

CLASS "C"
WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of Less Than \$200,000 Each)

ANNUAL REPORT

OF

SU752-04-AR
Kirby D. Morgan
Kirby D. Morgan, Inc.
164 S.E. Pearl Terrace
Lake City, FL 32025-1865

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2004

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FINANCIAL

SECTION

REPORT OF

KIRBY D. MORGAN, INC.

(EXACT NAME OF UTILITY)

164 SE PEARL TERRACE LAKE CITY, FL 32025-1865	164 SE PEARL TERRACE LAKE CITY, FL 32025-1865	COLUMBIA
Mailing Address	Street Address	County

Telephone Number 386-752-8267 Date Utility First Organized MARCH 2, 1993

Fax Number 386-752-8444 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: EASTSIDE VILLAGE REALTY, 164 SE PEARL TERRACE,
LAKE CITY, FL 32025

Name of subdivisions where services are provided: EASTSIDE VILLAGE

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>DENISE BOSE</u>	<u>OFFICER MANAGER</u>	<u>164 SE PEARL TERRACE</u> <u>LAKE CITY, FL 32025</u>	
Person who prepared this report: <u>PATRICIA B. STUART, CPA</u>	<u>C.P.A.</u>	<u>816 SW MAIN BLVD</u> <u>LAKE CITY, FL 32025</u>	
Officers and Managers: <u>KIRBY D. MORGAN</u>	<u>OWNER</u>	<u>276 SE WILLOW DRIVE</u> <u>LAKE CITY, FL 32025</u>	\$ <u>18,000</u>
<u>DENISE BOSE</u>	<u>OPERATOR</u>	<u>164 SE PEARL TERRACE</u> <u>LAKE CITY, FL 32025</u>	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

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>KIRBY D. MORGAN</u>	<u>50%</u>	<u>276 SE WILLOW DRIVE</u> <u>LAKE CITY, FL 32025</u>	\$ <u>18,000</u>
<u>DOROTHY J. MORGAN</u>	<u>50%</u>	<u>276 SE WILLOW DRIVE</u> <u>LAKE CITY, FL 32025</u>	\$ <u>0</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_-----		\$ _____	\$ 57,815	\$ _____	\$ 57,815
Commercial_-----		_____	_____	_____	_____
Industrial_-----		_____	_____	_____	_____
Multiple Family_-----		_____	_____	_____	_____
Guaranteed Revenues_		_____	_____	_____	_____
Other (Specify)_-----		_____	_____	_____	_____
Total Gross Revenue_--		\$ _____	\$ 57,815	\$ _____	\$ 57,815
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ _____	\$ 45,784	\$ _____	\$ 45,784
Depreciation Expense_---	F-5	_____	9,713	_____	9,713
CIAC Amortization Expense_	F-8	_____	-3,708	_____	-3,708
Taxes Other Than Income_--	F-7	_____	2,657	_____	2,657
Income Taxes_-----	F-7	_____	_____	_____	_____
Total Operating Expense		\$ _____	54,446	_____	\$ 54,446
Net Operating Income (Loss)		\$ _____	\$ 3,369	\$ _____	\$ 3,369
Other Income:					
Nonutility Income_-----		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_-----		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_-----		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ _____	\$ 3,369	\$ _____	\$ 3,369

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ <u>301,140</u>	\$ <u>283,673</u>
Accumulated Depreciation and Amortization (108)-----	F-5,W-2,S-2	<u>97,718</u>	<u>88,005</u>
Net Utility Plant-----		\$ <u>203,422</u>	\$ <u>195,668</u>
Cash-----		<u>14,911</u>	<u>2,444</u>
Customer Accounts Receivable (141)-----			
Other Assets (Specify):-----			
UTILITY DEPOSITS		<u>1275</u>	<u>475</u>
DUE FROM AFFILIATE		<u>2,951</u>	<u>2,951</u>

Total Assets-----		\$ <u>222,559</u>	\$ <u>201,538</u>
Liabilities and Capital:			
Common Stock Issued (201)-----	F-6	<u>100</u>	<u>100</u>
Preferred Stock Issued (204)-----	F-6		
Other Paid in Capital (211)-----		<u>81,827</u>	<u>81,827</u>
Retained Earnings (215)-----	F-6	<u>16,380</u>	<u>13,011</u>
Proprietary Capital (Proprietary and partnership only) (218)-----	F-6		
Total Capital-----		\$ <u>98,307</u>	\$ <u>94,938</u>
Long Term Debt (224)-----	F-6	\$	\$
Accounts Payable (231)-----		<u>21,360</u>	
Notes Payable (232)-----			
Customer Deposits (235)-----			
Accrued Taxes (236)-----			
Other Liabilities (Specify)-----			

Advances for Construction-----			
Contributions in Aid of Construction - Net (271-272)-----	F-8	<u>102,892</u>	<u>106,600</u>
Total Liabilities and Capital-----		\$ <u>222,559</u>	\$ <u>201,538</u>

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ _____	\$ <u>301,140</u>	\$ _____	\$ <u>301,140</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>_____</u>	\$ <u>301,140</u>	\$ <u>_____</u>	\$ <u>301,140</u>

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ _____	\$ <u>88,005</u>	\$ _____	\$ <u>88,005</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ _____	\$ <u>9,713</u>	\$ _____	\$ <u>9,713</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ <u>_____</u>	\$ <u>9,713</u>	\$ <u>_____</u>	\$ <u>9,713</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
Balance End of Year _____	\$ <u>_____</u>	\$ <u>97,718</u>	\$ <u>_____</u>	\$ <u>97,718</u>

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share_____	1	_____
Shares authorized_____	100	_____
Shares issued and outstanding_____	100	_____
Total par value of stock issued_____	100	_____
Dividends declared per share for year_____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year_____	\$ _____	\$ 13,011
Changes during the year (Specify):		
NET INCOME_____	_____	3,369
_____	_____	_____
_____	_____	_____
Balance end of year_____	\$ _____	\$ 16,380

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_____			\$ _____

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

TAX EXPENSE

(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 _____	_____	158	_____	158
Regulatory assessment fee _____	_____	2,499	_____	2,499
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ _____	\$ 2,657	\$ _____	\$ 2,657

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
KIRBY D. MORGAN	\$ _____	\$ 18,000	MANAGEMENT SERVICES
CHARLES JOHNSON	\$ _____	\$ 6,734	CONTRACT LABOR
FLORIDA SEPTIC, INC.	\$ _____	\$ 2,370	PUMPING SERVICES
ODOM, MOSES & CO, LLP	\$ _____	\$ 2,185	ACCOUNTING
ADVANCED TECHNOLOGY	\$ _____	\$ 1,541	WATER TESTING
VINCE MACK	\$ _____	\$ 1,010	CONTRACT LABOR
VERLON HALL	\$ _____	\$ 760	CONTRACT LABOR
STANDARD PLUMBING	\$ _____	\$ 510	PUMPING SERVICES
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ _____	\$ 147,136	\$ 147,136
2) Add credits during year_____	\$ _____	\$ _____	\$ _____
3) Total_____	_____	147,136	147,136
4) Deduct charges during the year_____	_____	_____	_____
5) Balance end of year_____	_____	_____	_____
6) Less Accumulated Amortization_____	_____	44,244	44,244
7) Net CIAC_____	\$ _____	\$ 102,892	\$ 102,892

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_____	\$ _____	\$ 40,536	\$ 40,536
Add Debits During Year:_____	_____	3,708	3,708
Deduct Credits During Year:_____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ _____	\$ 44,244	\$ 44,244

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

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

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>_____</u>	<u>100.00</u> %		<u>_____</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: _____

**WATER
OPERATING
SECTION**

UTILITY NAME: KIRBY D. MORGAN, INC.
NOT APPLICABLE

YEAR OF REPORT DECEMBER 31, 2004

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_____	_____	_____	_____	_____
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_____	_____	_____	_____	_____
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_____	_____	_____	_____	_____
341	Transportation Equipment_____	_____	_____	_____	_____
342	Stores Equipment_____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
344	Laboratory Equipment_____	_____	_____	_____	_____
345	Power Operated Equipment_____	_____	_____	_____	_____
346	Communication Equipment_____	_____	_____	_____	_____
347	Miscellaneous Equipment_____	_____	_____	_____	_____
348	Other Tangible Plant_____	_____	_____	_____	_____
	Total Water Plant_____	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT
DECEMBER 31, 2004

NOT APPLICABLE

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		%	%				
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		%	%				
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				\$	\$	\$	\$ *

* This amount should tie to Sheet F-5.

UTILITY NAME: KIRBY D. MORGAN, INC.
NOT APPLICABLE

YEAR OF REPORT DECEMBER 31, 2004

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_____	_____
616	Fuel for Power Production_____	_____
618	Chemicals_____	_____
620	Materials and Supplies_____	_____
630	Contractual Services:	
	Billing_____	_____
	Professional_____	_____
	Testing_____	_____
	Other_____	_____
640	Rents_____	_____
650	Transportation Expense_____	_____
655	Insurance Expense_____	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
670	Bad Debt Expense_____	_____
675	Miscellaneous Expenses_____	_____
	Total Water Operation And Maintenance Expense_____	\$ _____*

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
General Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	=====	=====

UTILITY NAME: _____ KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

SYSTEM NAME: _____ KIRBY D. MORGAN, INC.

NOT APPLICABLE
PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January_-----	_____	_____	_____	_____	_____
February_-----	_____	_____	_____	_____	_____
March_-----	_____	_____	_____	_____	_____
April_-----	_____	_____	_____	_____	_____
May_-----	_____	_____	_____	_____	_____
June_-----	_____	_____	_____	_____	_____
July_-----	_____	_____	_____	_____	_____
August_-----	_____	_____	_____	_____	_____
September_-----	_____	_____	_____	_____	_____
October_-----	_____	_____	_____	_____	_____
November_-----	_____	_____	_____	_____	_____
December_-----	_____	_____	_____	_____	_____
Total for Year_-----	=====	=====	=====	=====	=====

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
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: _____ KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

SYSTEM NAME: _____ KIRBY D. MORGAN, INC.

NOT APPLICABLE
WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	_____	_____	_____	_____
Types of Well Construction and Casing_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells_____	_____	_____	_____	_____
Diameters of Wells_____	_____	_____	_____	_____
Pump - GPM_____	_____	_____	_____	_____
Motor - HP_____	_____	_____	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD_____	_____	_____	_____	_____
Auxiliary Power_____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	_____	_____	_____	_____
Capacity of Tank_____	_____	_____	_____	_____
Ground or Elevated_____	_____	_____	_____	_____

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: _____ KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

NOT APPLICABLE
SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_ _ _ _ _	_____	_____	_____
Type of Source_ _ _ _ _	_____	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_ _ _ _ _	_____	_____	_____
Make_ _ _ _ _	_____	_____	_____
Permitted Capacity (GPD)_ _ _	_____	_____	_____
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:___ KIRBY D. MORGAN, INC.

YEAR OF REPORT
DECEMBER 31, 2004

SYSTEM NAME:___ KIRBY D. MORGAN, INC.

NOT APPLICABLE

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. _____

Number of ERCs * which can be served. _____

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

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

5. Estimated annual increase in ERCs *. _____

6. Is the utility required to have fire flow capacity? _____
If so, how much capacity is required? _____

7. Attach a description of the fire fighting facilities.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.

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:

- 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 # _____

12. Water Management District Consumptive Use Permit # _____

- 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: KIRBY D. MORGAN, INC

YEAR OF REPORT DECEMBER 31, 2004

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_____	10,000	_____	_____	10,000
354	Structures and Improvements_____	92,579	_____	_____	92,579
355	Power Generation Equipment_____	_____	16,800	_____	16,800
360	Collection Sewers - Force_____	3,008	_____	_____	3,008
361	Collection Sewers - Gravity_____	145,254	_____	_____	145,254
362	Special Collecting Structures_____	64	_____	_____	64
363	Services to Customers_____	_____	_____	_____	_____
364	Flow Measuring Devices_____	4,016	_____	_____	4,016
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____	_____
371	Pumping Equipment_____	_____	_____	_____	_____
380	Treatment and Disposal Equipment_____	27,153	667	_____	27,820
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
390	Office Furniture and Equipment_____	1,599	_____	_____	1,599
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ 283,673	\$ 17,467	\$ _____	\$ 301,140 *

* This amount should tie to sheet F-5.

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT
DECEMBER 31, 2004

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	27	%	%	\$ 38,003	\$	3,427	\$ 41,430
355	Power Generation Equipment	17	%	%	0		82	82
360	Collection Sewers - Force	27	%	%	1,614		113	1,727
361	Collection Sewers - Gravity	40	%	%	38,646		3,632	42,278
362	Special Collecting Structures	37	%	%	26		1	27
363	Services to Customers		%	%				
364	Flow Measuring Devices	7.5	%	%	1,556		369	1,925
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%				
371	Pumping Equipment		%	%				
380	Treatment and Disposal Equipment	13.86	%	%	7,920		1,769	9,689
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%				
390	Office Furniture and Equipment		%	%				
391	Transportation Equipment	5	%	%	240		320	560
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				\$ 88,005	\$	9,713	\$ 97,718 *

* This amount should tie to Sheet F-5.

UTILITY NAME:___ KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

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_____	_____
715	Purchased Power_____	5,129
716	Fuel for Power Production_____	_____
718	Chemicals_____	_____
720	Materials and Supplies_____	1,226
730	Contractual Services:	
	Billing_____	_____
	Professional _____ Management Fees and Accounting	20,185
	Testing_____	1,541
	Other_____ Repairs and Maintenance	15,771
740	Rents_____	_____
750	Transportation Expense_____	_____
755	Insurance Expense_____	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
770	Bad Debt Expense_____	_____
775	Miscellaneous Expenses_____. Telephone, Bank Charges, Dues, Corp Filing Fees	1,932
	Total Wastewater Operation And Maintenance Expense_____	\$ 45,784 *

* 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 Equivalent (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
All meter sizes	D	1.0	222	223	223
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers					
Other (Specify)					
Total			222	223	223

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: _____ KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

PUMPING EQUIPMENT

Lift Station Number _____	1	2	3	_____	_____	_____
Make or Type and nameplate data on pump _____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
Year installed _____	2002	1990	2001	_____	_____	_____
Rated capacity _____	_____	_____	_____	_____	_____	_____
Size _____	2 hp	2 hp	3 hp	_____	_____	_____
Power:	_____	_____	_____	_____	_____	_____
Electric _____	Electric	Electric	Electric	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	3"	3"	3"	_____	_____	_____
Type (PVC, VCP, etc.) _____	PVC	PVC	PVC	_____	_____	_____
Average length _____	40 ft	40 ft	40 ft	_____	_____	_____
Number of active service connections _____	_____	_____	_____	_____	_____	_____
Beginning of year _____ *	123	48	51	_____	_____	_____
Added during year _____	_____	_____	1	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____
End of year _____	123	48	52	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains		
Size (inches) _____	8"	_____	_____	3"	_____	_____
Type of main _____	PVC	_____	_____	PVC	_____	_____
Length of main (nearest foot) _____	4500	_____	_____	3800	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____
End of year _____	4500	_____	_____	3800	_____	_____

MANHOLES

Size (inches) _____	26"	_____	_____	_____
Type of Manhole _____	_____	_____	_____	_____
Number of Manholes:	_____	_____	_____	_____
Beginning of year _____	34	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of Year _____	34	_____	_____	_____

* beginning of year # corrected

UTILITY NAME: _____ KIRBY D. MORGAN, INC.

SYSTEM NAME: _____ KIRBY D. MORGAN, INC.

YEAR OF REPORT DECEMBER 31, 2004

TREATMENT PLANT

Manufacturer_____	De Fiance	_____	_____
Type_____	_____	_____	_____
"Steel" or "Concrete"_____	Concrete	_____	_____
Total Permitted Capacity_____	25000	_____	_____
Average Daily Flow_____	15600	_____	_____
Method of Effluent Disposal_____	Perc Ponds	_____	_____
Permitted Capacity of Disposal_____	_____	_____	_____
Total Gallons of Wastewater treated_____	7,886,000	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer_____	#1	#2	#3	_____	_____	_____
Capacity (GPM's)_____	100	100	100	_____	_____	_____
Motor:				_____	_____	_____
Manufacturer_____	Gorman	Rupp	Marthon	_____	_____	_____
Horsepower_____	2 hp	2 hp	2 hp	_____	_____	_____
Power (Electric or Mechanical)_____	Electric	Electric	Electric	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	608,000	_____	_____
February_____	545,000	_____	_____
March_____	552,000	_____	_____
April_____	548,000	_____	_____
May_____	561,000	_____	_____
June_____	552,000	_____	_____
July_____	553,000	_____	_____
August_____	1,029,000	_____	_____
September_____	999,000	_____	_____
October_____	807,000	_____	_____
November_____	562,000	_____	_____
December_____	570,000	_____	_____
Total for year_____	7,886,000	_____	_____

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: _ KIRBY D. MORGAN, INC.

YEAR OF REPORT
DECEMBER 31, '2004

SYSTEM NAME: _ KIRBY D. MORGAN, INC.

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. _____ 223,000/365 = 611
2. Maximum number of ERCs* which can be served. _ 25,000 per day
3. Present system connection capacity (in ERCs*) using existing lines. _ N/A
4. Future connection capacity (in ERCs*) upon service area buildout. _ N/A
5. Estimated annual increase in ERCs*. _____ N/A
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
_____ N/A

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? _____
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? _____ N/A
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.
 - 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? _____
12. Department of Environmental Protection ID # _____ 3112 - P00467

* 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).

UTILITY NAME: KIRBY D. MORGAN, INC.

YEAR OF REPORT
DECEMBER 31, 2004

CERTIFICATION OF ANNUAL REPORT

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

- | | | | |
|--|--------------------------------|----|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. | There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. | The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified

1. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>	<u><i>Kirby D. Morgan</i></u> *
				(signature of chief executive officer of the utility)

Date: _____

1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>	4. <input type="checkbox"/>	_____ *
				(signature of chief financial officer of the utility)

Date: _____

* 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.