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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS728-01-AR
Shangri-La by the Lake Utilities, Inc.
1214 West Route 72
Leaf River, IL 61047

REGULATION

02 MAR 29 AM 10:19

PUBLIC SERVICE

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2001

GENERAL INSTRUCTIONS

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

Florida Public Service Commission
Division of 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 (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)

FINANCIAL SECTION

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REPORT OF

SHANGRI-LA BY THE LAKE UTILITIES, INC.
(EXACT NAME OF UTILITY)

1214 WEST ROUTE 72 LEAF RIVER, IL 61047	100 SHANGRI-LA BLVD LEESBURG, FL 34788-2966
Mailing Address	Street Address County
Telephone Number (815)738-2508	Date Utility First Organized 1/1/94
Fax Number (815)738-2508	E-mail Address jay-laura@juno.com
Sunshine State One-Call of Florida, Inc. Member No. 680	

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: 1214 WEST ROUTE 72
LEAF RIVER, IL 61047

Name of subdivisions where services are provided: WERNER & WERNER, INC. d/b/a
SHANGRI-LA BY THE LAKE

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: JAY WERNER	BUSINESS MGR	1214 WEST ROUTE 72 LEAF RIVER, IL 61047	
Person who prepared this report: BIGGS, HAUSSERMAN, THOMPSON & DICKINSON, PC	CPA FIRM	356 E MAIN ST POB 50 SARANAC, MI 48881	
Officers and Managers: JAY WERNER	BUSINESS MGR	LEAF RIVER, IL 61047	\$ NONE
ANDREW WERNER	OPERATIONS MGR	LEESBURG, FL 34788	\$ 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
MERTIS L WERNER TRUST	50%	SPARTA, MI	\$ NONE
ESTATE OF WILLIAM E WERNER	50%	SPARTA, MI	\$ NONE
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2001

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 28,404	\$ 28,405	\$ _____	\$ 56,809
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____		_____	_____	_____	_____
Total Gross Revenue_____		\$ 28,404	\$ 28,405	\$ _____	\$ 56,809
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 29,497	\$ 30,684	\$ _____	\$ 60,181
Depreciation Expense_____	F-5	3,343	10,105	_____	13,448
CIAC Amortization Expense_____	F-8	_____	_____	_____	_____
Taxes Other Than Income_____	F-7	1,271	1,271	_____	2,542
Income Taxes_____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 34,111	42,060	_____	\$ 76,171
Net Operating Income (Loss)		\$ (5,707)	\$ (13,655)	\$ _____	\$ (19,362)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_____		11,349	19,181	_____	30,530
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (17,056)	\$ (32,836)	\$ _____	\$ (49,892)

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31 2001

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 388,495	\$ 388,495
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>67,971</u>	<u>54,518</u>
Net Utility Plant -----		\$ 320,524	\$ 333,977
Cash -----		4,998	4,492
Customer Accounts Receivable (141) -----			
Other Assets (Specify): -----			

Total Assets -----		\$ <u>325,522</u>	\$ <u>338,469</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	100	100
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----			
Retained Earnings (215) -----	F-6	<u>(191,879)</u>	<u>(141,987)</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ <u>(191,779)</u>	\$ <u>(141,887)</u>
Long Term Debt (224) -----	F-6	\$ 378,733	\$ 373,933
Accounts Payable (231) -----			
Notes Payable (232) -----		6,008	4,393
Customer Deposits (235) -----			
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			
ACCRUED INTEREST -----		132,560	102,030

Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8		
Total Liabilities and Capital -----		\$ <u>325,522</u>	\$ <u>338,469</u>

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2001

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service -----	\$ 152,450	\$ 236,045	\$ _____	\$ 388,495
Construction Work in -----	_____	_____	_____	_____
Other (Specify) _____ _____	_____	_____	_____	_____
Total Utility Plant _____	\$ 152,450	\$ 236,045	\$ _____	\$ 388,495

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 10,799	\$ 43,724	\$ _____	\$ 54,523
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 3,343	\$ 10,105	\$ _____	\$ 13,448
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ 14,142	\$ 53,829	\$ _____	\$ 67,971
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 14,142	\$ 53,829	\$ _____	\$ 67,971

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2001

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	NOT APPLICABLE
Shares authorized _____	500	_____
Shares issued and outstanding _____	100	_____
Total par value of stock issued _____	100	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ (141,987)	\$ 0
Changes during the year (Specify):		
NET LOSS _____	(49,892)	_____
_____	_____	_____
Balance end of year _____	\$ (191,879)	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ NOT APPLICABLE	\$ _____
Changes during the year (Specify):		
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
NOTE PAYABLE _____	6.00%	360	\$ 378,733
_____	_____	_____	_____
Total _____			\$ 378,733

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2001

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	_____	_____	_____	_____
Regulatory assessment fee _____	1,214	1,214	_____	2,428
Other (Specify) _____	_____	_____	_____	_____
FICA EXPENSE _____	57	57	_____	114
Total Tax Expense _____	\$ 1,271	\$ 1,271	\$ _____	\$ 2,542

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
<u>GENERAL UTILITIES CORP</u>	\$ 5,034	\$ 5,770	<u>OPERATOR/MANAGEMENT</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31 2001

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ NOT APPLICABLE	\$ NOT APPLICABLE	\$ CABLE
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	_____	_____	_____
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	_____	_____	_____
6) Less Accumulated Amortization _____	_____	_____	_____
7) Net CIAC _____	\$ _____	\$ _____	\$ _____

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year.		Indicate "Cash" or "Property"	Water	Wastewater
_____		_____	NOT APPLICABLE	NOT APPLICABLE
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
Sub-total _____		_____	\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ _____	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ NOT APPLIC.	\$ NOT APPLIC.	\$ _____
Add Debits During Year: _____	_____	_____	_____
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ _____	\$ _____	\$ _____

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

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31 2001

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	\$ <u>NOT APPLICABLE</u>	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	<u>100.00</u> %		_____ %

(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 Number approving AFUDC rate:	_____

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

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2001

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

NOT APPLICABLE

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity Preferred Stock Long Term Debt Customer Deposits Tax Credits-Zero Cost Tax Credits-Weighted Cost of Capital Deferred Income Taxes Other (Explain)	\$ _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

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

**WATER
OPERATING
SECTION**

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31 2001

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises	_____	_____	_____	_____
303	Land and Land Rights	_____	_____	_____	_____
304	Structures and Improvements	5,000	0	0	5,000
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____	_____	_____
307	Wells and Springs	36,412	0	0	36,412
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____
309	Supply Mains	_____	_____	_____	_____
310	Power Generation Equipment	_____	_____	_____	_____
311	Pumping Equipment	20,178	0	0	20,178
320	Water Treatment Equipment	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____
331	Transmission and Distribution Lines	67,000	0	0	67,000
333	Services	_____	_____	_____	_____
334	Meters and Meter Installations	22,676	0	0	22,676
335	Hydrants	_____	_____	_____	_____
336	Backflow Prevention Devices	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment	1,184	0	0	1,184
340	Office Furniture and Equipment	_____	_____	_____	_____
341	Transportation Equipment	_____	_____	_____	_____
342	Stores Equipment	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____
344	Laboratory Equipment	_____	_____	_____	_____
345	Power Operated Equipment	_____	_____	_____	_____
346	Communication Equipment	_____	_____	_____	_____
347	Miscellaneous Equipment	_____	_____	_____	_____
348	Other Tangible Plant	_____	_____	_____	_____
	Total Water Plant	\$ 152,450	\$ 0	\$ 0	\$ 152,450

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2001

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	50	0 %	1 %	\$ 150	\$	\$ 100	\$ 250
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes	50	0 %	1 %	2112		728	2840
307	Wells and Springs		%	%				
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment	50	0 %	1 %	1728		472	2200
320	Water Treatment Equipment		%	%				
330	Distribution Reservoirs & Standpipes		%	%				
331	Trans. & Dist. Mains	50	0 %	1 %	6030		1340	7370
333	Services		%	%				
334	Meter & Meter Installations	50	0 %	1 %	708		534	1242
335	Hydrants		%	%				
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment	7	0 %	1 %	70		169	239
340	Office Furniture and Equipment		%	%				
341	Transportation Equipment		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ 10,798	\$	\$ 3343	\$ 14,141 *

* This amount should tie to Sheet F-5.

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31 2001

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 2,600
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	
610	Purchased Water _____	
615	Purchased Power _____	
616	Fuel for Power Production _____	4,091
618	Chemicals _____	
620	Materials and Supplies _____	2,835
630	Contractual Services:	
	Billing _____	
	Professional _____	7,737
	Testing _____	
	Other _____	9,719
640	Rents _____	276
650	Transportation Expense _____	
655	Insurance Expense _____	
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	2,239
	Total Water Operation And Maintenance Expense _____	\$ 29,497 *

* 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	131	137	137
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			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers			0	0	0
Other (Specify)					
** D = Displacement C = Compound T = Turbine			Total		
			131	137	137

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2001

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January _____	_____	573	_____	573	373
February _____	_____	524	_____	524	377
March _____	_____	589	_____	589	644
April _____	_____	679	_____	679	412
May _____	_____	692	_____	692	382
June _____	_____	594	_____	594	972
July _____	_____	433	_____	433	292
August _____	_____	604	_____	604	264
September _____	_____	453	_____	453	578
October _____	_____	515	_____	515	337
November _____	_____	619	_____	619	548
December _____	_____	567	_____	567	436
Total for Year _____	_____	6,842	_____	6,842	5,615

If water is purchased for resale, indicate the following:

Vendor _____
Point of delivery _____

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

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	UNKNOWN	UNKNOWN	0	0	UNKNOWN
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2001

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1982	_____	_____	_____
Types of Well Construction and Casing _____	SUBMERSIBLE	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	350'	_____	_____	_____
Diameters of Wells _____	6"	_____	_____	_____
Pump - GPM _____	225	_____	_____	_____
Motor - HP _____	10	_____	_____	_____
Motor Type * _____	GROUND FOS	_____	_____	_____
Yields of Wells in GPD _____	388,800	_____	_____	_____
Auxiliary Power _____	NONE	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	STEEL	CONCRETE	_____	_____
Capacity of Tank _____	3000	15000	_____	_____
Ground or Elevated _____	GROUND	GROUND	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	BALDOR	_____	_____	_____
Type _____	JMM3219	_____	_____	_____
Rated Horsepower _____	75	_____	_____	_____
Pumps				
Manufacturer _____	GOULDS	_____	_____	_____
Type _____	3656	_____	_____	_____
Capacity in GPM _____	125	_____	_____	_____
Average Number of Hours Operated Per Day _____	UNKNOWN	_____	_____	_____
Auxiliary Power _____	NONE	_____	_____	_____

UTILITY NAME: SHANGRI-LA BY THE LAKE
UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2001

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	57981_____	_____	_____
Type of Source_____	GROUND_____	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	AERATION_____	_____	_____
Make_____	JOB_____	_____	_____
Permitted Capacity (GPD)_____	388800_____	_____	_____
High service pumping	_____	_____	_____
Gallons per minute_____	125_____	_____	_____
Reverse Osmosis_____	NONE_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_____	NONE_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._____	NO_____	_____	_____
Gravity GPD/Sq.Ft._____	NO_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator_____	YES_____	_____	_____
Ozone_____	NO_____	_____	_____
Other_____	NO_____	_____	_____
Auxiliary Power_____	NONE_____	_____	_____

UTILITY NAME: UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2001

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. 617
2. Maximum number of ERCs * which can be served. 617
3. Present system connection capacity (in ERCs *) using existing lines. 617
4. Future connection capacity (in ERCs *) upon service area buildout. UNKNOWN
5. Estimated annual increase in ERCs *. UNKNOWN
6. Is the utility required to have fire flow capacity? NO
If so, how much capacity is required? _____
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
CURRENTLY SERVICE IS 137 LOTS. THERE ARE 16 LOTS THAT COULD BE HOOKED UP FOR FULL SERVICE.
9. When did the company last file a capacity analysis report with the DEP? UNKNOWN (POSSIBLY FEB 1996)
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 # WC 35-2031 APRIL 21, 1989
12. Water Management District Consumptive Use Permit # 6781
 - 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**

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	_____	_____	_____	_____
354	Structures and Improvements_____	_____	_____	_____	_____
355	Power Generation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	_____	_____	_____	_____
361	Collection Sewers - Gravity_____	164,000	0	0	164,000
362	Special Collecting Structures_____	_____	_____	_____	_____
363	Services to Customers_____	_____	_____	_____	_____
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____	_____
371	Pumping Equipment_____	26,000	0	0	26,000
380	Treatment and Disposal Equipment_____	26,000	0	0	26,000
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	1,183	0	0	1,183
390	Office Furniture and Equipment_____	1,500	0	0	1,500
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	17,362	0	0	17,362
	Total Wastewater Plant_____	\$ 236,045	\$ 0	\$ 0	\$ 236,045 *

* This amount should tie to sheet F-5.

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

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		%	%	\$	\$	\$	\$
355	Power Generation Equipment		%	%				
360	Collection Sewers - Force		%	%				
361	Collection Sewers - Gravity	24	%	%	30,750	0	6,833	37,583
362	Special Collecting Structures		%	%				
363	Services to Customers		%	%				
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%				
371	Pumping Equipment	24	%	%	4,875	0	1,083	5,958
380	Treatment and Disposal Equipment	24	%	%	4,875	0	1,083	5,958
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment	7	%	%	70	0	169	239
390	Office Furniture and Equipment	7	%	%	179	0	214	393
391	Transportation Equipment		%	%				
392	Stores Equipment		%	%				
393	Tools, Shop and Garage Equipment		%	%				
394	Laboratory Equipment		%	%				
395	Power Operated Equipment		%	%				
396	Communication Equipment		%	%				
397	Miscellaneous Equipment		%	%				
398	Other Tangible Plant	24	%	%	2,975	0	723	3,698
	Totals				\$ 43,724	\$ 0	\$ 10,105	\$ 53,829 *

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 2,600
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	1,154
715	Purchased Power	
716	Fuel for Power Production	4,490
718	Chemicals	378
720	Materials and Supplies	3,556
730	Contractual Services:	
	Billing	
	Professional	7,356
	Testing	
	Other	8,437
740	Rents	276
750	Transportation Expense	
755	Insurance Expense	
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	
770	Bad Debt Expense	
775	Miscellaneous Expenses	2,437
	Total Wastewater Operation And Maintenance Expense	\$ -30,684 *

* 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 Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service	D	1.0	131	131	131
All meter sizes					
General Service	D	1.0			
5/8"	D	1.5			
3/4"	D	2.5			
1"	D,T	5.0			
1 1/2"	D,C,T	8.0			
2"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers			0	0	0
Other (Specify)					
Total			<u>131</u>	<u>131</u>	<u>131</u>

** D = Displacement
C = Compound
T = Turbine

PUMPING EQUIPMENT

Lift Station Number _____	<u>1</u>	<u>2</u>	_____	_____	_____	_____
Make or Type and nameplate data on pump _____	UNKNOWN	UNKNOWN	_____	_____	_____	_____
Year installed _____	<u>1983</u>	<u>1983</u>	_____	_____	_____	_____
Rated capacity _____	_____	_____	_____	_____	_____	_____
Size _____	<u>2H</u>	<u>2H</u>	_____	_____	_____	_____
Power:						
Electric _____	<u>YES</u>	<u>YES</u>	_____	_____	_____	_____
Mechanical _____	<u>NO</u>	_____	_____	_____	_____	_____
Nameplate data of motor _____	UNKNOWN	UNKNOWN	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	<u>3</u>	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	<u>PVC</u>	_____	_____	_____	_____	_____
Average length _____	UNKNOWN	_____	_____	_____	_____	_____
Number of active service connections _____	<u>140</u>	_____	_____	_____	_____	_____
Beginning of year _____	<u>113</u>	_____	_____	_____	_____	_____
Added during year _____	<u>27</u>	_____	_____	_____	_____	_____
Retired during year _____	<u>0</u>	_____	_____	_____	_____	_____
End of year _____	<u>140</u>	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	<u>N/A</u>	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches) _____	<u>4</u>	_____	_____	_____	<u>4</u>	_____	_____	_____
Type of main _____	UNKNOWN	_____	_____	_____	UNKNOWN	_____	_____	_____
Length of main (nearest foot) _____	UNKNOWN	_____	_____	_____	UNKNOWN	_____	_____	_____
Begining of year _____	UNKNOWN	_____	_____	_____	UNKNOWN	_____	_____	_____
Added during year _____	<u>0</u>	_____	_____	_____	<u>0</u>	_____	_____	_____
Retired during year _____	<u>0</u>	_____	_____	_____	<u>0</u>	_____	_____	_____
End of year _____	UNKNOWN	_____	_____	_____	UNKNOWN	_____	_____	_____

MANHOLES

Size (inches) _____	<u>48</u>	_____	_____	_____
Type of Manhole _____	<u>CONCRETE</u>	_____	_____	_____
Number of Manholes:				
Beginning of year _____	<u>5</u>	_____	_____	_____
Added during year _____	<u>0</u>	_____	_____	_____
Retired during year _____	<u>0</u>	_____	_____	_____
End of Year _____	<u>5</u>	_____	_____	_____

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

SYSTEM NAME: _____

YEAR OF REPORT DECEMBER 31 2001

TREATMENT PLANT

Manufacturer _____ Type _____ "Steel" or "Concrete" _____ Total Permitted Capacity _____ Average Daily Flow _____ Method of Effluent Disposal _____ Permitted Capacity of Disposal _____ Total Gallons of Wastewater treated _____	GENERAL ENVIRONMENTAL EG. INC MOD 75 BIOCHEMICAL OXYGEN DEMAND STEEL 50,000 GPD 6000 GPD SPRAYFIELD & PERCOLATION _____ POND <10,000 DAY		
---	--	--	--

MASTER LIFT STATION PUMPS

Manufacturer _____ Capacity (GPM's) _____ Motor: Manufacturer _____ Horsepower _____ Power (Electric or Mechanical) _____	UNKNOWN UNKNOWN UNKNOWN 2 ELECTRIC	UNKNOWN UNKNOWN UNKNOWN 2 ELECTRIC				
--	--	--	--	--	--	--

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	253,000		
February _____	254,000		
March _____	255,000		
April _____	206,000		
May _____	181,000		
June _____	192,000		
July _____	180,000		
August _____	169,000		
September _____	294,000		
October _____	178,000		
November _____	224,000		
December _____	247,000		
Total for year _____	2,633,000		

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES,
INC.
SYSTEM NAME: _____

YEAR OF REPORT
DECEMBER 31, 2001

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. _____ 54
2. Maximum number of ERCs* which can be served. _____ 178
3. Present system connection capacity (in ERCs*) using existing lines. _____ 178
4. Future connection capacity (in ERCs*) upon service area buildout. _____ UNKNOWN
5. Estimated annual increase in ERCs*. _____ UNKNOWN
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system

NO CURRENT PLANS. THERE ARE 18 LOTS FOR FUTURE ENLARGEMENTS.

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.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? _____ NO
If so, when? _____
9. Has the utility been required by the DEP or water management district to implement reuse? _____ NO
If so, what are the utility's plans to comply with this requirement? _____

10. When did the company last file a capacity analysis report with the DEP? _____ FEB 1996
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 # 2-069-1021 AUVFM

* 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"/>

J E Wynn 3.28.2*
(signature of chief executive officer of the utility)

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

J E Wynn 3.28.2*
(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.