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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS579-01-AR
Sandy Creek Utilities, Inc.
1732 Highway 2297
Panama City, FL 32404-2762

Submitted To The

STATE OF FLORIDA



REGISTRATION
ECONOMIC REGULATION

02 MAY 29 AM 11:15

REGISTRATION
ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2001

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REPORT OF

Sandy Creek Utilities, Inc
 (EXACT NAME OF UTILITY)

1732 Hwy 2297, Panama City Florida
 (Address)

Bay
 (County)

Telephone Number: (850) 874-8393

Date Utility First Organized:

9/24/86

Check the business entity of the utility as filed with the Internal Revenue Service:

Individual

Partnership

Sub Chapter S Corporation

1120 Corporation

Location where books and records are located:

1732 Highway 2297, Panama City, Fl. 32404

CONTACTS

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: Nancy Adams	Bookkeeper	1732 Highway 2297 Panama City, Florida 32404	XXXXXXXXXXXX
Person who prepared this report: Deborah D. Swain	Milian, Swain & Associates, Inc.	2025 S.W. 32nd Ave Miami, Fl. 33145	XXXXXXXXXXXX
Officers and Managers: Gary Souders	Owner / Operator		\$ N/A
			\$ N/A
			\$ N/A

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
Gary Souders	Sold Utility 6/15/2002	1732 Highway 2297, Panama City, Fl.	\$ N/A

UTILITY NAME: Sandy Creek Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2001

INCOME STATEMENT

Account Name	Ref. Page	Water	Sewer	Other Systems	Total Company
Gross Revenue:					
Residential		\$ 23,455	\$ 32,869	\$	\$ 56,324
Commercial		1,293	1,833		3,126
Industrial					
Multiple Family					
Guaranteed Revenues		450	2,000		2,450
Service Charges		105			105
Total Gross Revenue		\$ 25,303	\$ 36,702		\$ 62,005
Operation Expense (Must tie to Pgs W-3 and S-3)	W-3 S-3	\$ 25,125	\$ 38,522	\$	\$ 63,647
Depreciation Expense (1)	W-2 S-2				
Amortization Expense					
Taxes Other Than Income	F-7	2,870	4,991		7,861
Income Taxes	F-7				
Total Operating Expense		\$ 27,995	\$ 43,513	\$	\$ 71,508
Net Operating Income (Loss)		\$ (2,692)	\$ (6,811)	\$	\$ (9,503)
Other Income:					
Non-Operating Income		\$ 5,788	\$ 5,788	\$	\$ 11,576
Loans from SCP					
Partner's Cash					
Other Deductions:					
Interest on Cust. deposits		\$	\$	\$	\$
Interest Expense					
Rounding			1		1
Net Income (Loss)		\$ <u>3,096</u>	\$ <u>(1,022)</u>	\$ <u>2,074</u>	

COMPARATIVE BALANCE SHEET

Account Name	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant In Service (101-105)	F-5,W-1,S-1	\$	\$ 1,165,207
Accumulated Depreciation and Amortization (108)	F-5,W-2,S-2		655,281
Net Utility Plant		\$	\$ 509,926
Cash		\$ 2,074	\$ 24,769
Customer Accounts Receivable (141)			18,963
Other Assets (Specify)			
Accounts Receivable			
Other Assets			
Deferred Rate Case Expense			
Accts. Payable to Assoc. Companies			
Total Assets		\$ 2,074	\$ 553,658
Liabilities & Capital:			
Common Stock Issued (201)	F-6	\$	\$ 100
Preferred Stock Issued (204)	F-6		
Other Paid In Capital (211)			1,131,910
Retained Earnings (215)	F-6	(606)	(843,421)
Proprietary Capital (Proprietary and Partnership only (218)			
Total Capital		\$ (606)	\$ 288,590
Long-Term Debt (224)	F-6	\$	\$ 100,116
Accounts Payable (231)			31,401
Notes Payable (232)			
Customer Deposits (235)			24,764
Accrued Taxes (236)	F-7	2,680	6,651
Other Liabilities (Specify)			
Accts. Payable to Assoc. Companies			
Advances For Construction			
Contributions In Aid Of			
Construction - Net (271-272)	F-8		102,136
Total Liabilities And Capital		\$ 2,074	\$ 553,658

UTILITY NAME: Sandy Creek Utilities, Inc.

YEAR OF REPORT
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NET UTILITY PLANT

Plant Accounts: (101-107) Inclusive	Water	Sewer	W & S Other Than Reporting Systems	Total
Utility Plant In Service (101)	\$	\$	\$	\$
Construction Work In Progress (105)				
Other (Specify)				
Total Utility Plant	\$ _____	\$ _____	\$ _____	\$ _____

ACCUMULATED DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Account 108	Water	Sewer	W & S Other Than Reporting Systems	Total
Balance First Of Year	\$ 233,716	\$ 421,576	\$	\$ 655,292
Credits During Year:				
Accruals charged to Depr. Acct.	\$ 8,101	\$ 13,147	\$	\$ 21,248
Total credits	\$ 8,101	\$ 13,147	\$	\$ 21,248
Debits During Year:				
Book cost of plant retired	\$	\$	\$	\$
Cost of removal				
Other debits (Specify)	241,817	434,723		676,540
Total debits	\$ 241,817	\$ 434,723	\$	\$ 676,540
Balance End Of Year	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: Sandy Creek Utilities, Inc.

YEAR OF REPORT December 31, 2001
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	Common Stock	Preferred Stock
Par or stated value per share	\$ 1.00	n/a
Shares authorized	100	n/a
Shares issued and outstanding		n/a
Total par value of stock issued	\$	n/a
Dividends declared per share for year	n/a	n/a

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year	\$	\$ (843,421)
Changes during the year (specify):		
Sale of Utility		840,741
Balance Transferred From Income Statement		2,074
Balance end of year	\$	\$ (606)
	=====	=====

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year	\$	\$
Changes during the year (specify):		
Balance end of year	\$ None	\$ None
	=====	=====

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity)	Interest	Principal Per Balance Sheet Date
	Rate Pmts	
Total		\$ None
		=====

UTILITY NAME: Sandy Creek Utilities, Inc.

YEAR OF REPORT
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TAXES ACCRUED (236)

(a)	Water (b)	Sewer (c)	Other (d)	Total (e)
Balance first of year	\$ 2,265	\$ 4,386	\$	\$ 6,651
Accruals charged:				
State ad valorem tax	\$	\$	\$	\$
Local property tax				
Federal income tax				
State income tax				
Regulatory assessment fee	1,118	1,562		2,680
Payroll Taxes	605	605		1,210
Total Taxes Accrued	\$ 1,723	\$ 2,167	\$	\$ 3,890
Taxes Paid:				
State ad valorem tax	\$		\$	\$
Local property tax				
Federal income tax				
State income tax				
Regulatory assessment fee	2,265	4,386		6,651
Payroll Taxes	605	605		1,210
Total Taxes Paid	\$ 2,870	\$ 4,991	\$	\$ 7,861
Balance end of year	\$ <u>1,118</u>	\$ <u>1,562</u>	\$ <u></u>	\$ <u>2,680</u>

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning 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	Amount	Description of Service
Milian, Swain & Associates, Inc.	\$ 3,501	Accounting & rates
AAG Service Company	688	Electrical repairs

UTILITY NAME: Sandy Creek Utilities, Inc.

EAR OF REPORT
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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Sewer (c)	Total (d)
Balance first of year	\$ 87,151	\$ 154,500	\$ 241,651
Add credits during year	450	2,000	2,450
Total	\$ 87,601	\$ 156,500	\$ 244,101
Deduct charges during year	\$ 87,151	\$ 154,500	\$
Balance end of year	\$ 450	\$ 2,000	2,450
Less Accumulated Amortization			
Net CIAC	\$ <u>450</u>	\$ <u>2,000</u>	\$ <u>2,450</u>

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	Sewer
Sub-total		\$ <u> </u>	\$ <u> </u>

Report below all capacity charges, main extension charges and customer connections charges received during the year.

Description of Charge	Number of Connection	Charge per Connection	Water	Sewer
Water Plant Capacity Fee	1	\$ 300	300	\$
Water Customer Connection	1	150	150	
Sewer Plant Capacity Fee	2	250		500
Sewer System Capacity	2	300		600
Sewer Main Extension Fee	2	450		* 900
Total Credits During Year			\$ <u>450</u>	\$ <u>2,000</u>

UTILITY NAME: Sandy Creek Utilities, Inc.

YEAR OF REPORT December 31, 2001
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No AFUDC charged during the year

SCHEDULE 'A'

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

Class of Capital (a)	Dollar Amount (1) (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				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$ <u> N/A </u>	\$ <u> N/A </u>	\$ <u> N/A </u>	\$ <u> N/A </u>

(1) Should equal amounts on Schedule B, Column (f), Page F-10

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

APPROVED AFUDC RATE

<p>Current Commission approved AFUDC rate:</p> <p>Commission order approving AFUDC rate:</p>

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

UTILITY NAME: Sandy Creek Utilities, Inc.

EAR OF REPORT December 31, 2001

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					
Deferred Income Taxes					
Other (Explain)					
Total	\$ =====	\$ =====	\$ =====	\$ =====	\$ N/A =====

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

No AFUDC charged during the year.

**WATER
OPERATING
SECTION**

UTILITY NAME: Sandy Creek Utilities, Inc.
 System Name: Sandy Creek Water System

YEAR OF REPORT December 31, 2001

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 25,565	\$	\$ 25,565	\$
302	Franchises				
303	Land and Land Rights	1,300		1,300	
304	Structures and Improv.	15,006		15,006	
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	18,123		18,123	
308	Infiltration Galleries & Tunnels				
309	Supply Mains	5,174		5,174	
310	Power Generation Equip	2,835		2,835	
311	Pumping Equipment	53,023		53,023	
320	Water Treatment Equip.	27,412		27,412	
330	Distribution Reservoirs & Standpipes	1,350		1,350	
331	Transmission and Distribution Mains	301,877		301,877	
333	Services				
334	Meters and Meter Installations	4,282		4,282	
335	Hydrants				
339	Other Plant and Miscellaneous Equip.				
340	Office Furniture and Equipment	503		503	
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	\$ 456,450	\$	\$ 456,450	\$

UTILITY NAME: Sandy Creek Utilities, Inc.
 System Name: Sandy Creek Water System

YEAR OF REPORT December 31, 2001

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Ave. Service Life in Years (c)	Ave. Salvage In Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Yr. (f)	Debits (g)	Credits (h)	Accumulated Depreciation Balance End of Yr (i)
301	Organization	20	%	5.00%	\$ 11,502	\$ 12,141	\$ 639	\$
304	Structures & Improvements	28	%	3.57%	7,940	8,208	268	
305	Collecting & Impounding Reservoirs							
306	Lake River & Other Intakes							
307	Well & Springs	27	%	3.70%	7,940	8,276	336	
308	Infiltr. Galleries & Tunnels							
309	Supply Mains	32	%	3.13%	1,703	1,784	81	
310	Power Generating Equipment	17	%	5.88%	2,835	2,919	84	
311	Pumping Equipment	15	%	6.67%	39,933	41,702	1,769	
320	Water Treatment Equipment	17	%	5.88%	23,763	24,550	787	
330	Distribution Reservoirs & Standpipes	30	%	3.33%	783	806	23	
331	Trans. & Dist. Mains	38	%	2.63%	135,531	139,501	3,970	
333	Services							
334	Meter & Meter Installations	17	%	5.90%	1,443	1,570	127	
335	Hydrants							
339	Other Plant and Miscellaneous Equipment							
340	Office Furniture and Equipment	15	%	6.70%	343	360	17	
341	Transportation Equipment							
342	Stores Equipment							
343	Tools, Shop and Garage Eq							
344	Laboratory Equipment							
345	Power Operated Equipment							
346	Communication Equipment							
347	Miscellaneous Equipment							
348	Other Tangible Plant							
	Totals				\$ 233,716	\$ 241,817	\$ 8,101	\$

(1) Tie to Income Statement

Credits	8,101
Amortization of CIAC	(1,516)
	<hr style="width: 50px; margin-left: 0;"/>
Depreciation Exp.	6,585

Sandy Creek
 Calculation of Depreciation Expense and Amortization of CIAC
 Water

		Plant Beginning of Year	Plant End of Year	Average Depr. Plant	Depr. Rate	Depr. Tangible Plant	Depr. Expense
301	Organization	25,565	25,565	25,565			639
302	Franchises			N/A			
303	Land and Land Rights	1,300	1,300	N/A			
304	Structures and Improv.	15,006	15,006	15,006	3.57%	268	268
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	18,123	18,123	18,123	3.70%	336	336
308	Infiltration Galleries & Tunnels						
309	Supply Mains	5,174	5,174	5,174	3.13%	81	81
310	Power Generation Equip	2,835	2,835	2,835	5.88%	84	84
311	Pumping Equipment	53,023	53,023	53,023	6.67%	1,769	1,769
320	Water Treatment Equip.	27,412	27,412	26,747	5.88%	787	787
330	Distribution Reservoirs & Standpipes	1,350	1,350	1,350	3.33%	23	23
331	Transmission and Distribution Mains	301,877	301,877	301,877	2.63%	3,970	3,970
333	Services						
334	Meters and Meter Installations	4,282	4,282	4,282	5.90%	127	127
335	Hydrants						
339	Other Plant and Miscellaneous Equip.						
340	Office Furniture and Equipment	503	503	503	6.70%	17	17
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	456,450	456,450	428,920	0	7,459	8,098
	Amortization Rate for Water CIAC					1.74%	

CIAC - 12/31/99 (Sch. F-8)
 CIAC - 12/31/00 (Sch. F-8)
 Average 12/31/00
 Amortization of CIAC

87,151
 87,151
 87,151

1,516

UTILITY NAME: Sandy Creek Utilities, Inc.
 System Name: Sandy Creek Water System

YEAR OF REPORT
 December 31, 2001

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 3,061
603	Salaries and Wages - Officers, Directors, and Major. Stockholders	
604	Employee Pensions and Benefits	
610	Purchased Water	
615	Purchased Power	
616	Fuel for Power Production	
618	Chemicals	319
620	Materials and Supplies	1,644
630	Contractual Services	11,319
640	Rents	7,471
650	Transportation Expense	
655	Insurance Expense	647
665	Regulatory Commission Expenses	
670	Bad Debt Expense	
675	Miscellaneous Expenses	664
	Total Water Operation And Maintenance Expense	\$ 25,125

WATER CUSTOMERS

Description	Number First of Year	Additions	Disconnects	Number End of Year
Metered Customers:				
5/8" X 3/4"	186	2	(188)	
1"				
1 - 1/2"				
2"				
2 - 1/2"				
3"				
Other (Specify				
Unmetered Customers				
Total Customers	<u>186</u>	<u>2</u>	<u>(188)</u>	

UTILITY NAME: Sandy Creek Utilities, Inc.
 SYSTEM NAME: Sandy Creek Water System

Year of Report
 December 31, 2001

PUMPING AND PURCHASED WATER STATISTICS

(a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER FROM WELLS (Omit 000's) (c)	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		1,767	2	1,765	805
February		1,220		1,220	890
March		1,293	5	1,288	891
April		1,536	4	1,532	744
May		2,260	6	2,254	986
June		1,843	2	1,841	973
July					
August					
September					
October					
November					
December					
Total for year		9,919	Note 1	9,900	5,289

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: Not Applicable

Note 1: Lines are flushed twice a month for 40 minutes at 45-65 PSI.

MAINS (Feet)

Kind of Pipe (Cast iron, coated steel, etc..)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
				(SOLD)	
PVC	6"	20,000		(20,000)	
Total		20,000		(20,000)	

UTILITY NAME: Sandy Creek Utilities, Inc.
 SYSTEM NAME: Sandy Creek Water System

YEAR OF REPORT December 31, 2001
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(a)	Well #1 (b)	Well #2 (c)	(d)	(e)
Year Constructed	1981	1990		
Types of Well Construction and Casing	N/A	N/A		
Depth of Wells	520'	500'		
Diameters of Wells	6"	6"		
Pump - GPM	125	125		
Motor - HP	N/A	N/A		
Yields of Wells in GPD	78,000	78,000		
Auxiliary Power	None	None		

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete or pneumatic)	Concrete	Pneumatic		
Capacity of Tank	36,000 Gal	1,200 Gal		
Ground or Elevated	Ground	Ground		

HIGH SERVICE PUMPING

Motors (a)	#1 (b)	#2 (c)	(d)	(e)
Manufacturer	Berkley	Berkley		
Type	Centrifugal	Centrifugal		
Rated Horsepower	15	15		
Pumps				
Manufacturer	Berkley	Berkley		
Type	GM - 3T	GM - 3T		
Capacity in GPM	250	250		
Average Number Of Hours Operated Per Day	N/A	N/A		
Auxiliary Power	McGraw Edison	McGraw Edison		

UTILITY NAME: Sandy Creek Utilities, Inc.
SYSTEM NAME: Sandy Creek Water System

YEAR OF REPORT December 31, 2001

SOURCE OF SUPPLY

List for each source of supply:	Well # 1	
Gals. per day of source	78,000	
Type of source	Ground	

WATER TREATMENT FACILITIES

List for each water treatment facility:		
Type	Aeration & Chlorination	
Make	156,000 Max.	
Gals. per day capacity	6" Hersey	

UTILITY NAME: Sandy Creek Utilities, Inc.
 SYSTEM NAME: Sandy Creek Water System

YEAR OF REPORT December 31, 2001
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GENERAL WATER SYSTEM INFORMATION

Furnish information below for each system . A separate page should be supplied where necessary.	
1. Present ERC's * that system can efficiently serve	109
2. Maximum number of ERCs* which can be served	446
3. Present system connection capacity (in ERCs*) using existing lines.	450
4. Future connection capacity (in ERCs*) upon service area buildout .	450
5. Estimated annual increase in ERC's *	None
6. Is the utility required to have fire flow capacity?	Yes
If so, how much capacity is required?	500 GPM
7. Attach a description of the fire fighting facilities	Four Fire Hydrants - 1 hour fireflow at 500 GPM
8. Describe any plans and estimated completion dates for any enlargements or improvements fo this system.	
None	
9. When did the company last file a capacity analysis with the DEP?	2/96
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 #	D003-284780
12. Water Management District Consumptive Use Permit #	980055
a. Is the system in compliance with the requirements of the CUP? Yes	
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 proceeding 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 numebr 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: Sandy Creek Utilities, Inc.
 System Name: Sandy Creek Wastewater System

YEAR OF REPORT December 31, 2001
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SEWER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 10,013	\$	\$ 10,013	\$
352	Franchises				
353	Land and Land Rights	3,000		3,000	
354	Structures and Improv.	15,774		15,774	
360	Collection Sewers - Force	261,255		261,255	
361	Collection Sew. - Gravity				
362	Special Collecting Structures	12,733		12,733	
363	Services to Customers				
364	Flow Measuring Devices	1,685		1,685	
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment	87,475		87,475	
380	Treatment and Disposal Equipment	245,312		245,312	
381	Plant Sewers				
382	Outfall Sewer Lines	52,259		52,259	
389	Other Plant and Miscellaneous Equipment	18,748		18,748	
390	Office Furniture and Equipment	503		503	
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 Sewer Plant	\$ 708,757	\$	\$ 708,757	\$

UTILITY NAME: Sandy Creek Utilities, Inc.
 SYSTEM NAME: Sandy Creek Wastewater System

YEAR OF REPORT December 31, 2001
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ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - SEWER

No. (a)	Account (b)	Average Salvage Years (c)	Average Salvage Percent (d)	Depr Rate (e)	Accumulated Depreciation Previous Yr. (f)	Debits (g)	Credits (h)	(i)
351	Organization	20	%	5.00%	\$ 4,508	\$ 4,759	\$ 251	\$
354	Structures and Improvements	27	%	3.70%	6,382	6,382		
360	Collection Sewers - Force	27	%	3.70%	167,945	168,237	292	
361	Collection Sewers - Gravity							
362	Special Collecting Structures	27	%	3.70%	6,461	6,461		
363	Services to Customers							
364	Flow Measuring Devices	5	%	FD	1,685	1,685		
365	Flow Measuring Installations							
370	Receiving Wells							
371	Pumping Equipment	15	%	6.67%	33,873	36,791	2,918	
380	Treatment and Disposal Equipment	15	%	6.67%	169,674	177,855	8,181	
381	Plant Sewers							
382	Outfall Sewer Lines		%	3.30%	18,110	18,973	863	
389	Other Plant and Common Plant and Miscellaneous Equipment		%	6.67%	12,597	13,222	625	
390	Office Furniture and Equipment		%	6.67%	341	358	17	
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				\$ 421,576	\$ 434,723	\$ 13,147	

(1) Tie to Income Statement	
Credits	13,147
Amortization of CIAC	(3,986)
Depreciation Exp.	9,161

Sandy Creek

Calculation of Depreciation Expense & Amortization of CIAC
Sewer

Acct. No.	Account	Plant Beginning of Year	Plant End of Year	Average Depr. Plant	Depr. Rate	Depr. Tangible Plant	Depr. Expense
351	Organization	10,013	10,013	n/a			251
352	Franchises	n/a	n/a	n/a			
353	Land and Land Rights	3,000	3,000	n/a			
354	Structures and Improv.	15,774	15,774	15,774	3.70%	292	292
360	Collection Sewers - Force	261,255	261,255	261,255	3.70%	4,833	4,833
361	Collection Sew. - Gravity						
362	Special Collecting Structures	12,733	12,733	12,733	3.70%	236	236
363	Services to Customers						
364	Flow Measuring Devices	1,685	1,685	1,685	FD	Fully Depreciated	
365	Flow Measuring Installations						
370	Receiving Wells						
371	Pumping Equipment	87,475	87,475	87,475	6.67%	2,918	2,918
380	Treatment and Disposal Equipment	245,312	245,312	245,312	6.67%	8,181	8,181
381	Plant Sewers						
382	Outfall Sewer Lines	52,259	52,259	52,259	3.30%	863	863
389	Other Plant and Miscellaneous Equipment	18,748	18,748	18,748	6.67%	625	625
390	Office Furniture and Equipment	503	503	503	6.67%	17	17
391	Transportation Equipment						
392	Stores Equipment						
393	Tools, Shop and Garage Equipment						
394	Laboratory Equipment						
395	Power Operated Equipmen						
396	Communication Equipment						
397	Miscellaneous Equipment						
398	Other Tangible Plant						
	Total Sewer Plant	708,757	708,757	695,744		17,964	18,214
	Amortization Rate for Sewer CIAC					2.58%	

CIAC - 12/31/99 (Sch. F-8)

154,500

CIAC - 12/31/00 (Sch. F-8)

154,500

Average 12/31/00

154,500

Amortization of CIAC

3,986

UTILITY NAME: Sandy Creek Utilities, Inc.
 System Name: Sandy Creek Wastewater System

YEAR OF REPORT December 31, 2001

SEWER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 3,061
703	Salaries and Wages - Officers, Directors, and Major. Stockholder	
704	Employee Pensions and Benefits	
710	Purchased Sewage Treatment	
711	Sludge Removal Expense	1,121
715	Purchased Power	7,356
716	Fuel for Power Production	
718	Chemicals	319
720	Materials and Supplies	2,828
730	Contractual Services	14,618
740	Rents	7,471
750	Transportation Expense	
755	Insurance Expense	647
765	Regulatory Commission Expenses	
770	Bad Debt Expense	
775	Miscellaneous Expenses	1,101
	Total Sewer Operation And Maintenance Expense	\$ 38,522

SEWER CUSTOMERS

Description	Number First of Year	Additions	Disconnects	Number End of Year
Metered Customers:				
5/8" X 3/4"	160	1	(161)	
1"				
1 - 1/2"				
2"				
2 - 1/2"				
3"				
Other (Specify)				
Unmetered Customers				
Total Customers	160	1	(161)	

UTILITY NAME: Sandy Creek Utilities, Inc.
 SYSTEM NAME: Sandy Creek Wastewater System

YEAR OF REPORT December 31, 2001
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PUMPING EQUIPMENT

Lift station number	*				
Make or type and nameplate data of pump					
Year installed					
Rated capacity					
Size					
Power:					
Electric					
Mechanical					
Nameplate data of motor					

SERVICE CONNECTIONS

Size (inches)	2			
Type (PVC, VCP, etc.)	VCP			
Average length	20 Ft.			
Number of active service connections	160			
Beginning of year	160			
Added during year	1			
Retired during year	161			
End of year				
Give full particulars concerning inactive connections				

COLLECTING AND FORCE MAINS AND MANHOLES

	Collecting Mains	Force Mains
Size (inches)	Not Applicable*	6
Type of main		PVC
Length of main (nearest foot):		
Beginning of year		20,700
Added during year		
Retired during year		20,700

MANHOLES

Size	Not Applicable	
Type		
Number:		
Beginning of year		
Added during year		
Retired during year		

* Customers are served with septic tanks provided with pumps. Effluent reaches the plant through Force Mains.

UTILITY NAME: Sandy Creek Utilities, Inc.
 SYSTEM NAME: Sandy Creek Wastewater System

YEAR OF REPORT December 31, 2001
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TREATMENT PLANT

Manufacturer	Mc Neill		
Type	Contact Stabilization		
"Steel" or "Concrete"	Concrete		
Total Capacity	.075 MGD		
Average Daily Flow	.030 MGD		
Effluent Disposal	Spray Irrigation		
Total Gallons of Sewage Treated	4,010,000		

MASTER LIFT STATION PUMPS

Manufacturer					
Capacity					
Motor : Mfr.					
Horsepower					
Power (Electric or Mechanical)					

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gals Disposed of on site
January	680,000		680,000
February	720,000		720,000
March	770,000		770,000
April	750,000		750,000
May	520,000		520,000
June	570,000		570,000
July			
August			
September			
October			
November			
December			
Total for year	4,010,000		4,010,000 *

*Spray Irrigation to 30 Acre Golf Course

If Wastewater Treatment is purchased, indicate the vendor: n/a

UTILITY NAME: Sandy Creek Utilities, Inc.
 SYSTEM NAME: Sandy Creek Wastewater System

YEAR OF REPORT December 31, 2001
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OTHER SEWER SYSTEM INFORMATION

Furnish information below for each system . A separate page should be supplied where necessary.	
1. Present number of ERC's * now being served	72
2. Maximum number of ERCs* which can be served	273
3. Present system connection capacity (in ERCs*) using existing lines.	450
4. Future connection capacity (in ERCs*) upon service area buildout .	450
5. Estimated annual increase in ERC's *	None
6. Describe any plans and estimated completion dates for any enlargements or improvements fo this system.	
None	
7. If the utility uses reuse as a means of effluent disposal, provide a list of the reuse end users and the amount of reuse provided to each, if known.	
Unknown	
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?	
Yes	
If so, what are the utility's plans to comply with this requirement?	
Reuse implemented	
10. When did the company last file a capacity analysis report with the DEP?	
2/96	
11. If the present susem 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 #	
D003-284780	
* An ERC is determined based on one of the following methods:	
(a) If actual flow data are available from the proceeding 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 numebr 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

UTILITY NAME: Sandy Creek Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2001

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

YES NO

(X) () 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO

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

YES NO

(X) () 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

(X) () 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.
(X) (X) (X) (X) Mary Hordner *
(signature of chief executive officer of the utility)

1. 2. 3. 4.
() () () () _____ *
(signature of chief financial officer of the utility)

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

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