

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

ANNUAL REPORT

OF

WS249-11-AR
Tim Fitzsimmons
Useppa Island Utility, Inc.
P. O. Box 640
Bokeelia, FL 33922-0640

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2011

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA), Commission Rules and the definitions on the next page.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional pages should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceding year ending December 31.

Florida Public Service Commission
Division of Economic Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Economic Regulation, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

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". (Rule 25-30.116, Florida Administrative Code)

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

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

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

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

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

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

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

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

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

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

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

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

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FINANCIAL SECTION

REPORT OF

USEPPA ISLAND UTILITY, INC.

P.O. Box 640

(EXACT NAME OF UTILITY)

BOKEELIA, FL

LEE

33922

Mailing Address

Street Address

County

Telephone Number

239/283-1061

Date Utility First Organized

1981

Fax Number

239/283-4535

E-mail Address

LOUANN at USEPPA.com

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:

ACCOUNTING OFFICE ON USEPPA ISLAND

Name of subdivisions where services are provided:

CONTACTS

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: TIMOTHY FITZSIMMONS	President	P.O. Box 640 BOKEELIA, FL 33922	
Person who prepared this report: LOUANN WEST ERIC GLIDDEN	COMPTROLLER UTILITY MANAGER	P.O. Box 640 BOKEELIA, FL 33922	
Officers and Managers:			\$ \$ \$ \$ \$

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	Principal Business Address	Salary Charged Utility
USEPPA INN AND DOCK COMPANY, LTD	100%	P.O. Box 640 BOKEELIA, FL 33922	\$ --0-
			\$ \$ \$ \$ \$

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ 157,039-	\$ 152,449-	\$ _____	\$ 310,308-
Commercial -----		_____	_____	_____	_____
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues		_____	_____	_____	_____
Other (Specify) <u>B/B</u>		_____	<u>820-</u>	_____	_____
<u>GRAVITY LINES</u>		_____	_____	_____	_____
Total Gross Revenue -----		\$ 157,039-	\$ 153,269-	\$ _____	\$ 310,308-
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 115,182-	\$ 102,046-	\$ _____	\$ 217,228-
Depreciation Expense -----	F-5	<u>26,181-</u>	<u>18,844-</u>	_____	<u>45,025-</u>
CIAC Amortization Expense -----	F-8	<u><7,026-></u>	_____	_____	<u><7,026-></u>
Taxes Other Than Income -----	F-7	<u>19,414-</u>	<u>18,928-</u>	_____	<u>38,342-</u>
Income Taxes -----	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 153,751-	\$ 139,818-	_____	\$ 293,569-
Net Operating Income (Loss)		\$ 3,288-	\$ 13,451-	\$ _____	\$ 16,739-
Other Income:					
Nonutility Income -----		\$ _____	\$ _____	\$ _____	\$ _____
Other Deductions:					
Miscellaneous Nonutility Expenses -----		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense -----		<u>13,200-</u>	<u>14,400-</u>	_____	<u>27,600-</u>
Net Income (Loss)		<u><9,912></u>	<u><949-></u>	\$ _____	<u><10,861-></u>

UTILITY NAME: USEPPA ISLAND UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2011

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>1,146,265-</u>	\$ <u>1,105,408-</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>744,615-</u>	<u>699,591-</u>
Net Utility Plant _____		\$ <u>401,650-</u>	\$ <u>405,817-</u>
Cash _____		<u>37,862-</u>	<u>10,996-</u>
Customer Accounts Receivable (141) _____		<u>28,739-</u>	<u>29,957-</u>
Other Assets (Specify): _____			

Total Assets _____		\$ <u>468,251-</u>	\$ <u>446,770-</u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	<u>1,000-</u>	<u>1,000-</u>
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____		<u>149,000-</u>	<u>149,000-</u>
Retained Earnings (215) _____	F-6	<u>538,560-</u>	<u>527,699-</u>
Proprietary Capital (Proprietary and Partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>388,560-</u>	\$ <u>377,699-</u>
Long Term Debt (224) _____	F-6	\$ <u>828,080-</u>	\$ <u>786,811-</u>
Accounts Payable (231) _____		<u>4,871-</u>	<u>6,700-</u>
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____		<u>14,280-</u>	<u>14,354-</u>
Other Liabilities (Specify) _____			

Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>9,580-</u>	<u>16,606-</u>
Total Liabilities and Capital _____		\$ <u>468,251-</u>	\$ <u>446,770-</u>

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other than Reporting Systems	Total
Utility Plant in Service (101)	\$ <u>578,544</u>	\$ <u>527,844</u>	\$ _____	\$ <u>1,106,388</u>
Construction Work in Progress (105) _____	<u>39,877</u>	_____	_____	<u>39,877</u>
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>618,421</u>	\$ <u>527,844</u>	\$ _____	\$ <u>1,146,265</u>

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

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year _____	\$ <u>354,787</u>	\$ <u>344,803</u>	\$ _____	\$ <u>699,590</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ <u>26,189</u>	\$ <u>18,844</u>	\$ _____	\$ <u>45,033</u>
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 _____	\$ <u>380,968</u>	\$ <u>363,647</u>	\$ _____	\$ <u>744,615</u>

UTILITY NAME: USEPPA ISLAND UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2011

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	<u>1,000</u>	_____
Shares authorized _____	_____	
Shares issued and outstanding _____	_____	
Total par value of stock issued _____	<u>1,000</u>	
Dividends declared per share for year _____	_____	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	<u>\$ 527,699</u>	_____
Changes during the year (Specify): _____ _____	<u>< 10,861 ></u>	_____
Balance end of year _____	<u>\$ 538,560</u>	_____

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	
<u>USEPPA INN AND DOCK COMPANY, LTD</u> <u>NOTES PAYABLE</u>	<u>10</u>	_____	\$ <u>828,080</u>
Total _____	_____	_____	\$ <u>828,080</u>

UTILITY NAME: USEPPA ISLAND UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 2011

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	6,293-	6,293-		12,586-
Regulatory assessment fee	7,383-	6,897-		14,280-
Other (Specify)				
DEPT OF STATE	75-	75-		150-
PAYROLL TAXES	5,664-	5,664-		11,328-
Total Tax Expense	\$ 19,415-	\$ 18,929-	\$ -	\$ 38,344-

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
WELKER HARRIS	\$ 875-	\$ 875-	CPA
SANDERS LAB	\$ 3,406-	\$ 5,665-	LAB TESTS
DANIEL BEATTY	\$ 5,500-	\$ -	CONTRACT LABOR
CPR CARRIERS	\$ 484-	\$ 4,466-	CONTRACT TEST
WW WATER SYSTEM	\$ 1,712-	\$ 856-	CONTRACT LABOR
CARDIO ENTRIX	\$ 1,179-	\$ -	CONTRACT PROFES
SUPERIOR POWER	\$ 972-	\$ 972-	CONTRACT OTHER
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$ <u>325,670-</u>	\$ <u>230,187</u>	\$ <u>455,857-</u>
2) Add credits during year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
3) Total	\$ <u>225,670-</u>	\$ <u>230,187-</u>	\$ <u>455,857-</u>
4) Deduct charges during the year	\$ <u>216,090-</u>	\$ <u>230,187-</u>	\$ <u>446,277-</u>
5) Balance end of year	\$ <u>9,580-</u>	\$ <u>-</u>	\$ <u>9,580-</u>
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	\$ <u>209,064-</u>	\$ <u>230,187-</u>	\$ <u>439,251-</u>
Add Debits During Year:	\$ <u>7,026-</u>		\$ <u>7,026-</u>
Deduct Credits During Year:			
Balance End of Year (Must agree with line #6 above.)	\$ <u>216,090-</u>	\$ <u>230,187-</u>	\$ <u>446,277-</u>

**WATER
OPERATING
SECTION**

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

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	<u>10,463-</u>			<u>10,463-</u>
304	Structures and Improvements	<u>33,122-</u>			<u>33,122-</u>
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	<u>56,216-</u>			<u>56,216-</u>
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	<u>27,402-</u>	<u>2,407-</u>		<u>29,809-</u>
320	Water Treatment Equipment	<u>180,387-</u>	<u>750-</u>		<u>181,137-</u>
330	Distribution Reservoirs and Standpipes	<u>161,779-</u>			<u>161,779-</u>
331	Transmission and Distribution Lines	<u>63,708-</u>			<u>63,708-</u>
333	Services	<u>3,959-</u>			<u>3,959-</u>
334	Meters and Meter Installations	<u>34,941-</u>	<u>779-</u>		<u>35,720-</u>
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant and Miscellaneous Equipment	<u>796-</u>			<u>796-</u>
340	Office Furniture and Equipment	<u>478-</u>			<u>478-</u>
341	Transportation Equipment	<u>800-</u>			<u>800-</u>
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	<u>322-</u>			<u>322-</u>
344	Laboratory Equipment	<u>237-</u>			<u>237-</u>
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	Total Water Plant	\$ <u>574,609</u>	\$ <u>3,936-</u>	\$	\$ <u>578,544-</u>

UTILITY NAME: USEPPA ISLAND UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2011

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		%	%	\$ 33,122-	\$	\$	\$ 33,122-
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs		%	%	43,163-		2,080-	45,243-
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%	6,318-			6,318-
310	Power Generating Equipment		%	%	24,100-		1,753-	25,853-
311	Pumping Equipment		%	%	145,553-		13,472-	159,025-
320	Water Treatment Equipment		%	%	24,347-		4,902-	29,249-
330	Distribution Reservoirs & Standpipes		%	%	44,698-		1,676-	46,374-
331	Trans. & Dist. Mains		%	%	25,35-		113-	26,48-
333	Services		%	%	28,114-		2,100-	30,214-
334	Meter & Meter Installations		%	%				
335	Hydrants		%	%				
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%	381-		40-	421-
340	Office Furniture and Equipment		%	%	95-		24-	119-
341	Transportation Equipment		%	%	1,859-			1,859-
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%	86-		21-	107-
344	Laboratory Equipment		%	%	416-			416-
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ 354,787-	\$	\$ 26,181-	\$ 380,968.

* This amount should tie to Sheet F-5.

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 60,786-
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	1,512-
610	Purchased Water	
615	Purchased Power	20,401-
616	Fuel for Power Production	9-
618	Chemicals	2,411-
620	Materials and Supplies	4,991-
630	Contractual Services:	
	Billing	
	Professional	2,056-
	Testing	3,694-
	Other	1,675-
640	Rents	7800-
650	Transportation Expense	4,794-
655	Insurance Expense	1,451-
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	500-
670	Bad Debt Expense	
675	Miscellaneous Expenses	3,102-
	Total Water Operation And Maintenance Expense	\$ 115,182.

* 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	136	130	130.0
3/4"	D	1.5			
1"	D	2.5	8	7	17.50
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0	8	14	14.0
3/4"	D	1.5		1	
1"	D	2.5	1	2	5.0
1 1/2"	D,T	5.0			
2"	D,C,T	8.0	3	3	24.0
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers					
Other (Specify)					
Total			156	156	190.5

** D = Displacement
C = Compound
T = Turbine

* See note below.

W-3 Difference between # of start of year and end of year result in reclassification of meter service connections.

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

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	-	919	0	919	710
February	-	1066	0	1066	927
March	-	1420	10	1410	1347
April	-	1435	0	1435	1183
May	-	1521	10	1511	1214
June	-	1433	31	1402	1265
July	-	765	0	765	848
August	-	1026	5	1021	886
September	-	936	50	886	702
October	-	1001	5	996	728
November	-	1130	0	1130	1072
December	-	1119	10	1109	975
Total for Year	0	13,771	121	13,650	11,857

If water is purchased for resale, indicate the following:

Vendor: N/A
Point of delivery: _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

N/A

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	2"	5650	-	-	5650
PVC	3"	1785	-	-	1785
PVC	4"	8955	-	-	8955

UTILITY NAME: USEPPA ISLAND UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2011

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>2003</u>	<u>1989</u>	_____	_____
Types of Well Construction and Casing _____	<u>Artesian PVC</u>	<u>Artesian PVC</u>	_____	_____
Depth of Wells _____	<u>340'</u>	<u>320'</u>	_____	_____
Diameters of Wells _____	<u>6"</u>	<u>6"</u>	_____	_____
Pump - GPM _____	<u>70 gpm</u>	<u>70 gpm</u>	_____	_____
Motor - HP _____	<u>7.5 hp</u>	<u>7.5 hp</u>	_____	_____
Motor Type * _____	<u>sub</u>	<u>sub</u>	_____	_____
Yields of Wells in GPD _____	_____	_____	<u>140,000 gpd</u>	_____
Auxiliary Power _____	<u>yes</u>	<u>no</u>	<u>max between both wells</u>	_____

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>Glassed Fused steel</u>	<u>Steel</u>	_____	_____
Capacity of Tank _____	<u>100,000</u>	<u>1000</u>	_____	_____
Ground or Elevated _____	<u>ground</u>	<u>ground</u>	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	<u>Baldor</u>	<u>Baldor</u>	_____	_____
Type _____	<u>Electric</u>	<u>Electric</u>	_____	_____
Rated Horsepower _____	<u>10hp</u>	<u>10hp</u>	_____	_____
Pumps				
Manufacturer _____	<u>Goulds</u>	<u>Goulds</u>	_____	_____
Type _____	<u>Centrifugal</u>	<u>Centrifugal</u>	_____	_____
Capacity in GPM _____	<u>140</u>	<u>140</u>	_____	_____
Average Number of Hours Operated Per Day _____	<u>1.93 hrs</u>	<u>1.93 hrs =</u>	<u>3.87 hrs</u>	_____
Auxiliary Power _____	<u>yes</u>	<u>yes</u>	<u>both wells per day.</u>	_____

UTILITY NAME: USEPPA ISLAND UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2011

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day _____ Type of Source _____	<u>50,000</u> <u>Ground</u>	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	<u>Reverse Osmosis</u>	_____	_____
Make _____	<u>Hydromatic</u>	_____	_____
Permitted Capacity (GPD) _____	<u>60,000</u>	_____	_____
High service pumping Gallons per minute _____	<u>2 @ 140 gpm</u>	_____	_____
Reverse Osmosis _____	<u>yes</u>	_____	_____
Lime Treatment Unit Rating _____	<u>No</u>	_____	_____
Filtration Pressure Sq. Ft. _____	<u>No</u>	_____	_____
Gravity GPD/Sq.Ft. _____	<u>No</u>	_____	_____
Disinfection Chlorinator _____	<u>Stenner</u>	_____	_____
Ozone _____	<u>No</u>	_____	_____
Other _____	<u>No</u>	_____	_____
Auxiliary Power _____	<u>Yes</u>	_____	_____

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. 2011 water sold 11857/350/365 = 0.0928 ERC
2. Maximum number of ERCs * which can be served. 60,000 gpd design/350/1000 = 0.171 ERC
3. Present system connection capacity (in ERCs *) using existing lines. 0.171 ERC
4. Future connection capacity (in ERCs *) upon service area buildout. Built out
5. Estimated annual increase in ERCs *. 0
6. Is the utility required to have fire flow capacity? NO
 If so, how much capacity is required? _____
7. Attach a description of the fire fighting facilities. Fire Dept. on site
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
① Finish installation of injection wells
② R/O plant upgrade (increase efficiency)
③ R/O membrane replacement
9. When did the company last file a capacity analysis report with the DEP? 2011
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? ① yes - injection well / ② plant upgrade in permitting
 - c. When will construction begin? Already started.
 - d. Attach plans for funding the required upgrading. Loan in place
 - e. Is this system under any Consent Order with DEP? NO
11. Department of Environmental Protection ID # FI 0036218 / FIA 146/02 - 002 JW5C
12. Water Management District Consumptive Use Permit # 36 - 03239 - W
 - a. Is the system in compliance with the requirements of the CUP? NO - In Permitting
 - b. If not, what are the utility's plans to gain compliance? R/O plant upgrade to reduce CUP flows.

* 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 SFR 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: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$	\$	\$	\$
352	Franchises	3,487-			3,487-
353	Land and Land Rights	249,951-			249,951-
354	Structures and Improvements	12,301-			12,301-
355	Power Generation Equipment	135,033-			135,033-
360	Collection Sewers - Force	377-			377-
361	Collection Sewers - Gravity				
362	Special Collecting Structures				
363	Services to Customers				
364	Flow Measuring Devices	888-			888-
365	Flow Measuring Installations				
370	Receiving Wells	66,342-	4,542-		70,884-
371	Pumping Equipment				
380	Treatment and Disposal Equipment	47,843-	750-		48,593-
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant and Miscellaneous Equipment	4,654-			4,654-
390	Office Furniture and Equipment	478-			478-
391	Transportation Equipment	1,200-			1,200-
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	\$522,554-	\$5,292-	\$	\$527,846-

* This amount should tie to sheet F-5.

UTILITY NAME: USEPPA ISLAND UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2011

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		%	%	\$ 37,844-	\$	\$ 8,923-	\$ 46,767-
355	Power Generation Equipment		%	%				
360	Collection Sewers - Force		%	%	116,263-		4,996-	121,259-
361	Collection Sewers - Gravity		%	%	165-		9-	174-
362	Special Collecting Structures		%	%				
363	Services to Customers		%	%	65-			65-
364	Flow Measuring Devices		%	%	41,644-		178-	41,822-
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%	65,718-		2,835-	68,553-
371	Pumping Equipment		%	%				
380	Treatment and Disposal Equipment		%	%	76,932-		3,241-	80,173-
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%	4,654-		<746>	3,908-
390	Office Furniture and Equipment		%	%	319-		319-	638-
391	Transportation Equipment		%	%	1,200-		<912>	288-
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				\$ 344,804-	\$	\$ 18,843-	\$ 363,647-

* This amount should tie to Sheet F-5.

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 54,410-
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	1,330-
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	854-
715	Purchased Power	13,668-
716	Fuel for Power Production	9-
718	Chemicals	2,583-
720	Materials and Supplies	2,114-
730	Contractual Services:	
	Billing	
	Professional	875-
	Testing	10,273-
	Other	972-
740	Rents	7,800-
750	Transportation Expense	2,774-
755	Insurance Expense	1,451-
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	500-
770	Bad Debt Expense	
775	Miscellaneous Expenses	2,433-
	Total Wastewater Operation And Maintenance Expense	\$ 102,046-

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
All meter sizes	D	1.0	139	137	137
General Service					
5/8"	D	1.0	5	7	7.0
3/4"	D	1.5	-	-	-
1"	D	2.5	-	-	-
1 1/2"	D,T	5.0	-	-	-
2"	D,C,T	8.0	2	2	16.0
3"	D	15.0	-	-	-
3"	C	16.0	-	-	-
3"	T	17.5	-	-	-
Unmetered Customers Other (Specify)					
Total			146	146	160

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: USEPPA ISLAND UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2011

PUMPING EQUIPMENT

Lift Station Number	<u>1-26</u>	<u>Total</u>				
Make or Type and nameplate data on pump	<u>Goulds W5051B</u>	<u>LIFT STATIONS</u>				
Year installed	<u>1987</u>					
Rated capacity	<u>809 gpm</u>					
Size	<u>1/2 hp.</u>					
Power:						
Electric	<u>X</u>					
Mechanical	<u> </u>					
Nameplate data of motor	<u>Franklin</u>					

SERVICE CONNECTIONS

Size (inches)	<u>4"</u>					
Type (PVC, VCP, etc.)	<u>PVC</u>					
Average length	<u>60ft</u>					
Number of active service connections	<u>126</u>					
Beginning of year	<u>126</u>					
Added during year	<u>0</u>					
Retired during year	<u>0</u>					
End of year	<u>126</u>					
Give full particulars concerning inactive connections	<u>20 Inactive connections are future homesites</u>					

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches)	<u>6"</u>	<u>4"</u>						
Type of main	<u>PVC</u>	<u>PVC</u>						
Length of main (nearest foot)	<u>Info</u>							
Beginning of year	<u>NOT</u>							
Added during year	<u>Available</u>							
Retired during year								
End of year								

MANHOLES

Size (inches)	<u>60"</u>			
Type of Manhole	<u>Concrete</u>			
Number of Manholes:				
Beginning of year	<u>2</u>			
Added during year	<u>0</u>			
Retired during year	<u>0</u>			
End of Year	<u>2</u>			

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>DQCO</u>	<u>McNeil</u>	_____
Type _____	<u>Extended Air</u>	<u>Extended Air</u>	_____
"Steel" or "Concrete" _____	<u>Concrete</u>	<u>Concrete</u>	_____
Total Permitted Capacity _____	<u>—</u>	<u>45,000 gpd</u>	_____
Average Daily Flow _____	<u>—</u>	_____	_____
Method of Effluent Disposal _____	<u>—</u>	<u>perc Ponds (2)</u>	_____
Permitted Capacity of Disposal _____	_____	<u>20,000 gpd</u>	_____
Total Gallons of Wastewater treated _____	<u>Above plant converted to surge system</u>	<u>3.6982 MG</u>	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>Goulds</u>	_____	_____	_____	_____
Capacity (GPM's) _____	<u>60 gpm</u>	_____	_____	_____	_____
Motor: _____	_____	_____	_____	_____	_____
Manufacturer _____	<u>Goulds</u>	_____	_____	_____	_____
Horsepower _____	<u>1/2</u>	_____	_____	_____	_____
Power (Electric or Mechanical) _____	<u>Electric</u>	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>.3451</u>	<u>0</u>	<u>.3451</u>
February _____	<u>.3239</u>	<u>0</u>	<u>.3239</u>
March _____	<u>.4502</u>	<u>0</u>	<u>.4502</u>
April _____	<u>.4293</u>	<u>0</u>	<u>.4293</u>
May _____	<u>.3008</u>	<u>0</u>	<u>.3008</u>
June _____	<u>.2635</u>	<u>0</u>	<u>.2635</u>
July _____	<u>.2311</u>	<u>0</u>	<u>.2311</u>
August _____	<u>.2027</u>	<u>0</u>	<u>.2027</u>
September _____	<u>.2308</u>	<u>0</u>	<u>.2308</u>
October _____	<u>.2600</u>	<u>0</u>	<u>.2600</u>
November _____	<u>.3583</u>	<u>0</u>	<u>.3583</u>
December _____	<u>.3025</u>	<u>0</u>	<u>.3025</u>
Total for year _____	<u>3.6982</u>	<u>0</u>	<u>3.6982</u>

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: USEPPA ISLAND UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2011

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. 2011 Flow 3,698,200/1000/365/280 = 0.0362 ERC
2. Maximum number of ERCs* which can be served. 20,000 gpd Permitted/1000/280 = 0.0714 ERC
3. Present system connection capacity (in ERCs*) using existing lines. Plant design 45K/1000/280 = 0.161 ERC
4. Future connection capacity (in ERCs*) upon service area buildout. Build out
5. Estimated annual increase in ERCs*. None
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. N/A
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? NO
If so, when? NO
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? 2011
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 # FIA 014494

* 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 SFR customers for the same period and divide the result by 365 days.

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

CERTIFICATION OF ANNUAL REPORT

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

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

Items Certified

1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>	4. <input type="checkbox"/>	<div style="text-align: right; font-size: 1.2em; font-family: cursive;"> <i>Imoty Munnou's President</i> </div> (signature of Chief Executive Officer of the utility)
-----------------------------	-----------------------------	-----------------------------	-----------------------------	---

Date: MARCH 20, 2012

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.

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class C**

Company:

For the Year Ended December 31, 2011

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 157,039-	\$ 157,039-	-
Commercial			
Industrial			
Multiple Family			
Guaranteed Revenues			
Other			
Total Water Operating Revenue	\$ 157,039-	\$ 157,039-	-
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 157,039-	\$ 157,039-	-

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations
Class C**

Company:

For the Year Ended December 31, 2011

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. F-3	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 153,269-	\$ 153,269-	\$ —
Commercial			
Industrial			
Multiple Family			
Guaranteed Revenues			
Other			
Total Wastewater Operating Revenue	\$ 153,269-	\$ 153,269-	\$ —
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility			
Net Wastewater Operating Revenues	\$ 153,269-	\$ 153,269-	\$ —

Explanations:

Instructions:

For the current year, reconcile the gross wastewater revenues reported on Schedule F-3 with the gross wastewater revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).