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CLASS "C"
WATER AND SEWER

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

WS731-02-AR
Ms. Tracey Keefer
Colonies Water Company
2803 N.W. 62nd Avenue
Margate, FL 33063-5610

C M Utility Systems, LLC d/b/a

EXACT LEGAL NAME OF

481W, 417S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

RECEIVED
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REGISTRATION DIVISION

Cronin, Jackson, Nixon & Wilson

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April 22, 2003

To the Partners
Colonies Water Company and

We have compiled the 2002 Annual Report of Colonies Water 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 Colonies Water 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

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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)

TABLE OF CONTENTS

Financial Section	
Identification	F-2
Income Statement	F-3
Balance Sheet	F-4
Net Utility Plant	F-5
Accumulated Depreciation and Amortization of Utility Plant	F-5
Capital Stock	F-6
Retained Earnings	F-6
Proprietary Capital	F-6
Long Term Debt	F-6
Taxes Accrued	F-7
Payments For Services Rendered By Other Than Employees	F-7
Contributions in Aid of Construction	F-8
Cost of Capital Used For AFUDC Calculation	F-9
AFUDC Capital Structure Adjustments	F-10
Water Operating Section	
Water Utility Plant Accounts	W-1
Analysis of Accumulated Depreciation By Primary Account - Water	W-2
Water Operation And Maintenance Expense	W-3
Water Customers	W-3
Pumping and Purchased Water Statistics	W-4
Well and Well Pumps, Reservoirs, and High Service Pumping	W-5
Other Water System Information	W-6
Wastewater Operating Section	
Wastewater Utility Plant Accounts	S-1
Analysis of Accumulated Depreciation By Primary Account - Wastewater	S-2
Wastewater Operation And Maintenance Expense	S-3
Wastewater Customers	S-3
Pumping Equipment, Collecting and Force Mains and Manholes	S-4
Other Wastewater System Information	S-5
Verification	
Verification	V-1

FINANCIAL SECTION

REPORT OF

C M Utility Systems LLC d/b/a Colonies Water Company
(Exact name of utility)

2803 NW 62nd. Avenue
Margate, Florida 33603

Same

Mailing Address

Street Address

Telephone Number 305-242-7127

Date Utility First Organized 6/87

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:

2803 NW 62nd. Avenue
Margate, Florida 33903

Names of subdivisions where service is provided:

Colonies of Margate

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Robert C. Nixon</u>	<u>CPA</u>	<u>2560 Gulf-to-Bay Blvd.</u> <u>Clearwater, Fl.</u>	
Person who prepared this report: <u>Cronin, Jackson, Nixon & Wilson</u>	<u>CPA's</u>	<u>2560 Gulf-to-Bay Blvd.</u> <u>Clearwater, Fl.</u>	
Officers and Managers: <u>Roger Maynard</u>	<u>Regional Vice President</u>	<u>MHC 28050 US 19 North</u>	<u>None</u>
<u>Janet Skouras</u>	<u>G M - Colonies</u>	<u>Margate, Fla., per Above</u>	<u>None</u>

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership In Utility	Principle Business Address	Salary Charged Utility
<u>CM Utility Systems, LLC</u>	<u>100%</u>	<u>2803 NW 62nd. Ave.</u> <u>Margate, Florida 33063</u>	<u>None</u>

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other (1)	Total Company
Gross Revenue:					
Residential _____		\$ 136,659	\$ 169,633		\$ 306,292
Commercial _____		7,852	6,303		14,155
Industrial _____					
Multiple Family _____					
Guarenteed Revenues _____					
Other (Specify) _____					
Total Gross Revenue _____		144,511	175,936	N/A	320,447
Operation Expense (Must tie to Pages W-3 and S-3)	W-3 S-3	269,149	198,114		467,263
Depreciation Expense _____	F-5	11,917	12,002		23,919
CIAC Amortization Expense _____	F-8				
Taxes Other Than Income _____	F-7	12,375	19,840		32,215
Income Taxes _____	F-7				
Total Operating Expenses _____		293,441	229,956		523,397
Net Operating Income (Loss)		(148,930)	(54,020)	-	(202,950)
Other Income:					
Nonutility Income _____					

Other Deductions:					
Miscellaneous Nonutilty Expenses _____		3,578			3,578
Interest Expense _____		-			

Net Income (Loss)		\$ (152,508)	\$ (54,020)	N/A	\$ (206,528)

UTILITY NAME: C M Utility Systems LLC d/b/a Colonies Water Company

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) Inclusive	Water	Sewer	Plant Other Than Reporting Systems	Total
Utility Plant In Service (101) _____	\$ 396,036	\$ 393,362	N/A	\$ 789,398
Construction Work In Progress (105) _____				
Other (Specify) _____				

Total Utility Plant _____	\$ 396,036	\$ 393,362	N/A	\$ 789,398

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First Of Year _____	\$ 204,398	\$ 283,277	N/A	\$ 487,675
Add Credits During Year:				
Accruals charged to depreciation account _____	11,917	12,002		23,919
Salvage _____				
Other credits (specify) _____				

Total credits _____	11,917	12,002		23,919
Deduct Debits During Year:				
Book cost of plant retired _____				
Cost of removal _____				
Other debits (specify) _____				

Total debits _____				
Balance End of Year _____	\$ 216,315	\$ 295,279	N/A	\$ 511,594

UTILITY NAME:

C M Utility Systems LLC d/b/a Colonies Water Company

YEAR OF REPORT
December 31, 2002

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	N/A	N/A
Shares authorized _____		
Shares issued and outstanding _____		
Total par value of stock issued _____		
Dividends declared per share for year _____		

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	N/A	N/A
Charges during the year (specify):		
Current Year Income _____		

Balance end of year _____		

PROPRIETARY CAPITAL (218)

	Proprietor or Partner	Partner
Balance first of year _____	\$ (239,142)	N/A
Charges during the year (specify):		
Current year loss _____	(206,528)	

Balance end of year _____	\$ (445,670)	

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: C M Utility Systems LLC d/b/a Colonies Water Company

TAXES ACCRUED (236)

(a)	WATER (b)	SEWER (c)	OTHER (d)	TOTAL (e)
Income Taxes:				
Federal income tax _____	\$ -		N/A	\$ -
State income tax _____				
Taxes Other Than Income:				
State ad valorem tax _____				
Local property tax _____	5,872	11,923		17,795
Regulatory assessment fee _____	6,503	7,917		14,420
Other (Specify):				
Total taxes accrued _____	\$ 12,375	\$ 19,840		\$ 32,215

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
AKM Plumbing	\$ 3,192		Meters & Installations
The SI Group	34,316		Meters & Installations
City of Margate	200,870		Purchased Water
City of Margate		149,680	Purchased Sewer

UTILITY NAME: C M Utility Systems LLC d/b/a Colonies Water Company

YEAR OF REPORT
December 31, 2002

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	TOTAL (d)
1. Balance first of year _____	N/A	N/A	
2. Add credits during year:			
3. Total _____			
4. Deduct charges during 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
_____		\$ _____	\$ _____

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	

Total Credits During Year (Must agree with line # 2 above) _____			NONE

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	N/A	N/A	N/A
Add Debits During Year: _____			
Deduct Credits During Year: _____			
Balance End of Year (Must agree with line #6 above) _____			

YEAR OF REPORT December 31, 2002
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UTILITY NAME: C M Utility Systems LLC d/b/a Colonies Water Company

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	N/A	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	_____ %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	_____	<u>100.00</u> %		_____ %

- (1) Should equal amounts on schedule B, Column (f), Page F-10.
- (2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

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

UTILITY NAME: C M Utility Systems LLC d/b/a Colonies Water Company

YEAR OF REPORT
December 31, 2002

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	N/A				
Preferred Stock					
Long Term Debt					
Customer Deposits					
Tax Credits - Zero Cost					
Tax Credits - Weighted Cost					
Deferred Income Taxes					
Other (Explain)					
Total	N/A				

(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 _____	\$ 5,000	\$ -	\$ -	\$ 5,000
302	Franchises _____				
303	Land and Land Rights _____				
304	Structure and Improvements _____				
305	Collecting and Impounding Reservoirs _____				
306	Lake, River and Other Intakes _____				
307	Wells and Springs _____				
308	Infiltration Galleries and Tunnels _____				
309	Supply Mains _____	23,252			23,252
310	Power Generation Equipment _____				
311	Pumping Equipment _____				
320	Water Treatment Equipment _____				
330	Distribution Reservoirs and Standpipes _____				
331	Transmission and Distribution Mains _____	200,230			200,230
333	Services _____	42,864			42,864
334	Meters and Meter Installations _____	56,344	39,271		95,615
335	Hydrants _____	24,845			24,845
339	Other Plant and Miscellaneous Equipment _____	4,230			4,230
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 _____	\$ 356,765	\$ 39,271		\$ 396,036

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	\$ 1,851	\$ -	\$ 125	\$ 1,976
302	Franchises		%					
304	Structure and Improvements		%					
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs		%					
308	Infiltration Galleries and Tunnels		%					
309	Supply Mains	32	%	3.13	23,252			23,252
310	Power Generation Equipment		%					
311	Pumping Equipment		%					
320	Water Treatment Equipment		%					
330	Distribution Reservoirs and Standpipes		%					
331	Transmission and Distribution Mains	38	%	2.63	91,018		5,266	96,284
333	Services	35	%	2.86	30,006		1,226	31,232
334	Meters and Meter Installations	17	%	5.88	42,750		4,468	47,218
335	Hydrants	40	%	2.50	15,380		621	16,001
339	Other Plant and Miscellaneous Equipment	20	%	5.00	141		211	352
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				\$ 204,398		\$ 11,917	\$ 216,315

* This amount should tie to Sheet F-5

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 15,361
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	
604	Employee Pensions and Benefits _____	
610	Purchased Water _____	200,870
615	Purchased Power _____	
616	Fuel for Power Purchased _____	
618	Chemicals _____	
620	Materials and Supplies _____	4,013
630	Contractual Services:	
	Billing _____	
	Operator and Management _____	8,743
	Testing _____	1,725
	Other _____	36,260
640	Rents _____	
650	Transportation Expense _____	
655	Insurance Expense _____	601
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses _____	1,576
	Total Water Operation and Maintenance Expense _____	\$ 269,149 *

* 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	761	761	761
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0	5	5	5
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			768	768	782

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: C M Utility Systems LLC d/b/a Colonies Water Company
 SYSTEM NAME: Pine Run

YEAR OF REPORT
 December 31, 2002

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	2,632			2,632	2,551
February	3,004			3,004	2,403
March	2,724			2,724	2,536
April	3,210			3,210	2,329
May	3,941			3,941	2,249
June	3,441			3,440	2,360
July	3,391			3,391	2,308
August	3,096			3,096	1,827
September	3,548			3,548	2,071
October	3,566			3,566	2,003
November	4,279			4,279	1,862
December	3,833			3,832	2,098
Total for year	40,665	N/A		40,663	26,597

If water is purchased for resale, indicate the following:

Vendor City of Margate
 Point of Delivery Rear of Lots 103 & 104 in Block 18 Section 2

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

Note: Company is in process of replacing most meters to reduce difference between gallons purchased and gallons sold.

MAINS (Feet)

Kind of Pipe (Cast Iron, coated steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
N/A					

UTILITY NAME: C M Utility Systems LLC d/b/a Colonies Water Company
SYSTEM NAME: C M Utility Systems LLC d/b/a Colonies Water Company

YEAR OF REPORT
 December 31, 2002

WELLS AND WELL PUMPS
 (If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	N/A			
Types of Well Construction and Casing _____				

Depth of Wells _____				
Diameters of Wells _____				
Pump - GPM _____				
Motor - HP _____				
Motor Type * _____				
Yeilds of Wells in GPD _____				
Auxillary Power _____				
* Submersable, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	N/A			
Capacity of Tank _____				
Ground of Elevated _____				

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>MOTORS</u>				
Manufacturer _____	N/A			
Type _____				
Rated Horsepower _____				
(a)	(b)	(c)	(d)	(e)
<u>PUMPS</u>				
Manufacturer _____	N/A			
Type _____				
Capacity in GPM _____				
Average Number of Hours Operated Per Day _____				
Auxiliary Power _____				

UTILITY NAME: C M Utility Systems LLC d/b/a Colonies Water Company

SOURCE OF SUPPLY

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

Gallons per day of source _____	40,663		
Type of source _____	Purchased		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

Type _____	N/A		
Make _____			
Permitted Capacity (GPD)			
High service pumping Gallons per minute _____ See Page W-5			
Reverse Osmosis _____			
Lime treatment Unit Rating _____			
Filtration Pressure Sq. Ft. _____			
Gravity GPD/Sq. Ft. _____			
Disinfection Chlorinator _____			
Ozone _____			
Other _____			
Auxiliary Power _____			

Note: All Water is Purchased for resale from the City of Margate.

UTILITY NAME: C M Utility Systems LLC d/b/a Colonies Water Company
SYSTEM NAME: Colonies of Margate

YEAR OF REPORT
December 31, 2002

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	782
2.	Maximum number of ERC's * which can be served	782
3.	Present system connection capacity (in ERC's *) using existing lines	782
4.	Future connection capacity (in ERC's *) upon service area buildout	None
5.	Estimated annual increase in ERC's*	None - System is built - out.
6.	Is the utility required to have fire flow capacity? If so, how much capacity is required?	No
7.	Attach a description of the fire fighting facilities.	30 Hydrants
8.	Describe any plans and estimated completion dates for any enlargements or improvements of this system.	Continued replacement of meters.
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 #	None
12.	Water Management District Consumptive Use Permit #	None
	a. Is the system in compliance with the requirements of the CUP?	N/A
	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
OPERATION
SECTION**

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 5,000	\$	\$	\$ 5,000
352	Franchises				
353	Land and Land Rights				
354	Structure and Improvements				
360	Collection Sewers - Force	21,079			21,079
361	Collection Sewers - Gravity	193,889			193,889
362	Special Collecting Structures				
363	Services to Customers	70,007			70,007
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells	99,157			99,157
371	Pumping Equipment				
380	Treatment and Disposal Equip				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant and Miscellaneous Equipment	4,230			4,230
390	Office Furniture and Equipmen				
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equip				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Sewer Plant	\$ 393,362	\$	\$	\$ 393,362 *

* 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	%	2.5 %	\$ 3,570	\$	\$ 125	\$ 3,695
352	Franchises		%	%				
354	Structure and Improvements		%	%				
360	Collection Sewers - Force	27	%	3.7 %	16,826		780	17,606
361	Collection Sewers - Gravity	40	%	2.5 %	137,564		4,847	142,411
362	Special Collecting Structures (Lift Stations)		%	%				
363	Services to Customers	35	%	2.9 %	51,728		2,002	53,730
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells (Lift Stations)	25	%	4.0 %	73,448		3,966	77,414
371	Pumping Equipment		%	%				
380	Treatment and Disposal Equip		%	%				
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment	15	%	6.7 %	141		282	423
390	Office Furniture and Equipme		%	%				
391	Transportation Equipment		%	%				
392	Stores Equipment		%	%				
393	Tools, Shop and Garage Equ		%	%				
394	Laboratory Equipment		%	%				
395	Power Operated Equipment		%	%				
396	Communication Equipment		%	%				
397	Miscellaneous Equipment		%	%				
398	Other Tangible Plant		%	%				
	Totals				\$ 283,277	\$	\$ 12,002	\$ 295,279 *

* This amount should tie to Sheet F-5

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
704	Employee Pensions and Benefits	_____
710	Purchased Wsatewater Treatment	149,680
711	Sludge Removal Expense	6,518
715	Purchased Power	4,863
716	Fuel for Power Purchased	_____
718	Chemicals	_____
720	Materials and Supplies	1,408
730	Contractual Services:	
	Operator and Management	_____
	Testing	2,445
	Other	30,636
740	Rents	_____
750	Transportation Expense	_____
755	Insurance Expense	1,220
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	_____
775	Miscellaneous Expenses	1,344
	Total Water Operation and Maintenance Expense	\$ 198,114 *

* 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)	
5/8"		1.0	764	764	764
3/4"		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	_____	_____	_____
4"	D,C	25.0	_____	_____	_____
4"	T	30.0	_____	_____	_____
6"	D,C	50.0	_____	_____	_____
6"	T	62.5	_____	_____	_____
Other (Specify): _____ _____	_____ _____		_____ _____	_____ _____	_____ _____
Unmetered Customers			_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	766	766
				766	780

PUMPING EQUIPMENT

Lift station number _____	N/A	_____	_____	_____	_____	_____	_____
Make or type and nameplate data of pump _____	_____	_____	_____	_____	_____	_____	_____
Year installed _____	_____	_____	_____	_____	_____	_____	_____
Rated capacity (GPM) _____	_____	_____	_____	_____	_____	_____	_____
Size (HP) _____	_____	_____	_____	_____	_____	_____	_____
Power:	_____	_____	_____	_____	_____	_____	_____
Electric _____	_____	_____	_____	_____	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	4	_____	_____	_____	_____	_____	_____
Type (PVC, VCP, etc) _____	_____	_____	_____	_____	_____	_____	_____
Average length _____	30	_____	_____	_____	_____	_____	_____
Number of active service connections _____	766	_____	_____	_____	_____	_____	_____
Beginning of year _____	766	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____
End of year _____	766	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS AND MANHOLES

	Collecting Mains				Force Mains			
Size (inches) of main _____	N/A	_____	_____	_____	_____	_____	_____	_____
Length of main (nearest foot):	_____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	_____	_____	_____	_____

MANHOLES:

Type _____	Size _____	N/A	_____	_____	_____
Number:	Beginning of year _____	_____	_____	_____	_____
Added during year _____	Retired during year _____	_____	_____	_____	_____
End of year _____	End of year _____	_____	_____	_____	_____

TREATMENT PLANT

Manufacturer_____	N/A	_____	_____
Type_____	_____	_____	_____
"Steel" or "Concrete"_____	_____	_____	_____
Total Capacity_____	_____	_____	_____
Average Daily Flow_____	_____	_____	_____
Effluent Disposal_____	_____	_____	_____
Total Gallons of Wastewater Treated_____	_____	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer_____	N/A	_____	_____	_____	_____	_____
Capacity_____ (M)	_____	_____	_____	_____	_____	_____
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_____	2,632	None	None 2,632
February_____	3,004	_____	3,004
March_____	2,724	_____	2,724
April_____	3,210	_____	3,210
May_____	3,940	_____	3,940
June_____	3,441	_____	3,441
July_____	3,391	_____	3,391
August_____	3,095	_____	3,095
September_____	3,548	_____	3,548
October_____	3,566	_____	3,566
November_____	4,279	_____	4,279
December_____	3,833	_____	3,833
Total for year_____	40,663	_____	40,663

If Wastewater Treatment is purchased, indicate the vendor:

All Wastewater treatment is purchased from the City of Margate.

OTHER SEWER SYSTEM INFORMATION

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

1. Present Number of ERC's * being served 780
2. Maximum number of ERC's ** that system can efficiently serve. 780
3. Present system connection capacity (in ERC's) using existing line 780
4. Future connection capacity (in ERC's) upon service area buildou None
5. Estimated annual increase in ERC's * None
6. State any plans and estimated completion dates for any enlargements of this system.
None
7. List percent of certificated area where service connections are installed (total for each county)
100%
8. If the present systems do not meet the requirements of DEP Rule 62-4, Florida Administrative Code, submit the following:
 - a. Evaluation of the present plant or plants in regard to meeting the DER's rules.
 - b. Plans for funding and construction of the required upgrading.
 - c. Have these plans been coordinated with the DEP?
 - d. Do they concur?
 - e. When will construction begin?
9. Do you discharge effluent to surface waters? No
10. Department of Environmental Protection ID # N/A
Water Management District ID # N/A

l Gallons Treated / 365 Days) / 275 Gallons Per Day

d includes both sewage treated and purchased sewage treatment.

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

N/A

 (signature of chief executive officer of the utility) *

John McJelly

 (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.