

CLASS "C"

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

WS688-03-AR
Ms. Nance Guth
Arredondo Utility Company, Inc.
% AquaSource, Inc.
6960 Professional Parkway East, #400
Sarasota, FL 34240-8432

Submitted To The

STATE OF FLORIDA



04 APR 22 11 6:07
DIVISION OF
ECONOMIC REGULATION
PUBLIC SERVICE

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2003

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

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March 2, 2004

Officers and Directors
Arredondo Utility Company

We have compiled the 2003 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
Class C**

Company: AquaSource-Arredondo

For the Year Ended December 31, 2003

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 149,472	\$ 149,472	\$ -
Commercial	3,962	3,962	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other	5,209	5,209	-
Total Water Operating Revenue	\$ 158,643	\$ 158,643	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 158,643	\$ 158,643	\$ -

Explanations:

Instructions:

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

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

Company: AquaSource-Arredondo

For the Year Ended December 31, 2003

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 101,747	\$ 101,747	\$ -
Commercial	4,229	4,229	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other	-	-	-
Total Wastewater Operating Revenue	\$ 105,976	\$ 105,976	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 105,976	\$ 105,976	\$ -

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).

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FINANCIAL

SECTION

REPORT OF

Arredondo Utility Company
(Exact name of utility)

6960 Professional Parkway East #400

6960 Professional Parkway East #400

Sarasota, FL 34240-8432

Sarasota, FL 34240-8432

Mailing Address

Street Address

Telephone Number

(941) 907-7411

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:

6960 Professional Parkway East #400

Sarasota, FL 34240-8432

Names of subdivisions where service is provided:
Farms

Arredondo Estates Mobile Home Park, Arredondo

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Nance Guth	Regional Controller	6960 Professional Parkway E #400 Sarasota FL 34240	
Person who prepared this report: Cronin, Jackson, Nixon & Wilson	CPA's	2560 Gulf-to-Bay Blvd. Clearwater, FL.	
Officers and Managers: Nichollas DeBenedictis	Chairman	Bryn Mawr, PA	None
Richard D Hugus	President	Same	None
Glenn P LaBrecque	VP-Operations	Sarasota, FL	None
Roy H Stahl	VP-Secretary	Bryn Mawr, PA	None
Kathy Pape	VP-Treasurer	Same	None
James Chukinas	Controller	Same	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%	762 W. Lancaster Ave Bryn Mawr PA 19010-3489	None

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 149,472	\$ 101,747		\$ 251,219
Commercial _____		3,962	4,229		8,191
Industrial _____					-
Multiple Family _____					-
Guarenteed Revenues _____					-
Other (Specify) _____		5,209			5,209
Total Gross Revenue _____		158,643	105,976	N/A	264,619
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	137,568	116,094		253,662
Depreciation Expense _____	F-5	14,537	10,236		24,773
CIAC Amortization Expense _____	F-8	(633)			(633)
Taxes Other Than Income _____	F-7	15,576	11,354	-	26,930
Income Taxes _____	F-7	(13,986)	(13,985)		(27,971)
Total Operating Expenses _____		153,062	123,699		276,761
Net Operating Income (Loss)		5,581	(17,723)	-	(12,142)
Other Income:					
Nonutility Income _____					-
Interest Income _____		(1)	-		(1)
					-
Other Deductions:					
Miscellaneous Nonutility Expenses _____		14	13		27
Interest Expense _____		643	643		1,286
Extraord. Loss _____		281,022	281,021		562,043
					-
					-
Net Income (Loss)		\$ (276,099)	\$ (299,400)	N/A	\$ (575,499)

COMPARATIVE BALANCE SHEET

Account Name	Reference Page	Current Year	Previous Year
ASSETS:			
Utility Plant In Service (101 - 105) _____	F-5, W-1, S-1	\$ 582,556	\$ 592,255
Accumulated Depreciation and Amortization (108) _____	F-5, W-2, S-2	(407,789)	(385,442)
Net Utility Plant _____		174,767	206,813
Cash _____			
Customer Accounts Receivable (141) _____		29,464	20,382
Other Assets (Specify):			
Other Intangibles			6,233
Intercompany Receivable		152,084	969,617
Unrecognized Acquisition Adjustments			504,429
Prepaid Property Taxes		4,587	6,981
Total Assets _____		\$ 360,902	\$ 1,714,455
LIABILITIES AND CAPITAL:			
Common Stock Issued (201) _____	F-6	\$ 500	\$ 500
Preferred Stock Issued (204) _____	F-6	-	-
Other Paid In Capital (211) _____		740,034	876,033
Retained Earnings (Deficit)(215) _____	F-6	(790,068)	(214,571)
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		(49,534)	661,962
Long Term Debt (224) _____	F-6		
Accounts Payable (231) _____		4,031	1,780
Notes Payable (232) _____			
Customer Deposits (235) _____		15,725	15,853
Accrued Taxes (236) _____	F-7	15,004	10,577
Other Liabilities (Specify):			
Accounts Payable - Assoc Co		370,868	998,672
Accrued Interest		422	20,595
Advances For Construction (252) _____			
Contributions In Aid Of Construction - Net (271 - 272) _____	F-8	4,386	5,016
Total Liabilities and Capital _____		\$ 360,902	\$ 1,714,455

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 331,344	\$ 231,143	N/A	\$ 562,487
Construction Work In Progress (105) _____	20,069			20,069
Other (Specify) _____	-	-		-
_____				-
Total Utility Plant _____	\$ 351,413	\$ 231,143	N/A	\$ 582,556

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 213,664	\$ 171,778	N/A	\$ 385,442
Add Credits During Year:				
Accruals charged to depreciation account _____	14,537	10,236		24,773
Salvage _____				-
Other credits (specify) _____				-
_____				-
Total credits _____	14,537	10,236		24,773
Deduct Debits During Year:				
Book cost of plant retired _____	-	-		-
Cost of removal _____				-
Other debits (specify) _____				
Trans to Ex Loss _____	1,213	1,213		2,426
Total debits _____	1,213	1,213		2,426
Balance End of Year _____	\$ 226,988	\$ 180,801	N/A	\$ 407,789

UTILITY NAME: Arredondo Utility Company

YEAR OF REPORT
December 31, 2003

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	\$ (214,571)
Charges during the year (specify):		
Current Year Loss _____	-	(575,499)
Rounding _____		2
Balance end of year _____	\$	\$ (790,068)

PROPRIETARY CAPITAL (218)

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

TAXES ACCRUED (236)

(a)	WATER (b)	SEWER (c)	OTHER (d)	TOTAL (e)
Income Taxes:				
Federal income tax _____	\$ (13,986)	\$ (13,985)	N/A	\$ (27,971)
State income tax _____	-	-		
Taxes Other Than Income:				
State ad valorem tax _____	-	-		
Local property tax _____	2,511	2,898		5,409
Regulatory assessment fee _____	7,139	4,769		11,908
Other (Specify):				
Payroll Tax	4,254	1,565		5,819
Other Taxes	1,672	2,122		3,794
Total taxes accrued _____	\$ 1,590	\$ (2,631)		\$ (1,041)

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	\$ 43,446	\$ 25,492	Management, accounting, labor, supervision
Aqua Pure	3,911	90	Testing
E Lab	1,858	1,900	Testing
Avator	3,520	1,980	Billing
Kens Bush Hog	3,489	13,085	Maintenance
Cronin Jackson Nixon Wilson	2,285	820	Regulatory accounting
Reno Plumbing	1,828	8,344	Repairs & Maintenance

UTILITY NAME: Arredondo Utility Company

YEAR OF REPORT December 31, 2003
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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 _____	(11,530)		(11,530)
7. Net CIAC _____	\$ 4,386		\$ 4,386

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
Report below all capacity charges, main extension charges and customer connections charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
None				

Total Credits During Year (Must agree with line # 2 above) _____			\$ -	\$ -

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	\$ 10,900	N/A	\$ 10,900
Add Debits During Year: _____	633	-	633
<u>Rounding</u> _____	(3)	-	(3)
Deduct Credits During Year: _____	-	-	
Balance End of Year (Must agree with line #6 above) _____	\$ 11,530	\$ -	\$ 11,530

YEAR OF REPORT December 31, 2003
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UTILITY NAME: Arredondo Utility Company

SCHEDULE "A"

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

CLASS OF CAPITAL (a)	Dollar Amount (1) (b)	Percentage of Capital 0	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ -	\$ - %	- %	- %
Preferred Stock	-	- %	- %	- %
Long Term Debt	-	- %	- %	- %
Customer Deposits	-	- %	6.00 %	- %
Tax Credits - Zero Cost	-	- %	- %	- %
Tax Credits - Weighted Cost	-	- %	- %	- %
Deferred Income Taxes	-	- %	- %	- %
Other (Explain)	-	- %	- %	- %
Total	\$ -	100.00 %		- %

- (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:	<u>None</u> %
Commission order approving AFUDC rate:	_____

UTILITY NAME: Arredondo Utility Company

YEAR OF REPORT
December 31, 2003

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	0 ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity	-			-	-
Preferred Stock	-				-
Long Term Debt					-
Customer Deposits	-				-
Tax Credits - Zero Cost					-
Tax Credits - Weighted Cost					-
Deferred Income Taxes					-
Other (Explain)					-
Total	-	-	-	-	-

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

Adjustment to remove negative equity

**WATER
OPERATING
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	11,815	-	-	11,815
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	16,198	-	-	16,198
310	Power Generation Equipment	30,068	-	-	30,068
311	Pumping Equipment	11,533	-	-	11,533
320	Water Treatment Equipment	26,898	-	-	26,898
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	61,063	-	-	61,063
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	3,014	-	-	3,014
	Total Water Plant	\$ 345,209	\$ -	\$ (13,865)	\$ 331,344

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	\$ 1,213	\$ (1,213)	\$ -	\$ -
302	Franchises	-	%	-	-	-	-	-
304	Structure and Improvements	40	%	2.50	5,555	-	422	5,977
305	Collecting and Impounding Reservoirs	-	%	-	-	-	-	-
306	Lake, River and Other Intakes	-	%	-	-	-	-	-
307	Wells and Springs	27	%	3.70	9,190	-	329	9,519
308	Infiltration Galleries and Tunnels	-	%	-	-	-	-	-
309	Supply Mains	32	%	3.13	3,598	-	454	4,052
310	Power Generation Equipment	17	%	5.88	14,686	-	1,768	16,454
311	Pumping Equipment	17	%	5.88	6,153	-	678	6,831
320	Water Treatment Equipment	17	%	5.88	18,506	-	1,582	20,088
330	Distribution Reservoirs and Standpipes	30	%	3.33	23,769	-	1,692	25,461
331	Transmission and Distribution Mains	38	%	2.63	57,776	-	2,012	59,788
333	Services	35	%	2.86	14,680	-	668	15,348
334	Meters and Meter Installations	12	%	8.33	49,402	-	4,495	53,897
335	Hydrants	40	%	2.50	1,721	-	57	1,778
339	Other Plant and Miscellaneous Equipment	20	%	5.00	909	-	51	960
340	Office Furniture and Equipment	10	%	10.00	1,984	-	268	2,252
341	Transportation Equipment	5	%	20.00	1,046	-	-	1,046
342	Stores Equipment	-	%	-	-	-	-	-
343	Tools, Shop and Garage Equipment	10	%	10.00	462	-	61	523
344	Laboratory Equipment	-	%	-	-	-	-	-
345	Power Operated Equipment	-	%	-	-	-	-	-
346	Communication Equipment	-	%	-	-	-	-	-
347	Miscellaneous Equipment	-	%	-	-	-	-	-
348	Other Tangible Plant	5	%	20.00	3,014	-	-	3,014
	Totals				\$ 213,664	\$ (1,213)	\$ 14,537	\$ 226,988

* This amount should tie to Sheet F-5

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 55,610
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	103
610	Purchased Water _____	
615	Purchased Power _____	6,505
616	Fuel for Power Production _____	
618	Chemicals _____	523
620	Materials and Supplies _____	1,441
630	Contractual Services:	
	Billing _____	3,520
	Operator and Management _____	28,841
	Testing _____	4,894
	Other _____	17,954
640	Rents _____	3,601
650	Transportation Expense _____	5,935
655	Insurance Expense _____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	1,618
675	Miscellaneous Expenses _____	7,023
	Total Water Operation and Maintenance Expense _____	\$ 137,568 *

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	517	538	538
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
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):					
** D = Displacement C = Compound T = Turbine			Total		
			521	542	556

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

YEAR OF REPORT
 December 31, 2003

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	-	3,087	496	2,591	2,005
February	-	2,904	727	2,177	2,941
March	-	3,552	487	3,065	1,968
April	-	3,529	584	2,945	2,360
May	-	3,690	638	3,052	2,580
June	-	2,952	714	2,238	2,889
July	-	3,536	600	2,936	2,425
August	-	4,441	487	3,954	1,969
September	-	3,222	639	2,583	2,585
October	-	3,378	652	2,726	2,637
November	-	3,730	673	3,057	2,720
December	-	3,406	595	2,811	2,405
Total for year	N/A	41,427	7,292	34,135	29,484

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:

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, 2003

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

UTILITY NAME: Arredondo Utility Company

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:

Type _____	Arredondo Estates Chlorinator	Arredondo Farms 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 December 31, 2003
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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	579
2.	Maximum number of ERC's * which can be served	579
3.	Present system connection capacity (in ERC's *) using existing lines	579
4.	Future connection capacity (in ERC's *) upon service area buildout	579
5.	Estimated annual increase in ERC's*	25 but varies - Customers rent mobile home lots
6.	Is the utility required to have fire flow capacity?	Unknown
	If so, how much capacity is required?	Unknown
7.	Attach a description of the fire fighting facilities.	5 Fire hydrants
8.	Describe any plans and estimated completion dates for any enlargements or improvements of this system.	None
9.	When did the company last file a capacity analysis report with the DEP?	None
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 #	2010041
12.	Water Management District Consumptive Use Permit #	Estates: 2001-0116; Farms: 20010117
	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?	N/A

* 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
OPERATING
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	13,727	-	-	13,727
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	-	-	-	-
361	Collection Sewers - Gravity	80,270	-	-	80,270
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	21,495	-	-	21,495
380	Treatment and Disposal Equipment	101,444	-	-	101,444
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	\$ 245,008	\$ -	\$ (13,865)	\$ 231,143

* 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 %	1,213	(1,213)	-	-
352	Franchises	-	-	%	-	-	-	-
354	Structure and Improvements	27	-	3.70 %	11,552	-	508	12,060
355	Power Generation Equipment	-	-	%	-	-	-	-
360	Collection Sewers - Force	-	-	%	-	-	-	-
361	Collection Sewers - Gravity	40	-	2.50 %	59,152	-	2,007	61,159
362	Special Collecting Structures (Lift Stations)	-	-	%	-	-	-	-
363	Services to Customers	35	-	2.90 %	1,711	-	61	1,772
364	Flow Measuring Devices	5	-	20.00 %	635	-	-	635
365	Flow Measuring Installations	-	-	%	-	-	-	-
370	Receiving Wells (Lift Stations)	-	-	%	-	-	-	-
371	Pumping Equipment	40	-	2.50 %	3,884	-	537	4,421
380	Treatment and Disposal Equipment	15	-	6.70 %	90,706	-	6,766	97,472
381	Plant Sewers	-	-	%	-	-	-	-
382	Outfall Sewer Lines	-	-	%	-	-	-	-
389	Other Plant and Miscellaneous Equipment	15	-	6.70 %	613	-	44	657
390	Office Furniture and Equipment	10	-	10.00 %	941	-	126	1,067
391	Transportation Equipment	5	-	20.00 %	417	-	-	417
392	Stores Equipment	-	-	%	-	-	-	-
393	Tools, Shop and Garage Equipment	10	-	10.00 %	249	-	31	280
394	Laboratory Equipment	-	-	%	-	-	-	-
395	Power Operated Equipment	-	-	%	-	-	-	-
396	Communication Equipment	-	-	%	-	-	-	-
397	Miscellaneous Equipment	-	-	%	-	-	-	-
398	Other Tangible Plant	5	-	20.00 %	705	-	156	861
	Totals				171,778	(1,213)	10,236	180,801

* This amount should tie to Sheet F-5

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ 20,462
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
704	Employee Pensions and Benefits _____	343
710	Purchased Wastewater Treatment _____	
711	Sludge Removal Expense _____	23,862
715	Purchased Power _____	5,786
716	Fule for Power Production _____	
718	Chemicals _____	2,640
720	Materials and Supplies _____	843
730	Contractual Services:	
	Operator and Management _____	34,055
	Testing _____	3,916
	Other _____	14,051
740	Rents _____	1,526
750	Transportation Expense _____	3,499
755	Insurance Expense _____	
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
770	Bad Debt Expense _____	978
775	Miscellaneous Expenses _____	4,133
	Total Wastewater Operation and Maintenance Expense _____	\$ 116,094 *

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	300	316	316
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0	2	2	16
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers		1.0			
Other (Specify):					
Total			302	318	332

** 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 _____	316	_____	_____	_____	_____	_____	_____
Beginning of year _____	302	_____	_____	_____	_____	_____	_____
Added during year _____	14	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	316	_____	_____	_____	_____	_____	_____
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
December 31, 2003

TREATMENT PLANT

Manufacturer _____	McNeill	_____	_____
Type _____	Contact Stabilization	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Capacity _____	60,000 GPD	_____	_____
Average Daily Flow _____	29422	_____	_____
Effluent Disposal _____	Percolation Ponds	_____	_____
Total Gallons of Wastewater Treated _____	10,739,000	_____	_____

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 _____	999000	None	999000
February _____	989000	_____	989000
March _____	999000	_____	999000
April _____	962000	_____	962000
May _____	974000	_____	974000
June _____	916000	_____	916000
July _____	862000	_____	862000
August _____	891000	_____	891000
September _____	366000	_____	366000
October _____	966000	_____	966000
November _____	975000	_____	975000
December _____	840000	_____	840000
Total for year _____	10,739,000	_____	10,739,000

If Wastewater Treatment is purchased, indicate the vendor:

OTHER WASTEWATER 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.	<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. None	
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 of the 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:

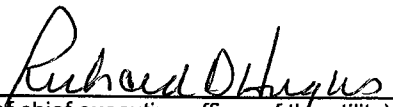
$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

CERTIFICATION OF ANNUAL REPORT

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

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

ITEMS CERTIFIED			
1.	2.	3.	4.
()	()	()	()
(X)	(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.