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WATER AND WASTEWATER
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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

————— WS151-02-AR —————
 Loch Harbour Utilities, Inc.
 P. O. Box 2100
 Ocala, FL 34478-2100

Submitted To The
STATE OF FLORIDA



RECEIVED
 FLORIDA PUBLIC SERVICE
 COMMISSION
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 DIVISION OF
 ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

FINANCIAL SECTION

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REPORT OF
LOCH HARBOUR UTILITIES, INC.

(EXACT NAME OF UTILITY)

P.O. BOX 2100 | 3325 S. PINE AVE
 Ocala, Florida 34478-2100 | Ocala, Florida 34471
Mailing Address | Street Address | County MARION

Telephone Number 352-732-2100 | Date Utility First Organized 05/08/74

Fax Number 352-732-7718 | E-mail Address N/A

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: 3325 S. PINE AVE
OCALA, FL. 34471

Name of subdivisions where services are provided: LOCH HARBOUR CONDOMINIUMS

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>JOSEPH C. MCCOUN</u>	<u>VICE-PRESIDENT</u>	<u>P.O. BOX 2100</u> <u>OCALA, FL 34478</u>	<u>-0-</u>
Person who prepared this report: <u>GENE CLEMENTS</u>	<u>CONTROLLER</u>	<u>(SAME)</u>	<u>-0-</u>
Officers and Managers: <u>FRED Y. MONTSDEOCA</u>	<u>PRESIDENT</u>	<u>(SAME)</u>	\$ <u>-0-</u>
<u>JOSEPH C. MCCOUN</u>	<u>V-PRESIDENT</u>	<u>(SAME)</u>	\$ <u>-0-</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>FRED Y. MONTSDEOCA</u>	<u>75%</u>	<u>P.O. BOX 2100</u>	\$ <u>-0-</u>
<u>JOSEPH C. MCCOUN</u>	<u>25%</u>	<u>OCALA, FL. 34478</u>	\$ <u>-0-</u>
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 12,662.24	\$ 17,182.91	\$ _____	\$ 29,845.15
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____		_____	_____	_____	_____
Total Gross Revenue _____		\$ 12,662.24	\$ 17,182.91	\$ _____	\$ 29,845.15
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 17,449.74	\$ 16,912.74	\$ _____	\$ 34,362.48
Depreciation Expense_____	F-5	_____	_____	_____	_____
CIAC Amortization Expense_____	F-8	_____	_____	_____	_____
Taxes Other Than Income_____	F-7	1,045.76	1,255.03	_____	2,300.79
Income Taxes_____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 18,495.50	18,167.77	_____	\$ 36,663.27
Net Operating Income (Loss)		\$ (5,833.26)	\$ (984.86)	\$ _____	\$ (6,818.12)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (5,833.26)	\$ (984.86)	\$ _____	\$ (6,818.12)

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ <u>79,557.22</u>	\$ <u>79,557.22</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>79,557.22</u>	<u>79,557.22</u>
Net Utility Plant _____		\$ <u>-0-</u>	\$ <u>-0-</u>
Cash _____		<u>(159.66)</u>	<u>54.76</u>
Customer Accounts Receivable (141) _____		<u>2,416.47</u>	<u>2,168.04</u>
Other Assets (Specify): _____			
Total Assets _____		\$ <u>2,256.81</u>	\$ <u>2,222.80</u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	<u>5,000.00</u>	<u>5,000.00</u>
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____			
Retained Earnings (215) _____	F-6	<u>(181,511.37)</u>	<u>(174,693.25)</u>
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>(176,511.37)</u>	\$ <u>(169,693.25)</u>
Long Term Debt (224) _____	F-6	\$ <u>95,000.00</u>	\$ <u>95,000.00</u>
Accounts Payable (231) _____		<u>75,291.14</u>	<u>72,952.63</u>
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____			
Other Liabilities (Specify) _____			
ACCRUED EXPENSES		<u>3,963.42</u>	<u>3,963.42</u>
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8		
Total Liabilities and Capital _____		\$ <u>2,256.81</u>	\$ <u>2,222.80</u>

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ 20,107.00	\$ 59,450.22	\$ _____	\$ 79,557.22
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 20,107.00	\$ 59,450.22	\$ _____	\$ 79,557.22

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 20,107.00	\$ 59,450.22	\$ _____	\$ 79,557.22
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ _____	\$ _____	\$ _____	\$ _____
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 20,107.00	\$ 59,450.22	\$ _____	\$ 79,557.22

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1.00	
Shares authorized _____	5,000	
Shares issued and outstanding _____	5,000	
Total par value of stock issued _____	\$5,000.00	
Dividends declared per share for year _____		

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$(174,693.25)
Changes during the year (Specify): 2002 OPERATING LOSS		(6,818.12)
Balance end of year _____	\$ _____	\$(181,511.37)

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	
	9.0	NONE	\$95,000.00
Total _____			\$95,000.00

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

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 _____	150.00	150.00	_____	300.00
Local property tax _____	335.24	335.24	_____	670.48
Regulatory assessment fee _____	553.02	762.29	_____	1,315.31
Other (Specify) _____	7.50	7.50	_____	15.00
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ 1,045.76	\$ 1,255.03	\$ _____	\$ 2,300.79

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
AQUA PURE WATER/SEWAGE	\$ 2,805.74	\$ 2,805.75	MAINT/CHEMICALS
FL. LIMESTONE IND.	\$ 6,874.08	\$ 6,874.08	ADMINISTRATIVE SVC.
PREMIUM ASSIGNMENT	\$ 834.53	\$ 834.54	INSURANCE
SVC	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

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

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

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

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

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	\$ _____	100.00 %		_____ %

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

APPROVED AFUDC RATE

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

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

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

(1) Explain below all adjustments made in Column (e):

_____ _____

**WATER
OPERATING
SECTION**

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____	_____
303	Land and Land Rights _____	_____	_____	_____	_____
304	Structures and Improvements _____	480.00	_____	_____	480.00
305	Collecting and Impounding Reservoirs _____	_____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____	_____
307	Wells and Springs _____	2,116.00	_____	_____	2,116.00
308	Infiltration Galleries and Tunnels _____	_____	_____	_____	_____
309	Supply Mains _____	_____	_____	_____	_____
310	Power Generation Equipment _____	5,180.00	_____	_____	5,180.00
311	Pumping Equipment _____	275.00	_____	_____	275.00
320	Water Treatment Equipment _____	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____	_____
331	Transmission and Distribution Lines _____	4,810.00	_____	_____	4,810.00
333	Services _____	_____	_____	_____	_____
334	Meters and Meter Installations _____	5,254.00	_____	_____	5,254.00
335	Hydrants _____	625.00	_____	_____	625.00
336	Backflow Prevention Devices _____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	1,312.00	_____	_____	1,312.00
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 _____	55.00	_____	_____	55.00
348	Other Tangible Plant _____	_____	_____	_____	_____
	Total Water Plant _____	\$20,107.00	\$ _____	\$ _____	\$20,107.00

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements	15	0 %	6.66 %	\$ 480.00	\$	\$	\$ 480.00
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes	15	0 %	6.66 %	2,116.00			2,116.00
307	Wells and Springs		%	%				
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment		%	%				
320	Water Treatment Equipment	15	0 %	6.66 %	5,180.00			5,180.00
330	Distribution Reservoirs & Standpipes	15	0 %	6.66 %	275.00			275.00
331	Trans. & Dist. Mains	15	0 %	6.66 %	4,810.00			4,810.00
333	Services		%	%				
334	Meter & Meter Installations	15	0 %	6.66 %	5,254.00			5,254.00
335	Hydrants	15	0 %	6.66 %	625.00			625.00
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment	15	0 %	6.66 %	1,312.00			1,312.00
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	15	0 %	6.66 %	55.00			55.00
348	Other Tangible Plant		%	%				
	Totals				\$20,107.00	\$	\$	\$ 20,107.00

* This amount should tie to Sheet F-5.

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
604	Employee Pensions and Benefits	_____
610	Purchased Water	_____
615	Purchased Power	1,505.70
616	Fuel for Power Production	_____
618	Chemicals	537.05
620	Materials and Supplies	2,074.15
630	Contractual Services:	
	Billing	
	Professional OPERATOR/MANAGEMENT: 6,874.08 / 2,805.74	9,679.82
	Testing	
	Other LEGAL & PROFESSIONAL	1,725.00
640	Rents	_____
650	Transportation Expense	_____
655	Insurance Expense	834.53
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
670	Bad Debt Expense	_____
675	Miscellaneous Expenses OFFICE EXP & METER READING	1,093.49
	Total Water Operation And Maintenance Expense	\$ 17,449.74
	* 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	52		52
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)					
			Total	52	52

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

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 _____	_____	_____	_____	124	124
February _____	_____	_____	_____	108	108
March _____	_____	_____	_____	122	122
April _____	_____	_____	_____	94	94
May _____	_____	_____	_____	116	116
June _____	_____	_____	_____	129	129
July _____	_____	_____	_____	106	106
August _____	_____	_____	_____	129	129
September _____	_____	_____	_____	125	125
October _____	_____	_____	_____	120	120
November _____	_____	_____	_____	145	145
December _____	_____	_____	_____	100	100
Total for Year _____	_____	_____	_____	1418	1418

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
COATED STEEL	4"	640'	_____	_____	640'
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1973			
Types of Well Construction and Casing _____				
Depth of Wells _____	120'			
Diameters of Wells _____	6"			
Pump - GPM _____	150			
Motor - HP _____				
Motor Type * _____				
Yields of Wells in GPD _____	10,000 APPX			
Auxiliary Power _____				
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	STEEL			
Capacity of Tank _____	3,000			
Ground or Elevated _____	UNKNOWN			

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer _____	UNKNOWN			
Type _____				
Rated Horsepower _____	10			
<u>Pumps</u>				
Manufacturer _____	UNKNOWN			
Type _____				
Capacity in GPM _____	UNKNOWN			
Average Number of Hours Operated Per Day _____	UNKNOWN			
Auxiliary Power _____	NONE			

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

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 _____	DEEP WELL	150 GAL/M PUMP	_____
Make _____	CHLORINATOR	_____	_____
Permitted Capacity (GPD) _____	UNKNOWN	_____	_____
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: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

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. 52
- 2. Maximum number of ERCs * which can be served. 66
- 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: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises	_____	_____	_____	_____
353	Land and Land Rights	_____	_____	_____	_____
354	Structures and Improvements	<u>30,571.77</u>	_____	_____	<u>30,571.77</u>
355	Power Generation Equipment	<u>7,697.26</u>	_____	_____	<u>7,697.26</u>
360	Collection Sewers - Force	_____	_____	_____	_____
361	Collection Sewers - Gravity	_____	_____	_____	_____
362	Special Collecting Structures	_____	_____	_____	_____
363	Services to Customers	_____	_____	_____	_____
364	Flow Measuring Devices	_____	_____	_____	_____
365	Flow Measuring Installations	_____	_____	_____	_____
370	Receiving Wells	<u>7,355.45</u>	_____	_____	<u>7,355.45</u>
371	Pumping Equipment	<u>1,769.16</u>	_____	_____	<u>1,769.16</u>
380	Treatment and Disposal Equipment	<u>3,387.20</u>	_____	_____	<u>3,387.20</u>
381	Plant Sewers	<u>3,250.00</u>	_____	_____	<u>3,250.00</u>
382	Outfall Sewer Lines	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment	<u>5,419.38</u>	_____	_____	<u>5,419.38</u>
390	Office Furniture and Equipment	_____	_____	_____	_____
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	<u>\$ 59,450.22</u>	\$ _____	\$ _____	<u>\$ 59,450.22</u>

* This amount should tie to sheet F-5.

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f+g+h=i) (i)
354	Structures and Improvements	15	0 %	6.66 %	\$30,571.77	\$		\$ 30,571.77
355	Power Generation Equipment							
360	Collection Sewers - Force	15	0 %	6.66 %	7,697.26			7,697.26
361	Collection Sewers - Gravity							
362	Special Collecting Structures	15	0 %	6.66 %	1,769.16			1,769.16
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations	15	0 %	6.66 %	7,355.45			7,355.45
370	Receiving Wells							
371	Pumping Equipment							
380	Treatment and Disposal Equipment							
381	Plant Sewers	15	0 %	6.66 %	3,387.20			3,387.20
382	Outfall Sewer Lines	15	0 %	6.66 %	3,250.00			3,250.00
389	Other Plant and Miscellaneous Equipment							
390	Office Furniture and Equipment	15	0 %	6.66 %	5,419.38			5,419.38
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Totals				\$ 59,450.22	\$		\$ 59,450.22

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
704	Employee Pensions and Benefits	_____
710	Purchased Wastewater Treatment	_____
711	Sludge Removal Expense	_____
715	Purchased Power	1,505.71
716	Fuel for Power Production	_____
718	Chemicals	_____
720	Materials and Supplies	_____
730	Contractual Services:	2,074.15
	Billing	_____
	Professional OPERATOR & MANAGEMENT	9,679.83
	Testing	_____
	Other LEGAL & PROFESSIONAL	1,725.00
740	Rents	_____
750	Transportation Expense	_____
755	Insurance Expense	834.54
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	_____
775	Miscellaneous Expenses OFFICE EXPENSE & METER READING	1,093.51
	Total Wastewater Operation And Maintenance Expense	\$16,912.74*

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Number of r Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
All meter sizes	D	1.0	52	_____	52
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			52	_____	52

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

PUMPING EQUIPMENT

Lift Station Number _____	_____	_____	_____	_____	_____	_____
Make or Type and nameplate data on pump _____	_____	_____	_____	_____	_____	_____
Year installed _____	1983	1983	_____	_____	_____	_____
Rated capacity _____	15 HP	15 HP	_____	_____	_____	_____
Size _____	_____	_____	_____	_____	_____	_____
Power:						
Electric _____	X	X	_____	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	_____	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	_____	_____	_____	_____	_____	_____
Average length _____	_____	_____	_____	_____	_____	_____
Number of active service connections _____	52	52	_____	_____	_____	_____
Beginning of year _____	52	52	_____	_____	_____	_____
Added during year _____	0	0	_____	_____	_____	_____
Retired during year _____	0	0	_____	_____	_____	_____
End of year _____	52	52	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains			
Size (inches) _____	4"	_____	_____	_____	_____	_____	_____
Type of main _____	_____	_____	_____	_____	_____	_____	_____
Length of main (nearest foot) _____	640'	_____	_____	_____	_____	_____	_____
Beginning of year _____	640'	_____	_____	_____	_____	_____	_____
Added during year _____	0	_____	_____	_____	_____	_____	_____
Retired during year _____	0	_____	_____	_____	_____	_____	_____
End of year _____	640'	_____	_____	_____	_____	_____	_____

MANHOLES

Size (inches) _____	_____	_____	_____	_____
Type of Manhole _____	_____	_____	_____	_____
Number of Manholes:				
Beginning of year _____	1	_____	_____	_____
Added during year _____	0	_____	_____	_____
Retired during year _____	0	_____	_____	_____
End of Year _____	1	_____	_____	_____

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____ Type _____ "Steel" or "Concrete" _____ Total Permitted Capacity _____ Average Daily Flow _____ Method of Effluent Disposal _____ Permitted Capacity of Disposal _____ Total Gallons of Wastewater treated _____	GENERAL UTILITY EQUIPMENT _____ STEEL _____ 10,000 APPX PEAK _____	_____ _____ _____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____ _____ _____
---	--	--	--

MASTER LIFT STATION PUMPS

Manufacturer _____ Capacity (GPM's) _____ Motor: Manufacturer _____ Horsepower _____ Power (Electric or Mechanical) _____	_____ _____ _____ _____	_____ _____ _____ _____	_____ _____ _____ _____	_____ _____ _____ _____	_____ _____ _____ _____	_____ _____ _____ _____
--	----------------------------------	----------------------------------	----------------------------------	----------------------------------	----------------------------------	----------------------------------

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	123,625	_____	123,625
February _____	108,398	_____	108,398
March _____	122,087	_____	122,087
April _____	93,884	_____	93,884
May _____	97,095	_____	97,095
June _____	127,229	_____	127,229
July _____	103,890	_____	103,890
August _____	109,507	_____	109,507
September _____	103,047	_____	103,047
October _____	120,273	_____	120,273
November _____	115,405	_____	115,405
December _____	94,157	_____	94,157
Total for year _____	1,318,597	_____	1,381,597

If Wastewater Treatment is purchased, indicate the vendor:
AQUA PURE WATER & SEWAGE

UTILITY NAME: LOCH HARBOUR UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

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. 52

2. Maximum number of ERCs* which can be served. 66

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

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.

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? _____
If so, when? _____

9. Has the utility been required by the DEP or water management district to implement reuse? _____
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? _____

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 # _____

* An ERC is determined based on one of the following methods:
(a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available use:
ERC = (Total SFR gallons sold (omit 000/365 days/280 gallons per day).

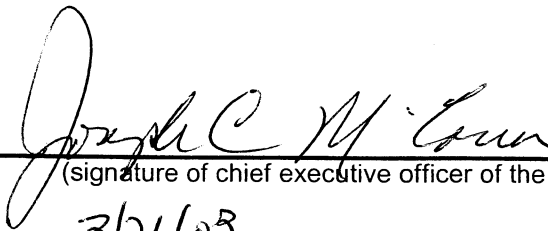
CERTIFICATION OF ANNUAL REPORT

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

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

Items Certified


1. 2. 3. 4.

 *

(signature of chief executive officer of the utility)

Date: 3/26/03

1. 2. 3. 4.

 *

(signature of chief financial officer of the utility)

Date: 3/26/03

* 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.