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**WATER AND SEWER WASTEWATER UTILITIES**  
Do Not Remove From This Office

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

# ANNUAL REPORT

WS688-01-AR  
Mr. William V. Pfrommer  
Arredondo Utility Company, Inc.  
% AquaSource, Inc.  
411 Seventh Avenue, MD. 14-3  
Pittsburgh, PA 15219-1919

Certificate Number(s)

Submitted To The

## STATE OF FLORIDA



02 APR 17 11:14  
REGISTRATION  
EQUILIBRIUM/REGULATION

## PUBLIC SERVICE COMMISSION

FOR THE  
YEAR ENDED DECEMBER 31, 2001

# *Cronin, Jackson, Nixon & Wilson*

CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.  
CHRISTINE R. CHRISTIAN, C.P.A.  
JOHN H. CRONIN, JR., C.P.A.  
ROBERT H. JACKSON, C.P.A.  
ROBERT C. NIXON, C.P.A.  
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April 16, 2002

Officers and Directors  
Arredondo Utility Company

We have compiled the 2001 Annual Report of Arredondo Utility Company in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of Arredondo Utility Company. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

*Cronin, Jackson, Nixon & Wilson*

CRONIN, JACKSON, NIXON & WILSON

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

**Company: Arredondo Utility Company**

**For the Year Ended December 31, 2001**

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 132,098	\$ 132,098	\$ -
Commercial	4,683	4,683	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other	5,620	5,620	-
<b>Total Water Operating Revenue</b>	<b>\$ 142,401</b>	<b>\$ 142,401</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Net Water Operating Reveunes</b>	<b>142,401</b>	<b>142,401</b>	<b>\$ -</b>

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).



## GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1984 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 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 will 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 schedules 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 statement should be made at the bottom of the page or an additional page. Any additional pages should state the name of the utility, 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 Water and Wastewater  
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 Water and Wastewater, 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** - this account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction 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 utilities property, facilities, or equipment used to provide services to the public. (Section 367.021 (3), Florida Statutes)

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

**DEPRECIATION** - The loss of 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 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**

**Arredondo Utility Company**  
(Exact name of utility)

411 Seventh Avenue; 14th Floor	411 Seventh Avenue; 14th Floor
Pittsburgh, PA 152219	Pittsburgh, PA 152219
Mailing Address	Street Address

Telephone Number (412) 393-3625 Date Utility First Organized 04/01/81

Check the business entity of the utility as filed with the Internal Revenue Service:  
 Individual     Sub Chapter S Corporation     1120 Corporation     Partnership

Location where books and records are located: 411 Seventh Ave; 14th Floor  
Pittsburgh, Pa 15219

Names of subdivisions where service is provided: Arredondo Estates Mobile Home Park, Arredondo  
Farms

**CONTACTS:**

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Bryan Hiles	Controller	411 Seventh Ave; 14th Floor Pittsburgh, Pa 15219	
Person who prepared this report: Cronin, Jackson, Nixon & Wilson	CPA's	2560 Gulf-to-Bay Blvd. Clearwater, Fl.	
Officers and Managers: Frank A. Hoffman	President	411 Seventh Ave; 14th Floor Pittsburgh, Pa 15219	None
Mary D. Colin	Treasurer	Same	None
Anthony Villiotti	VP/CFO/Treasurer	Same	None
Renee J. Cypher	Assistant Secretary	Same	None
Glenn P LaBrecque	Reginal VP	6960 Professional Pkwy E #400	None
Julie I. Avins	Assistant Secretary	Sarasota, FL 34240	None

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
AquaSource Utility, Inc.	100%	Same As Above	None

**INCOME STATEMENT**

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 132,098	\$ 84,844		\$ 216,942
Commercial _____		4,683	4,609		9,292
Industrial _____					
Multiple Family _____					
Guarenteed Revenues _____					
Other (Specify) _____		5,620			5,620
<b>Total Gross Revenue</b> _____		<b>142,401</b>	<b>89,453</b>	<b>N/A</b>	<b>231,854</b>
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	99,442	108,381		207,823
Depreciation Expense _____	F-5	15,053	10,394		25,447
CIAC Amortization Expense _____	F-8	(492)			(492)
Taxes Other Than Income _____	F-7	12,377	7,706		20,083
Income Taxes _____	F-7	(5,156)	(5,156)		(10,312)
<b>Total Operating Expenses</b> _____		<b>121,224</b>	<b>121,325</b>		<b>242,549</b>
<b>Net Operating Income (Loss)</b>		<b>21,177</b>	<b>(31,872)</b>	<b>-</b>	<b>(10,695)</b>
Other Income:					
Nonutility Income _____					
Interest Income _____		172	172		344
Other Deductions:					
Miscellaneous Nonutility Expenses _____		11,816	11,816		23,632
Interest Expense _____		659	110		769
AFUDC _____		95			95
<b>Net Income (Loss)</b>		<b>\$ 8,779</b>	<b>\$ (43,626)</b>	<b>N/A</b>	<b>\$ (34,847)</b>

**COMPARATIVE BALANCE SHEET**

Account Name	Reference Page	Current Year	Previous Year
<b>ASSETS:</b>			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 585,496	\$ 564,802
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(360,577)	(336,830)
Net Utility Plant _____		224,919	227,972
Cash _____			
Customer Accounts Receivable (141) _____		21,852	51,514
Other Assets (Specify):			
Other Intangibles _____		8,975	
Intercompany Receivable _____		523,744	218,450
Unrecognized Acquisition Adjustments _____		528,115	532,614
Prepaid Property Taxes _____			4,274
Total Assets _____		\$ 1,307,605	\$ 1,034,824
<b>LIABILITIES AND CAPITAL:</b>			
Common Stock Issued (201) _____	F-6	\$ 500	\$ 500
Preferred Stock Issued (204) _____	F-6		
Other Paid In Capital (211) _____		876,033	876,033
Retained Earnings (Deficit)(215) _____	F-6	(166,879)	(132,032)
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		709,654	744,501
Long Term Debt (224) _____	F-6		
Accounts Payable (231) _____		(813)	2,458
Notes Payable (232) _____			
Customer Deposits (235) _____		17,990	11,560
Accrued Taxes (236) _____	F-7	122	10,322
Other Liabilities (Specify):			
Accounts Payable - Assoc Co _____		574,722	259,681
Accrued Interest _____		283	163
Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8	5,647	6,139
Total Liabilities and Capital _____		\$ 1,307,605	\$ 1,034,824

**GROSS UTILITY PLANT**

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 331,969	\$ 241,548	N/A	\$ 573,517
Construction Work In Progress (105) _____	11,979			11,979
Other (Specify) _____ Completed Const not Class _____	-	-		
Total Utility Plant _____	\$ 343,948	\$ 241,548	N/A	\$ 585,496

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 184,673	\$ 152,157	N/A	\$ 336,830
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account _____	15,053	10,394		25,447
Salvage _____				
Other credits (specify) _____				
Total credits _____	15,053	10,394		25,447
<b>Deduct Debits During Year:</b>				
Book cost of plant retired _____	797	903		1,700
Cost of removal _____				
Other debits (specify) _____				
Total debits _____	797	903		1,700
Balance End of Year _____	\$ 198,929.00	\$ 161,648.00	N/A	\$ 360,577.00

UTILITY NAME: Arredondo Utility Company

**YEAR OF REPORT**  
December 31, 2001

**CAPITAL STOCK (201 - 204)**

	Common Stock	Preferred Stock
Par or stated value per share _____	\$ 1.00	N/A
Shares authorized _____	500	
Shares issued and outstanding _____	500	
Total par value of stock issued _____	500	
Dividends declared per share for year _____	None	

**RETAINED EARNINGS (215)**

	Appropriated	Un-Appropriated
Balance first of year _____	N/A	\$ (132,032)
Charges during the year (specify):		
Current Year Loss _____		(34,847)
_____		
_____		
Balance end of year _____		\$ (166,879)

**PROPRIETARY CAPITAL (218)**

	Proprietor or Partner	Partner
Balance first of year _____	N/A	N/A
Charges during the year (specify):		
_____		
_____		
Balance end of year _____		

**LONG TERM DEBT (224)**

Description of Obligation (Including Nominal Date of Issue and Date of Maturity)	Interest		Principal Per Balance Sheet Date
	Rate	# of Payments	
_____	%		\$ -
_____	%		
_____	%		
_____	%		
Total _____			N/A

UTILITY NAME: Arredondo Utility Company

<b>YEAR OF REPORT</b> December 31, 2001
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**TAXES ACCRUED (236)**

(a)	WATER (b)	SEWER (c)	OTHER (d)	TOTAL (e)
Income Taxes:				
Federal income tax _____	\$ (5,156)	\$ (5,156)	N/A	\$ (10,312)
State income tax _____				
Taxes Other Than Income:				
State ad valorem tax _____				
Local property tax _____				
Regulatory assessment fee _____	6,409	4,025		10,434
Other (Specify): _____				
_____				
_____				
_____				
Total taxes accrued _____	\$ 1,253	\$ (1,131)		\$ 122

**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	Water Amount	Wastewater Amount	Description of Service
Aquasource, Inc	\$ 23,635	\$ 15,446	Management, accounting, labor, supervision
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			

UTILITY NAME: Arredondo Utility Company

**YEAR OF REPORT**  
December 31, 2001

**CONTRIBUTIONS IN AID OF CONSTRUCTION (271)**

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	\$ 15,916	N/A	\$ 15,916
2. Add credits during year:			
3. Total _____	15,916		15,916
4. Deduct charges during year _____			
5. Balance end of year _____	15,916		15,916
6. Less Accumulated Amortization _____	10,269		10,269
7. Net CIAC _____	\$ 5,647		\$ 5,647

**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 _____		NONE	NONE
<b>Report below all capacity charges, main extension charges and customer connections charges received during the year.</b>			
Description of Charge	Number of Connections	Charge per Connection	
_____			
_____			
_____			
Total Credits During Year (Must agree with line # 2 above) _____			NONE

**ACCUMULATED AMORTIZATION OF CIAC**

	Water	Wastewater	Total
Balance First of Year _____	\$ 9,777	N/A	\$ 9,777
Add Debits During Year: _____	492		492
Deduct Credits During Year: _____			
Balance End of Year (Must agree with line #6 above) _____	\$ 10,269		\$ 10,269

UTILITY NAME: Arredondo Utility Company

<b>YEAR OF REPORT</b> December 31, 2001
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**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	\$ 727,078	\$ 98.01 %	11.88 %	11.64 %
Preferred Stock	-	%	%	-
Long Term Debt	-	%	%	-
Customer Deposits	14,775	1.99 %	6.00 %	0.12 %
Tax Credits - Zero Cost	-	%	%	-
Tax Credits - Weighted Cost	-	%	%	-
Deferred Income Taxes	-	%	%	-
Other (Explain)	-	%	%	-
<b>Total</b>	<b>\$ 741,853</b>	<b>100.00 %</b>		<b>11.76 %</b>

- (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**

Current Commission approved AFUDC rate: _____ %
Commission order approving AFUDC rate: _____



UTILITY NAME: Arredondo Utility Company

<b>YEAR OF REPORT</b>
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	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity	727,078				727,078
Preferred Stock	-				-
Long Term Debt	-				-
Customer Deposits	14,775				14,775
Tax Credits - Zero Cost					-
Tax Credits - Weighted Cost					-
Deferred Income Taxes					-
Other (Explain)					-
<b>Total</b>	741,853	-	-	-	741,853

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


**WATER  
OPERATION  
SECTION**

**WATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 13,865	\$ -	\$ -	\$ 13,865
302	Franchises				
303	Land and Land Rights	2,960			2,960
304	Structure and Improvements	5,805	5,670		11,475
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	9,519			9,519
308	Infiltration Galleries and Tunnels				
309	Supply Mains	3,398			3,398
310	Power Generation Equipment	30,068			30,068
311	Pumping Equipment	11,533			11,533
320	Water Treatment Equipment	27,387	455	(797)	27,045
330	Distribution Reservoirs and Standpipes	50,803			50,803
331	Transmission and Distribution Mains	76,531			76,531
333	Services	23,383			23,383
334	Meters and Meter Installations	60,817			60,817
335	Hydrants	2,288			2,288
339	Other Plant and Miscellaneous Equipment	1,018			1,018
340	Office Furniture and Equipment	2,599			2,599
341	Transportation Equipment	1,046			1,046
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	608			608
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	3,013			3,013
	Total Water Plant	\$ 326,641	\$ 6,125	\$ (797)	\$ 331,969

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted

**ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER**

ACCT. NO. (a)	ACCOUNT NAME (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)
301	Organization	40	%	2.50	\$ 520	\$ -	\$ 347	\$ 867
302	Franchises		%					
304	Structure and Improvements	40	%	2.50	4,817		308	5,125
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	3.70	8,485		352	8,837
308	Infiltration Galleries and Tunnels		%					
309	Supply Mains	32	%	3.13	3,398			3,398
310	Power Generation Equipment	17	%	5.88	11,149		1,768	12,917
311	Pumping Equipment	17	%	5.88	4,796		679	5,475
320	Water Treatment Equipment	17	%	5.88	16,121	(797)	1,601	16,925
330	Distribution Reservoirs and Standpipes	30	%	3.33	20,386		1,691	22,077
331	Transmission and Distribution Mains	38	%	2.63	53,750		2,013	55,763
333	Services	35	%	2.86	13,342		668	14,010
334	Meters and Meter Installations	12	%	8.33	39,989		4,927	44,916
335	Hydrants	40	%	2.50	1,523		99	1,622
339	Other Plant and Miscellaneous Equipment	20	%	5.00	807		52	859
340	Office Furniture and Equipment	10	%	10.00	1,372		305	1,677
341	Transportation Equipment	5	%	20.00	1,046		-	1,046
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment	10	%	10.00	341		60	401
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant	5	%	20.00	2,831		183	3,014
	Totals				\$ 184,673	\$ (797)	\$ 15,053	\$ 198,929

\* This amount should tie to Sheet F-5

**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 21,859
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	4,201
610	Purchased Water	
615	Purchased Power	7,131
616	Fuel for Power Purchased	
618	Chemicals	704
620	Materials and Supplies	3,336
630	Contractual Services:	
	Billing	
	Operator and Management	
	Testing	2,622
	Other	33,001
640	Rents	965
650	Transportation Expense	992
655	Insurance Expense	
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	18,432
675	Miscellaneous Expenses	6,199
	Total Water Operation and Maintenance Expense	\$ 99,442 *

\* 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)	
<b>Residential Service</b>					
5/8"	D	1.0	513	513	513
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
<b>General Service</b>					
5/8"	D	1.0	2	2	2
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
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0			
Other (Specify):					
<b>Total</b>			<b>517</b>	<b>517</b>	<b>531</b>

\*\* D = Displacement  
C = Compound  
T = Turbine

UTILITY NAME: Arredondo Utility Company  
 SYSTEM NAME: Arredondo Farms/Arredondo Estates

**YEAR OF REPORT**  
 December 31, 2001

**PUMPING AND PURCHASED WATER STATISTICS**

MONTH (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	N/A	3,179	159	3,020	1,874
February		3,219	161	3,058	3,913
March		2,889	144	2,745	2,042
April		3,279	164	3,115	2,156
May		3,824	191	3,633	2,378
June		3,416	171	3,245	2,660
July		3,619	181	3,438	1,985
August		3,513	176	3,337	2,208
September		3,286	164	3,122	2,914
October		3,040	152	2,888	2,126
November		2,978	149	2,829	2,157
December		2,881	144	2,737	2,397
Total for year	N/A	39,123	1,956	37,167	28,810

If water is purchased for resale, indicate the following:

Vendor N/A  
 Point of Delivery N/A

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

Note: Lost water due to slow meters: meter change out program in progress; Leak detection program in progress;  
 Two instances of water theft were discovered and corrected

**MAINS (Feet)**

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
Asbestos/Concrete	6"	1,525			1,525
Asbestos/Concrete	4"	6,950			6,950
Asbestos/Concrete	3"	3,850			3,850
Asbestos/Concrete	2"	4,900			4,900
Galvanized/PVC	6"	5,800			5,800
Galvanized/PVC	4"	1,125			1,125
Galvanized/PVC	2"	15,300			15,300

UTILITY NAME: Arredondo Utility Company  
 SYSTEM NAME: Arredondo Farms/Arredondo Estates

**YEAR OF REPORT**  
 December 31, 2001

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	AE #1 East 1996	AE #2 West 1996	AF 1970	AF Unknown
Types of Well Construction and Casing _____	Cable Tool Steel	Cable Tool Steel	Cable Tool Steel	Cable Tool Steel
Depth of Wells _____	150 ft	162 ft	125ft	143 ft
Diameters of Wells _____	6"	6"	8"	8"
Pump - GPM _____	120 GPM	120 GPM	250 GPM	250 GPM
Motor - HP _____	10	10	Unknown	Unknown
Motor Type * _____				
Yeilds of Wells in GPD _____	172,800 GPD	172,800 GPD	417,600 GPD	432,000 GPD
Auxillary Power _____				
* Submersable, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Pneumatic			
Capacity of Tank _____	20,000 Gal	Twin 5,000 Gal		
Ground of Elevated _____	Ground	Ground		

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b><u>MOTORS</u></b>				
Manufacturer _____	None			
Type _____				
Rated Horsepower _____				
<b><u>PUMPS</u></b>				
Manufacturer _____	None			
Type _____				
Capacity in GPM _____				
Average Number of Hours Operated Per Day _____				
Auxiliary Power _____				

UTILITY NAME: Arredondo Utility Company

**YEAR OF REPORT**  
December 31, 2001

**SOURCE OF SUPPLY**

List for each source of supply (Ground, Surface, Purchased Water, etc):

Gallons per day of source _____	.230 GPD	.240 GPD	
Type of source _____	Floridan Aquifer	Floridan Aquifer	

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:

	Arredondo Estates	Arredondo Farms	
Type _____	Chlorinator	Chlorinator	
Make _____	Bailey-fisher & Porter	Bailey-fisher & Porter	
Permitted Capacity (GPD)	.230 MGD	.240 MGD	
High service pumping Gallons per minute _____ See Page W-5 _____	Unknown	Unknown	
Reverse Osmosis _____	N/A	N/A	
Lime treatment Unit Rating _____	N/A	N/A	
Filtration Pressure Sq. Ft. _____	N/A	N/A	
Gravity GPD/Sq. Ft. _____	N/A	N/A	
Disinfection Chlorinator _____	X	X	
Ozone _____			
Other _____			
Auxiliary Power _____	Generator	Generator	



UTILITY NAME: Arredondo Utility Company  
 SYSTEM NAME: Arredondo Farms/Arredondo Estates

**YEAR OF REPORT**  
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**OTHER WATER SYSTEM INFORMATION**

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

1.	Present ERC's * the system can efficiently serve	<u>579</u>
2.	Maximum number of ERC's * which can be served	<u>579</u>
3.	Present system connection capacity (in ERC's *) using existing lines	<u>579</u>
4.	Future connection capacity (in ERC's *) upon service area buildout	<u>579</u>
5.	Estimated annual increase in ERC's* <u>25 but varies - Customers rent mobile home lots</u>	
6.	Is the utility required to have fire flow capacity? <u>Unknown</u> If so, how much capacity is required? <u>Unknown</u>	
7.	Attach a description of the fire fighting facilities <u>5 Fire hydrants</u>	
8.	Describe any plans and estimated completion dates for any enlargements or improvements of this system. <u>None</u>	
9.	When did the company last file a capacity analysis report with the DEP? <u>None</u>	
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 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 # <u>2010041</u>	
12.	Water Management District Consumptive Use Permit # <u>Estates: 2001-0116; Farms: 20010117</u>	
	a. Is the system in compliance with the requirements of the CUP? <u>Yes</u>	
	b. If not, what are the utility's plans to gain compliance? <u>N/A</u>	

\* 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 available are available for use:  
 $ERC = (Total\ SFR\ gallons\ sold\ (omit\ 000) / 365\ days / 350\ gallons\ per\ day).$

**WASTEWATER  
OPERATION  
SECTION**

**WASTEWATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 13,865	\$ -		\$ 13,865
352	Franchises				
353	Land and Land Rights	7,232			7,232
354	Structure and Improvements	11,946	1,680		13,626
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	78,881			78,881
362	Special Collecting Structures				
363	Services to Customers	2,135			2,135
364	Flow Measuring Devices	635			635
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment	19,856			19,856
380	Treatment and Disposal Equipment	99,406	2,610	903	101,113
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant and Miscellaneous Equipment	663			663
390	Office Furniture and Equipment	1,257			1,257
391	Transportation Equipment	417			417
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	311			311
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant	1,557			1,557
	Total Sewer Plant	\$ 238,161	\$ 4,290	\$ 903	\$ 241,548

\* This amount should tie to Sheet F-5

**ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER**

Acct. No. (a)	Account Name (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)
351	Organization	40	%	2.50 %	520		347	867
352	Franchises		%					
354	Structure and Improvements	27	%	3.70 %	10,573		473	11,046
355	Power Generation Equipment		%					
360	Collection Sewers - Force		%					
361	Collection Sewers - Gravity	40	%	2.50 %	55,591		1,972	57,563
362	Special Collecting Structures (Lift Stations)		%					
363	Services to Customers	35	%	2.90 %	1,589		61	1,650
364	Flow Measuring Devices	5	%	20.00 %	635		-	635
365	Flow Measuring Installations		%					
370	Receiving Wells (Lift Stations)		%					
371	Pumping Equipment	40	%	2.50 %	2,870		497	3,367
380	Treatment and Disposal Equipment	15	%	6.70 %	78,166	903	6,688	83,951
381	Plant Sewers		%					
382	Outfall Sewer Lines		%					
389	Other Plant and Miscellaneous Equipment	15	%	6.70 %	525		44	569
390	Office Furniture and Equipment	10	%	10.00 %	690		125	815
391	Transportation Equipment	5	%	20.00 %	417		-	417
392	Stores Equipment		%					
393	Tools, Shop and Garage Equipment	10	%	10.00 %	187		31	218
394	Laboratory Equipment		%					
395	Power Operated Equipment		%					
396	Communication Equipment		%					
397	Miscellaneous Equipment		%					
398	Other Tangible Plant	5	%	20.00 %	394		156	550
	Totals				152,157	903	10,394	161,648

\* This amount should tie to Sheet F-5

**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 15,695
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	2,732
710	Purchased Wsatewater Treatment	
711	Sludge Removal Expense	21,365
715	Purchased Power	5,765
716	Fuel for Power Purchased	
718	Chemicals	4,905
720	Materials and Supplies	3,422
730	Contractual Services:	
	Operator and Management	
	Testing	3,085
	Other	38,031
740	Rents	483
750	Transportation Expense	496
755	Insurance Expense	
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	
770	Bad Debt Expense	9,247
775	Miscellaneous Expenses	3,155
	Total Wastewater Operation and Maintenance Expense	\$ 108,381 *

\* 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)	
<b>Residential Service</b>					
5/8"	D	1.0	296	294	294
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
<b>General Service</b>					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0	2	2	16
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0			
Other (Specify):					
<b>Total</b>			<b>298</b>	<b>296</b>	<b>310</b>

\*\* D = Displacement  
C = Compound  
T = Turbine

**PUMPING EQUIPMENT**

Lift station number _____	1	_____	_____	_____	_____	_____	_____
Make or type and nameplate data of pump _____	S4N	_____	_____	_____	_____	_____	_____
Year installed _____	1995	_____	_____	_____	_____	_____	_____
Rated capacity (GPM) _____	_____	_____	_____	_____	_____	_____	_____
Size (HP) _____	4"	_____	_____	_____	_____	_____	_____
Power:	_____	_____	_____	_____	_____	_____	_____
Electric _____	X	_____	_____	_____	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____	_____

**SERVICE CONNECTIONS**

Size (inches) _____	4"	_____	_____	_____	_____	_____	_____
Type (PVC, VCP, etc) _____	_____	_____	_____	_____	_____	_____	_____
Average length _____	_____	_____	_____	_____	_____	_____	_____
Number of active service connections _____	296	_____	_____	_____	_____	_____	_____
Beginning of year _____	291	_____	_____	_____	_____	_____	_____
Added during year _____	5	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	296	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____	_____

**COLLECTING AND FORCE MAINS AND MANHOLES**

	Collecting Mains			Force Mains				
Size (inches) _____	8"	_____	_____	_____	_____	_____	_____	_____
Type of main _____	Clay	_____	_____	_____	_____	_____	_____	_____
Length of main (nearest foot):	_____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	20,300	_____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	20,300	_____	_____	_____	_____	_____	_____	_____

**MANHOLES:**

Size _____	_____	_____	_____	_____
Type _____	Brick	_____	_____	_____
Number:	_____	_____	_____	_____
Beginning of year _____	38	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of year _____	38	_____	_____	_____

UTILITY NAME: Arredondo Utility Company

**YEAR OF REPORT**  
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**TREATMENT PLANT**

Manufacturer _____	McNeill	_____	_____
Type _____	Contact Stabilization	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Capacity _____	60,000 GPD	_____	_____
Average Daily Flow _____	33,038	_____	_____
Effluent Disposal _____	Percolation Ponds	_____	_____
Total Gallons of Wastewater Treated _____	12,059,000	_____	_____

**MASTER LIFT STATION PUMPS**

Manufacturer _____	N/A	_____	_____	_____	_____	_____
Capacity _____ (PM)	_____	_____	_____	_____	_____	_____
Motor:	_____	_____	_____	_____	_____	_____
Manufacturer _____	_____	_____	_____	_____	_____	_____
Horsepower _____	_____	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____	_____	_____	_____	_____	_____	_____

**PUMPING WASTEWATER STATISTICS**

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	910,000	None	910,000
February _____	1,058,000	_____	1,058,000
March _____	998,000	_____	998,000
April _____	998,000	_____	998,000
May _____	1,109,000	_____	1,109,000
June _____	1,024,000	_____	1,024,000
July _____	1,001,000	_____	1,001,000
August _____	1,078,000	_____	1,078,000
September _____	1,037,000	_____	1,037,000
October _____	937,000	_____	937,000
November _____	1,011,000	_____	1,011,000
December _____	898,000	_____	898,000
Total for year _____	12,059,000	_____	12,059,000

If Wastewater Treatment is purchased, indicate the vendor:

UTILITY NAME: Arredondo Utility Company

**YEAR OF REPORT**  
December 31, 2001

**OTHER WASTEWATER SYSTEM INFORMATION**

Furnish information below for each system. A separate pageshould be supplied where necessary.

1. Present ERC's * that system can efficiently serve.	<u>331</u>
2. Maximum number of ERC's * which can be served.	<u>331</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>331</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>331</u>
5. Estimated annual increase in ERC's * .	<u>25 but varies - Customers rent mobile home lots</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.	
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	<u>No</u>
	<u>N/A</u>
9. Has the utility been required by the DEP or water management district to implement reuse?	<u>N/A</u>
If so, what are the utility's plans to comply with the DEP?	<u>N/A</u>
10. When did the company last file a capacity analysis report with the DEP?	<u>N/A</u>
11. If the present system does not meet the requirements of DEP rules:	
a. Attach a description of the plant upgrade necessary to meet the DEP rules.	
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will cor	<u>N/A</u>
d. Attach plans for funding the required upgrading.	<u>N/A</u>
e. Is this system under any Consent Order othe DEP?	<u>N/A</u>
11. Department of Environmental Protection ID #	<u>DO01-176465</u>

Use 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 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<br>( X ) | NO<br>( ) | 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<br>( X ) | NO<br>( ) | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES<br>( X ) | NO<br>( ) | 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<br>( X ) | NO<br>( ) | 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 )	( )
1.	2.	3.	4.
( X )	( )	( X )	( X )

  
 \_\_\_\_\_  
 (signature of chief executive officer of the utility) \*

  
 \_\_\_\_\_  
 (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.