERCs\* which can be served 905

3. Present system connection capacity (in ERCs\*) using existing lines 905

4. Future connection capacity (in ERCs\*) upon service area buildout 905

5. Estimated annual increase in ERCs\* 0

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
Convert to sodium hypochlorite disinfection-2/17/04; Paint filters and chlorine contact tank-12/31/04; Repair leaking seams in WWTP-5/31/04

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. Cross Creek Golf Club - 0.075 mgd

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? No

If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_

10. When did the company last file a capacity analysis report with the DEP? 2002

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? N/A

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

12. Department of Environmental Protection ID # FLA014505

\* An ERC is determined based on the calculation on S-11.