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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS677-02-AR
Pennbrooke Utilities, Inc.
146 Horizon Court
Lakeland, FL 33813-1742

Submitted To The

STATE OF FLORIDA



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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)

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FINANCIAL SECTION

REPORT OF

Pennbrooke Utilities, Inc.
(EXACT NAME OF UTILITY)

146 Horizon Ct., Lakeland, FL 33813	501 SR 44, Leesburg, FL 34748	Lake
Mailing Address	Street Address	County
Telephone Number <u>(352) 326-5600 (863) 646-2904</u>	Date Utility First Organized <u>4/8/96</u>	
Fax Number <u>(352) 326-2558 (863) 644-8079</u>	E-mail Address _____	
Sunshine State One-Call of Florida, Inc. Member No. <u>PUI505</u>		

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: 146 Horizon Ct., Lakeland, FL 33813

Name of subdivisions where services are provided: Pennbrooke Fairways

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Arthur H. Erickson</u>	<u>Vice President</u>	<u>146 Horizon Ct. Lakeland, FL 33813</u>	
Person who prepared this report: <u>Greg Richeson</u>	<u>Controller</u>	<u>146 Horizon Ct. Lakeland, FL 33813</u>	
Officers and Managers: <u>Arthur H. Erickson</u>	<u>Sr. Vice President</u>	<u>146 Horizon Ct. Lakeland, FL 33813</u>	\$ <u>11,062</u>
<u>Robert Salzman</u>	<u>President</u>	<u>501 State Road 44 Leesburg, FL 34748</u>	\$ <u>39,221</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>Leisure Communities, Ltd.</u>	<u>100%</u>	<u>146 Horizon Ct. Lakeland, FL 33813</u>	\$ <u>N/A</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 225,569	\$ 208,263		\$ 433,832
Commercial_____					
Industrial_____					
Multiple Family_____					
Guaranteed Revenues_____					
Other (Specify)_____					
Total Gross Revenue__		\$ 225,569	\$ 208,263		\$ 433,832
Operation Expense (Must tie to pages W-3 and S-3)					
	W-3 S-3	\$ 125,358	\$ 141,660		\$ 267,018
Depreciation Expense_____	F-5	\$ 73,079	\$ 70,015		\$ 143,094
CIAC Amortization Expense_____	F-8	\$ (27,050)	\$ (33,853)		\$ (60,903)
Taxes Other Than Income_____	F-7	\$ 25,885	\$ 24,840		\$ 50,725
Income Taxes_____	F-7	\$ -	\$ -		\$ -
Total Operating Expense		\$ 197,272	\$ 202,662		\$ 399,934
Net Operating Income (Loss)		\$ 28,296	\$ 5,601		\$ 33,897
Other Income:					
Nonutility Income_____					

Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ -			\$ -
Interest Expense_____		\$ 16,087	\$ 33,143		\$ 49,230

Net Income (Loss)		\$ 12,210	\$ (27,542)		\$ (15,333)

UTILITY NAME: Pennbrooke 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	\$ 3,427,519	\$ 3,227,798
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-3	\$ 1,103,993	\$ 960,899
 Net Utility Plant _____		 \$ 2,323,526	 \$ 2,266,899
 Cash _____		 \$ 58,213	 \$ 37,766
Customer Accounts Receivable (141) _____		\$ 14,225	\$ 11,760
Other Assets (Specify): _____			
Aquisition Adjustment _____		\$ (9,691)	\$ (9,691)

 Total Assets _____		 \$ 2,386,274	 \$ 2,306,734
 Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	\$ 50	\$ 50
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____		\$ 249,950	\$ 249,950
Retained Earnings (215) _____	F-6	\$ (713,270)	\$ (697,937)
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
 Total Capital _____		 \$ (463,270)	 \$ (447,937)
 Long Term Debt (224) _____	F-6	 \$ 870,152	 \$ 820,152
Accounts Payable (231) _____		\$ 273,346	\$ 230,374
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____			
Other Liabilities (Specify) _____			
Accrued Interest _____		\$ 648,349	\$ 599,119

Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	\$ 1,057,697	\$ 1,105,025
 Total Liabilities and Capital _____		 \$ 2,386,274	 \$ 2,306,734

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service -----	<u>\$ 1,358,698</u>	<u>\$ 2,068,822</u>	_____	<u>\$ 3,427,519</u>
Construction Work in Progress (105) _____	<u>\$ -</u>	<u>\$ -</u>	_____	<u>\$ -</u>
Other (Specify _____ _____ _____)	_____	_____	_____	_____
Total Utility Plant _____	<u>\$ 1,358,698</u>	<u>\$ 2,068,822</u>	_____	<u>\$ 3,427,519</u>

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	<u>\$ 530,457</u>	<u>\$ 430,442</u>	_____	<u>\$ 960,899</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	<u>\$ 73,079</u>	<u>\$ 70,015</u>	_____	<u>\$ 143,094</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	<u>\$ 73,079</u>	<u>\$ 70,015</u>	_____	<u>\$ 143,094</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	<u>\$ -</u>	<u>\$ -</u>	_____	<u>\$ -</u>
Cost of removal _____	_____	_____	_____	_____
Other debits (specify)	_____	_____	_____	_____
Adjust G/L for reclass	_____	_____	_____	<u>\$ -</u>
Total Debits _____	<u>\$ -</u>	<u>\$ -</u>	_____	<u>\$ -</u>
Balance End of Year _____	<u>\$ 603,536</u>	<u>\$ 500,457</u>	_____	<u>\$ 1,103,993</u>

UTILITY NAM Pennbrooke Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share_____	1	_____
Shares authorized_____	100	_____
Shares issued and outstanding_____	50	_____
Total par value of stock issued_____	50	_____
Dividends declared per share for year_____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year_____	_____	<u>\$ (697,937)</u>
Changes during the year (Specify):		
Net Loss_____	_____	<u>\$ (15,333)</u>
_____	_____	_____
_____	_____	_____
Balance end of year_____	_____	<u>\$ (713,270)</u>

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year_____	_____	_____
Changes during the year (Specify):		
_____	_____	_____
_____	_____	_____
Balance end of year_____	<u>\$-</u>	<u>\$ -</u>

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
<u>Note to Leisure Communities as of 12/4/92. This is a demand note.</u>	+1%	0	<u>\$ 870,152</u>
<u>Interest Rate is prime plus 1%</u>	_____	_____	_____
_____	_____	_____	_____
Total_____			<u>\$ 870,152</u>

UTILITY NAME: Pennbrooke 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 _____	\$ 109	\$ 109	_____	\$ 219
Local property tax _____	\$ 16,870	\$ 16,870	_____	\$ 33,741
Regulatory assessment fee _____	\$ 8,905	\$ 7,260	_____	\$ 16,165
Other (Specify) ___ Lake County _____	_____	\$ 600	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Taxes Expense _____	\$ 25,885	\$ 24,840	_____	\$ 50,725

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
Akerman Senterfitt	\$ 1,292	\$ 1,292	Legal Expense
American Pipe & Tank		\$ 15,075	Haul sludge
Andreyev Engineering	\$ 3,175	\$ 3,175	Engineering
Belleview Underground		\$ 1,345	Plant Construction
C & J Sales & Service		\$ 3,269	Emergency Power Equipment
Cronin, Jackson, Nixon	\$ 2,832	\$ 2,832	Accounting Services
Custom Controls	\$ 3,984	\$ 3,984	Chemicals
Classic Pavers		\$ 1,084	Plant Construction
Dave Symonds & Assoc	\$ 6,497	\$ 6,497	Chemicals
General Utilities, Inc.	\$ 7,690	\$ 7,690	Plant Maintenance & Testing
Guardian Meters	\$ 2,809		Plant Components
Jack & Andy's Electric	\$ 12,709		Plant Construction
Mack Concrete Industries		\$ 101,445	Plant Construction
Plant Technicians	\$ 3,477	\$ 3,477	Plant Maintenance & Testing
Sunstate Meter	\$ 6,367	\$ -	Meters
Utility Technicians	\$ 59,795	\$ 59,795	Plant Maintenance & Testing
Wicks Consulting Services		\$ 5,927	Plant Design

UTILITY NAME Pennbrooke Utilities, Inc.

YEAR OF REPORT
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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 549,351	\$ 903,278	\$ 1,452,629
2) Add credits during year _____			
	\$ 13,575		\$ 13,575
3) Total _____	<u>\$ 562,926</u>	<u>\$ 903,278</u>	<u>\$ 1,466,204</u>
4) Deduct charges during the year _____			\$ -
5) Balance end of year _____	\$ 562,926	\$ 903,278	\$ 1,466,204
6) Less Accumulated Amortization _____	<u>\$ 167,061</u>	<u>\$ 241,446</u>	<u>\$ 408,507</u>
7) Net CIAC _____	<u>\$ 395,865</u>	<u>\$ 661,832</u>	<u>\$ 1,057,697</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	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	
Meter connections	181	75.00	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
Total Credits During Year (Must agree with line # 2 above.) _____			\$ 13,575
			\$ -

ACCUMULATED AMORTIZATION OF CIAC

	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
Balance First of Year _____	\$ 140,012	\$ 207,592	\$ 347,604
Add Credits During Year: _____	\$ 27,050	\$ 33,853	\$ 60,903
Deduct Debits During Year: _____			
Balance End of Year (Must agree with line #6 above.)	<u>\$ 167,061</u>	<u>\$ 241,446</u>	<u>\$ 408,507</u>

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

UTILITY NAM Pennbrooke 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	<u>N/A</u>	<u>N/A</u> %	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 approving AFUDC rate:	_____

**WATER
OPERATING
SECTION**

UTILITY NAME: Pennbrooke Utilities, Inc.

<p>YEAR OF REPORT DECEMBER 31, 2002</p>

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 10,738			\$ 10,738
302	Franchises				
303	Land and Land Rights	\$ 21,115			\$ 21,115
304	Structures and Improvements	\$ 48,043	\$ 44,914		\$ 92,956
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	\$ 84,250			\$ 84,250
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	\$ 37,000			\$ 37,000
311	Pumping Equipment	\$ 58,165	\$ 3,147		\$ 61,312
320	Water Treatment Equipment	\$ 442,225	\$ 24,992		\$ 467,217
330	Distribution Reservoirs and Standpipes	\$ 9,500			\$ 9,500
331	Transmission and Distribution Lines	\$ 379,232			\$ 379,232
333	Services	\$ 83,314			\$ 83,314
334	Meters and Meter Installations	\$ 61,203	\$ 13,821		\$ 75,024
335	Hydrants	\$ 31,608			\$ 31,608
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	\$ 1,391			\$ 1,391
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment	\$ -			\$ -
348	Other Tangible Plant	\$ 4,040			\$ 4,040
	Total Water Plant	\$ 1,271,824	\$ 86,873	\$ -	\$1,358,698

UTILITY NAME: Pennbrooke Utilities, Inc.

YEAR OF REPORT
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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	40	%	3.70	\$ 1,778	\$ 1,778		\$ 3,555
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs		%	3.70	\$ 44,070	\$ 3,117		\$ 47,187
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%	5.90	\$ 11,973	\$ 2,183		\$ 14,156
311	Pumping Equipment		%	6.70	\$ 6,405	\$ 3,897		\$ 10,302
320	Water Treatment Equipment		%	5.90	\$ 355,456	\$ 42,830		\$ 398,287
330	Distribution Reservoirs & Standpipes		%	3.30	\$ 4,068	\$ 314		\$ 4,382
331	Trans. & Dist. Mains		%	3.00	\$ 68,308	\$ 11,377		\$ 79,685
333	Services		%	2.90	\$ 13,820	\$ 2,416		\$ 16,236
334	Meter & Meter Installations		%	5.90	\$ 20,366	\$ 3,611		\$ 23,977
335	Hydrants		%	2.50	\$ 3,156	\$ 790		\$ 3,946
339	Other Plant and Miscellaneous Equipment		%		\$ -			\$ -
340	Office Furniture and Equipment		%		\$ -			\$ -
341	Transportation Equipment		%		\$ -			\$ -
342	Stores Equipment		%		\$ -			\$ -
343	Tools, Shop and Garage Equipment		%		\$ -			\$ -
344	Laboratory Equipment		%	6.70	\$ 158	\$ 93		\$ 251
345	Power Operated Equipment		%		\$ -			\$ -
346	Communication Equipment		%		\$ -			\$ -
347	Miscellaneous Equipment		%		\$ -			\$ -
348	Other Tangible Plant		%	10.00	\$ 899	\$ 404		\$ 1,303
	Adjustment to G/L-audit adjustment				\$ -	\$ 268		\$ 268
	Totals				\$ 530,457	\$ 73,079	\$ -	\$ 603,535 *

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ 21,260
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	\$ 26,600
604	Employee Pensions and Benefits_____	\$ 1,806
610	Purchased Water_____	
615	Purchased Power_____	\$ 17,107
616	Fuel for Power Production_____	
618	Chemicals_____	\$ 15,220
620	Materials and Supplies_____	\$ 1,460
630	Contractual Services:	
	Operator and Management_____	\$ 19,003
	Testing_____	\$ 890
	Other_____	\$ 5,204
640	Rents_____	\$ 2,170
650	Transportation Expense_____	
655	Insurance Expense_____	\$ 2,070
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	
670	Bad Debt Expense_____	\$ 11
675	Miscellaneous Expenses_____	\$ 12,557
	Total Water Operation And Maintenance Expense_____	<u>\$ 125,358</u> *

* 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)	
5/8"	D	1.0	804	929	929
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			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5			
Other (Specify): _____ _____	_____ _____	_____ _____	_____ _____	_____ _____	_____ _____
Unmetered Customers			_____ _____	_____ _____	_____ _____
** D = Displacement C = Compound T = Turbine			Total <u>804</u>	<u>929</u>	<u>929</u>

UTILITY NAME: Pennbrooke Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	Water Sold To Customers (Omit 000's)
	(b)	(c)	(d)	(e)	(f)
January_____	-	9,170	2,418	6,752	6,752
February_____	-	8,444	1,468	6,976	6,976
March_____	-	9,028	1,463	7,565	7,565
April_____	-	12,031	3,042	8,989	8,989
May_____	-	16,333	2,538	13,795	13,795
June_____	-	9,233	1,605	7,628	7,628
July_____	-	8,381	1,431	6,950	6,950
August_____	-	10,335	2,933	7,402	7,402
September_____	-	8,236	886	7,350	7,350
October_____	-	9,904	1,689	8,215	8,215
November_____	-	9,260	1,610	7,650	7,650
December_____	-	11,907	2,482	9,425	9,425
Total for Year 2002	-	122,261	23,564	98,697	98,697

If water is purchased for resale, indicate the following:

Vendor _____
 Point of delivery N/A

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	10"	1,490	500		1,990
PVC	8"	21,586	4,260		25,846
PVC	6"	36,770			36,770
PVC	4"	6,024	1,500		7,524
PVC	2"	210			210

UTILITY NAME: Pennbrooke Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

**WELLS AND WELL PUMPS
(If Available)**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1986</u>	<u>1986</u>	_____	_____
Types of Well Construction and Casing _____	<u>Drilled</u>	<u>Drilled</u>	_____	_____
_____	<u>Grout</u>	<u>Grout</u>	_____	_____
_____	<u>Casting</u>	<u>Casting</u>	_____	_____
Depth of Wells _____	<u>665'</u>	<u>665'</u>	_____	_____
Diameters of Wells _____	<u>12"</u>	<u>12"</u>	_____	_____
Pump - GPM _____	<u>600</u>	<u>600</u>	_____	_____
Motor - HP _____	<u>25</u>	<u>25</u>	_____	_____
Motor Type * _____	<u>centrifugal</u>	<u>centrifugal</u>	_____	_____
Yields of Wells in GPD _____	<u>.864 MGD</u>	<u>.864 MGD</u>	_____	_____
Auxiliary Power _____	<u>Generator</u>	<u>Generator</u>	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>Steel</u>	<u>Steel</u>	<u>Steel</u>	_____
Capacity of Tank _____	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	_____
Ground or Elevated _____	<u>Ground</u>	<u>Ground</u>	<u>Ground</u>	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer _____	<u>US Electric</u>	<u>US Electric</u>	_____	_____
Type _____	<u>R</u>	<u>R</u>	_____	_____
Rated Horsepower _____	<u>40</u>	<u>40</u>	_____	_____
<u>Pumps</u>				
Manufacturer _____	<u>Allis Chalmers</u>	<u>Allis Chalmers</u>	_____	_____
Type _____	<u>Series 8000</u>	<u>Series 8000</u>	_____	_____
Capacity in GPM _____	<u>600</u>	<u>600</u>	_____	_____
Average Number of Hours Operated Per Day _____	<u>2-3</u>	<u>2-3</u>	_____	_____
Auxiliary Power _____	<u>None</u>	<u>None</u>	_____	_____

UTILITY NAME: Pennbrooke Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source ___	.864 MGD	.864 MGD	_____
Type of Source _____	Wells	Wells	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	Aeration/chlorination	_____	_____
Make _____	Layne	_____	_____
Gals. per day capacity _____	.150 MGD	_____	_____
High service pumping	Flow Meter	_____	_____
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: Pennbrooke 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. 929
2. Maximum number of ERCs * which can be served. 2468
3. Present system connection capacity (in ERCs *) using existing lin 976
4. Future connection capacity (in ERCs *) upon service area buildou 1200
5. Estimated annual increase in ERCs *. 105
6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? Tested at 863 GPM
7. Attach a description of the fire fighting facilities. N/A
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
None at this time

9. When did the company last file a capacity analysis report with the DEP? N/A
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 # 3354653
12. Water Management District Consumptive Use Permit # 2-069-0727NRM
 - 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 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:

Pennbrooke 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_____	\$ 10,738			\$ 10,738
352	Franchises_____				
353	Land and Land Rights_____	\$ 124,505			\$ 124,505
354	Structures and Improvements_____	\$ 83,505	\$ 66,377		\$ 149,882
360	Collection Sewers - Force_____	\$ 157,820			\$ 157,820
361	Collection Sewers - Gravity_____	\$ 609,805			\$ 609,805
362	Special Collecting Structures_____	\$ 16,748	\$ 6,800		\$ 23,548
363	Services to Customers_____	\$ 98,910			\$ 98,910
364	Flow Measuring Devices_____				
365	Flow Measuring Installations_____				
370	Receiving Wells_____	\$ 53,226	\$ 3,559		\$ 56,785
371	Pumping Equipment_____	\$ 10,456	\$ 3,844		\$ 14,299
380	Treatment and Disposal Equipment_____	\$ 733,695	\$ 28,801		\$ 762,497
381	Plant Sewers_____				
382	Outfall Sewer Lines_____	\$ 17,227	\$ 3,467		\$ 20,693
389	Other Plant and Miscellaneous Equipment_____				
390	Office Furniture and Equipment_____				
391	Transportation Equipment_____				
392	Stores Equipment_____				
393	Tools, Shop and Garage Equipment_____	\$ 1,391			\$ 1,391
394	Laboratory Equipment_____				
395	Power Operated Equipment_____	\$ 37,948			\$ 37,948
396	Communication Equipment_____				
397	Miscellaneous Equipment_____				
398	Other Tangible Plant_____				
	Total Wastewater Plant_____	<u>\$ 1,955,974</u>	<u>\$ 112,848</u>	<u>\$ -</u>	<u>\$ 2,068,822 *</u>

* This amount should tie to sheet F-5.

UTILITY NAME: Pennbrooke 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	46	%	2.90 %	\$ 8,568	\$ 2,422		\$ 10,989
360	Collection Sewers - Force	27	%	3.70 %	\$ 30,651	\$ 5,512		\$ 36,163
361	Collection Sewers - Gravity	40	%	2.50 %	\$ 83,858	\$ 13,416		\$ 97,274
362	Special Collecting Structures		%	3.00 %	\$ 502	\$ 502		\$ 1,004
363	Services to Customers	35	%	2.86 %	\$ 20,166	\$ 2,522		\$ 22,689
364	Flow Measuring Devices		%		\$ -			\$ -
365	Flow Measuring Installations		%		\$ -			\$ -
370	Receiving Wells	22	%	4.00 %	\$ 26,269	\$ 1,756		\$ 28,025
371	Pumping Equipment		%	3.70 %	\$ 387	\$ 387		\$ 774
380	Treatment and Disposal Equipment	18	%	6.67 %	\$ 256,031	\$ 41,436		\$ 297,467
381	Plant Sewers		%		\$ -			\$ -
382	Outfall Sewer Lines		%	3.30 %	\$ 2,714	\$ 568		\$ 3,282
389	Other Plant and Miscellaneous Equipment		%					
390	Office Furniture and Equipment		%					
391	Transportation Equipment		%					
392	Stores Equipment		%					
393	Tools, Shop and Garage Equipment		%					
394	Laboratory Equipment		%	6.30 %	\$ 157	\$ 88		\$ 244
395	Power Operated Equipment		%	3.00 %	\$ 1,138	\$ 1,138		\$ 2,277
396	Communication Equipment		%					
397	Miscellaneous Equipment		%					
398	Other Tangible Plant		%					
	Adjustment to G/L for audit adjustment					\$ 268		\$ 268
	Totals				\$ 430,441	\$ 70,015	\$ -	\$ 500,457 *

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 21,260
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	\$ 26,600
704	Employee Pensions and Benefits	\$ 1,806
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	\$ 13,414
715	Purchased Power	\$ 15,283
716	Fuel for Power Production	
718	Chemicals	\$ 4,393
720	Materials and Supplies	\$ 1,794
730	Contractual Services:	
	Operator and Management	\$ 29,217
	Testing	\$ 6,971
	Other	\$ 9,260
740	Rents	\$ 2,170
750	Transportation Expense	\$ -
755	Insurance Expense	\$ 1,493
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	\$ 350
770	Bad Debt Expense	\$ 11
775	Miscellaneous Expenses	\$ 7,640
	Total Wastewater Operation And Maintenance Expense	\$ 141,660 *

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		(c x e) (f)
			Start of Year (d)	End of Year (e)	
5/8"	D	1.0	804	929	929
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			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5			
Other (Specify): _____ _____	_____ _____	_____ _____			
Unmetered Customers					
** D = Displacement C = Compound T = Turbine			Total		
			<u>804</u>	<u>929</u>	<u>929</u>

PUMPING EQUIPMENT

Lift Station Number _____	1	2	3	4		
Make or Type and nameplate data on pump _____	Hydromatic	Hydromatic	Hydromatic	Hydromatic		
Year installed _____	1986	1986	1992	1994		
Rated capacity _____	150 GPM	150 GPM	150 GPM	30 GPM		
Size _____	5 HP	5 HP	5 HP	2 HP		
Power:						
Electric _____	X	X	X	X		
Mechanical _____	S-4NRC	S-4NRC	S-4NRC			
Nameplate data of motor _____	500	500	500			

SERVICE CONNECTIONS

Size (inches) _____	6"					
Type (PVC, VCP, etc.) _____	PVC					
Average length _____	30'					
Number of active service connections _____						
Beginning of year _____	804					
Added during year _____	125					
Retired during year _____						
End of year _____	929					
Give full particulars concerning inactive connections _____						

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches) _____	8"	10"			6"	4"	2"	
Type of main _____	PVC	PVC			PVC	PVC	PVC	
Length of main (nearest foot) _____								
Beginning of year _____	37,264	603			6,625	2,947	660	
Added during year _____	3,506	-			-	320	-	
Retired during year _____								
End of year _____	40,770	603			6,625	3,267	660	

MANHOLES

Size (inches) _____	6"			
Type of Manhole _____	Concrete			
Number of Manholes:				
Beginning of year _____	157			
Added during year _____	11			
Retired during year _____				
End of Year _____	168			

UTILITY NAME: Pennbrooke Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____ Type _____ "Steel" or "Concrete" _____ Total Capacity _____ Average Daily Flow _____ Effluent Disposal _____ Total Gallons of Wastewater treated _____	<u>Mack Concrete</u> <u>Extended Air</u> <u>Concrete</u> <u>.180 MGD</u> <u>140,000</u> <u>Ponds</u>		
---	---	--	--

MASTER LIFT STATION PUMPS

Manufacturer _____ Capacity (GPM's) _____ Motor: Manufacturer _____ Horsepower _____ Power (Electric or Mechanical) _____	<u>Hydromatic</u> <u>150</u> <u>Layne</u> <u>5</u> <u>Electric</u>					
--	--	--	--	--	--	--

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>2,215</u>	-	<u>2,215</u>
February _____	<u>3,372</u>	-	<u>3,372</u>
March _____	<u>3,477</u>	-	<u>3,477</u>
April _____	<u>3,457</u>	-	<u>3,457</u>
May _____	<u>2,493</u>	-	<u>2,493</u>
June _____	<u>2,562</u>	-	<u>2,562</u>
July _____	<u>2,781</u>	-	<u>2,781</u>
August _____	<u>2,833</u>	-	<u>2,833</u>
September _____	<u>3,264</u>	-	<u>3,264</u>
October _____	<u>3,161</u>	-	<u>3,161</u>
November _____	<u>2,947</u>	-	<u>2,947</u>
December _____	<u>3,114</u>	-	<u>3,114</u>
 Total for year _____	 <u><u>35,675</u></u>	 -	 <u><u>35,675</u></u>

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Pennbrooke 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. 929
2. Maximum number of ERCs* which can be served. 600 - historic flows have been 150 GPD/Unit
3. Present system connection capacity (in ERCs*) using existing lines. 976
4. Future connection capacity (in ERCs*) upon service area buildout. 1200
5. Estimated annual increase in ERCs*. 105
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. Leisure Communities, Ltd.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? Yes
If so, when? Nov. 1999
9. Has the utility been required by the DEP or water management district to implement r Yes
If so, what are the utility's plans to comply with this requirement? Plan in place
10. When did the company last file a capacity analysis report with the DEP? N/A
11. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
12. Department of Environmental Protection ID # 3354653

* 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).

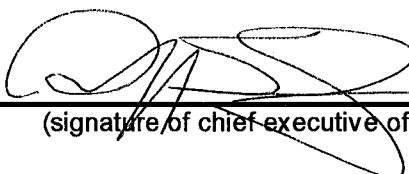
CERTIFICATION OF ANNUAL REPORT

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

- | | | |
|--|--------------------------------|---|
| YES
<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.	2.	3.	4.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



 (signature of chief executive officer of the utility) *

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

 (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.