

CLASS "A" OR "B"

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Public Service Commission
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WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

WS872-08-AR

UTILITIES, INC. OF HUTCHINSON ISLAND

Exact Legal Name of Respondent

872W 872S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED

31-Dec-08

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
09 MAY -6 AM 9:58
DEPARTMENT OF
ECONOMIC REGULATION

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
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 unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
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 with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems".
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

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. |
| 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.
X	X	X	X

 (Signature of Chief Executive Officer of the utility) *

Stewart L. ...
 (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.

ANNUAL REPORT OF

YEAR OF REPORT
31-Dec-08

UTILITIES, INC. OF HUTCHINSON ISLAND

County: Martin County

(Exact Name of Utility)

List below the exact mailing address of the utility for which normal correspondence should be sent:

2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: 847-498-6440

E Mail Address: NONE

WEB Site: NONE

Sunshine State One-Call of Florida, Inc. Member Number **UIF1416**

Name and address of person to whom correspondence concerning this report should be addressed:

WILLIAM SCHERER
2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: 847-498-6440

List below the address of where the utility's books and records are located:

2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: 847-498-6440

List below any groups auditing or reviewing the records and operations:

PRICEWATERHOUSECOOPERS

Date of original organization of the utility: 09/20/76

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	UTILITIES INC	100%
2.		
3.		
4.		
5.		
6.		
7.		
8.		

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
LISA SPARROW	CHIEF OPERATING OFFICER		OPERATIONS
JOHN HOY	CHIEF REGULATORY OFFICER		REGULATORY
RICK DURHAM	REGIONAL VP		OPERATIONS
PATRICK FLYNN	REGIONAL DIRECTOR		OPERATIONS
STEVEN LUBERTOZZI	CHIEF FINANCIAL OFFICER		FINANCIAL

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

A.	Acquired by Utilities Inc. in 2004
B.	The Utility supplies water and sewer services.
C.	Maintain a high quality of service.
D.	There is only subdivisions that are serviced.
E.	There has been modest growth and we expect this pattern to continue as long as economic conditons hold.
F.	There have been no major transaction during the year.

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/2008

Complete below an organizational chart that show all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

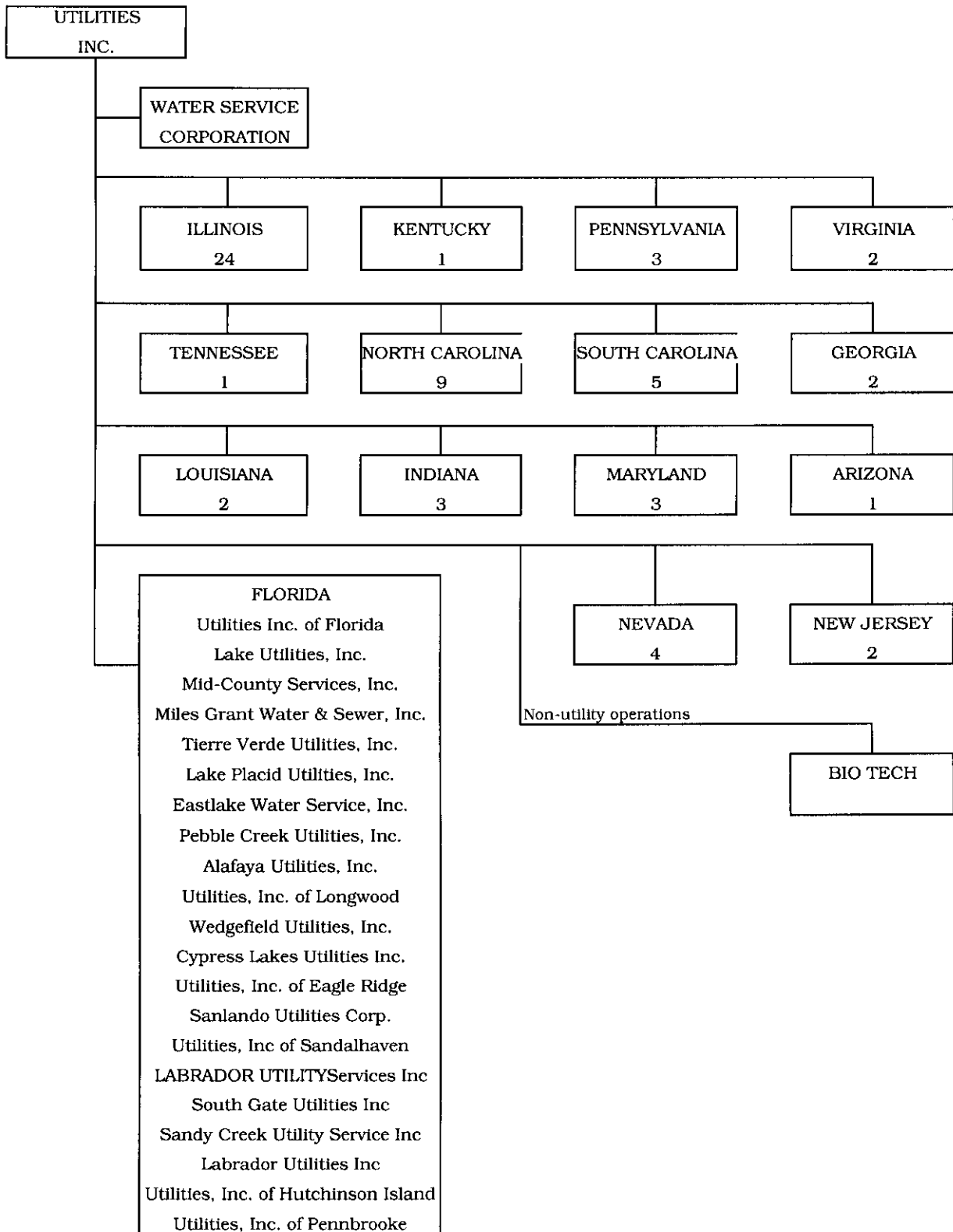
UTILITIES, INC. -- PARENT COMPANY

WATER SERVICE CORP. -- SERVICE COMPANY SUPPLYING MOST SERVICES REQUIRED BY UTILITY.

UTILITIES INC. of FLORIDA -- provides office personnel and administrative staff.

SEE ATTACHED

Parent And Affiliate Organizational Chart



UTILITIES, INC. - Parent Company

WATER SERVICE CORP. - Service organization providing administrative and other service functions for the utility.

NOTE: Within each state except Florida is the number of companies owned.

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
LAWRENCE N SCHUMACHER	CEO & PRESIDENT		\$ NONE
LISA A CROSSETT	VP OPERATIONS		NONE
STEVEN M LUBERTOZZI	VP REGULATORY		NONE
DANIEL J DELGADO	VP & TREASURER		NONE
JOHN R STOVER	VP & SECRETARY		NONE
JOHN HOY	REGIONAL VP		NONE

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
JOHN M STOKES	DIRECTOR	1	\$ NONE
LAWRENCE N SCHUMACHER	DIRECTOR	1	NONE

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)	
NO BUSINESS CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS WERE ENTERED INTO DURING THE CURRENT YEAR BY THE OFFICERS LISTED ON PAGE E6, THE DIRECTORS OR AFFILIATES.		\$		

* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

**BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT
 RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS			REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)	
NO BUSINESS WHICH ARE	\$		\$				
A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULTING FROM PROVIDING WATER AND/OR SEWER SERVICE.							

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6, identifying the parties, amounts, dates and product, and asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

- Enter in this part all transactions involving services and products received or provided.
- Below are some types of transactions to include:

<ul style="list-style-type: none"> -management, legal and accounting services -computer services -engineering & construction services -repairing and servicing of equipment 	<ul style="list-style-type: none"> -material and supplies furnished -leasing of structures, land, and equipment -rental transactions -sale, purchase or transfer of various products
---	--

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES (P)urchased (S)old (d)	AMOUNT (e)
WATER SERVICE CORP/ FLORIDA REGIONAL	Operators/Admin/Officers Salaries & Benefits	Continuous	Purchase	13,430
	Materials & Supplies	Continuous	Purchase	1,742
	Contractual Services	Continuous	Purchase	1,449
	Transportation Expenses	Continuous	Purchase	2,476
	Insurance	Continuous	Purchase	2,989
	Advertising	Continuous	Purchase	2
	Regulatory Expenses	Continuous	Purchase	85
	Bad Debt Expense	Continuous	Purchase	27
	Miscellaneous	Continuous	Purchase	6,463

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
 3. The columnar instructions follow:
 - (a) Enter name of related party or company.
 - (b) Describe briefly the type of assets purchased, sold or transferred.
 - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
 - (d) Enter the net book value for each item reported.
 - (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
 - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.
2. Below are examples of some types of transactions to include:
 - purchase, sale or transfer of equipment
 - purchase, sale or transfer of land and structures
 - purchase, sale or transfer of securities
 - noncash transfers of assets
 - noncash dividends other than stock dividends
 - write-off of bad debts or loans

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
		\$ _____	\$ _____	\$ _____	\$ _____
NO ASSETS WERE SOLD, PURCHASED OR TRANSFERRED WITH A RELATED PARTY DURING THE FISCAL YEAR END 31-Dec-08		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____

FINANCIAL SECTION

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 3,889,570	\$ 3,923,748
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,633,334	1,671,934
Net Plant			\$ 2,256,236	\$ 2,251,814
114-115	Utility Plant Acquisition adjustment (Net)	F-7	465,759	465,759
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,721,995	\$ 2,717,573
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ -	\$ -
122	Less: Accumulated Depreciation and Amortization			-
Net Nonutility Property			\$ -	\$ -
123	Investment In Associated Companies	F-10		-
124	Utility Investments	F-10		-
125	Other Investments	F-10		-
126-127	Special Funds	F-10		-
Total Other Property & Investments			\$ -	\$ -
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ -	\$ -
132	Special Deposits	F-9	11,955	11,955
133	Other Special Deposits	F-9		-
134	Working Funds			-
135	Temporary Cash Investments			-
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	50,988	38,067
145	Accounts Receivable from Associated Companies	F-12		79,899
146	Notes Receivable from Associated Companies	F-12		-
151-153	Material and Supplies			18,779
161	Stores Expense			-
162	Prepayments		1,899	1,899
171	Accrued Interest and Dividends Receivable			-
172 *	Rents Receivable			-
173 *	Accrued Utility Revenues			-
174	Misc. Current and Accrued Assets	F-12		-
Total Current and Accrued Assets			\$ 64,842	\$ 150,599

* Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____ -
182	Extraordinary Property Losses	F-13	_____	_____ -
183	Preliminary Survey & Investigation Charges		_____	_____ -
184	Clearing Accounts		_____	_____ -
185 *	Temporary Facilities		_____	_____ -
186	Misc. Deferred Debits	F-14	1,936	(14,010)
187 *	Research & Development Expenditures		_____	_____ -
190	Accumulated Deferred Income Taxes		_____	_____ -
Total Deferred Debits			\$ 1,936	\$ (14,010)
TOTAL ASSETS AND OTHER DEBITS			\$ 2,788,773	\$ 2,854,163

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 1,000	\$ 1,000
204	Preferred Stock Issued	F-15		-
202, 205 *	Capital Stock Subscribed			-
203, 206 *	Capital Stock Liability for Conversion			-
207 *	Premium on Capital Stock			-
209 *	Reduction in Par or Stated Value of Capital Stock			-
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			-
211	Other Paid - In Capital		1,980,882	2,219,325
212	Discount On Capital Stock			-
213	Capital Stock Expense			-
214-215	Retained Earnings	F-16	120,091	146,012
216	Reacquired Capital Stock			-
218	Proprietary Capital (Proprietorship and Partnership Only)			-
Total Equity Capital			\$ 2,101,973	\$ 2,366,337
LONG TERM DEBT				
221	Bonds	F-15		-
222 *	Reacquired Bonds			-
223	Advances from Associated Companies	F-17		428,279
224	Other Long Term Debt	F-17		-
Total Long Term Debt			\$	\$ 428,279
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		45,582	12,300
232	Notes Payable	F-18		-
233	Accounts Payable to Associated Companies	F-18	283,582	(277,975)
234	Notes Payable to Associated Companies	F-18		-
235	Customer Deposits			-
236	Accrued Taxes		14,209	9,859
237	Accrued Interest	F-19		-
238	Accrued Dividends			-
239	Matured Long Term Debt			-
240	Matured Interest			-
241	Miscellaneous Current & Accrued Liabilities	F-20		-
Total Current & Accrued Liabilities			\$ 343,373	\$ (255,816)

* Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____ -
252	Advances For Construction	F-20	_____	_____ -
253	Other Deferred Credits	F-21	_____	_____ -
255	Accumulated Deferred Investment Tax Credits		_____	_____ -
Total Deferred Credits			\$ <u>_____</u>	\$ <u>_____ -</u>
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____ -
262	Injuries & Damages Reserve		_____	_____ -
263	Pensions and Benefits Reserve		_____	_____ -
265	Miscellaneous Operating Reserves		_____	_____ -
Total Operating Reserves			\$ <u>_____</u>	\$ <u>_____ -</u>
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 594,730	\$ 594,730
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	305,817	322,441
Total Net C.I.A.C.			\$ <u>288,913</u>	\$ <u>272,289</u>
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 28,848	\$ 20,458
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____ -
283	Accumulated Deferred Income Taxes - Other		25,666	22,617
Total Accumulated Deferred Income Tax			\$ <u>54,514</u>	\$ <u>43,075</u>
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>2,788,773</u>	\$ <u>2,854,163</u>

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 617,227	\$ 527,313
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 617,227	\$ 527,313
401	Operating Expenses	F-3(b)	\$ 254,322	\$ 314,601
403	Depreciation Expense:	F-3(b)	\$ 114,285	\$ 131,457
	Less: Amortization of CIAC	F-22	(16,623)	(16,624)
Net Depreciation Expense			\$ 97,662	\$ 114,833
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		-
407	Amortization Expense (Other than CIAC)	F-3(b)		-
408	Taxes Other Than Income	W/S-3	45,111	42,500
409	Current Income Taxes	W/S-3	51,094	27,039
410.10	Deferred Federal Income Taxes	W/S-3	421	(9,748)
410.11	Deferred State Income Taxes	W/S-3	73	(1,670)
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		-
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		-
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		-
Utility Operating Expenses			\$ 448,683	\$ 487,554
Net Utility Operating Income			\$ 168,544	\$ 39,759
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		-
413	Income From Utility Plant Leased to Others			-
414	Gains (losses) From Disposition of Utility Property			107
420	Allowance for Funds Used During Construction		1,744	1,594
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 170,288	\$ 41,460

* For each account. Column e should agree with Cloum f, g and h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 279,746	\$ 247,567	\$ -
\$ 279,746	\$ 247,567	\$ -
\$ 98,210	\$ 216,391	\$ -
73,561	57,896	-
(6,128)	(10,495)	-
\$ 67,433	\$ 47,400	\$ -
-	-	-
-	-	-
22,839	19,660	-
14,531	12,508	-
(5,239)	(4,509)	-
(897)	(773)	-
-	-	-
-	-	-
-	-	-
\$ 196,876	\$ 290,678	\$ -
\$ 82,870	\$ (43,111)	\$ -
-	-	-
-	-	-
58	50	-
857	737	-
\$ 83,784	\$ (42,324)	\$ -

* Total of Schedules W-3 / S-3 for all rate groups.

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 170,288	\$ 41,460
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$ -
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			-
419	Interest and Dividend Income		52	-
421	Nonutility Income			-
426	Miscellaneous Nonutility Expenses			-
Total Other Income and Deductions			\$ 52	\$ -
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$	\$ -
409.2	Income Taxes			-
410.2	Provision for Deferred Income Taxes			-
411.2	Provision for Deferred Income Taxes - Credit			-
412.2	Investment Tax Credits - Net			-
412.3	Investment Tax Credits Restored to Operating Income			-
Total Taxes Applicable To Other Income			\$	\$ -
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 82,446	\$ 15,540
428	Amortization of Debt Discount & Expense	F-13		-
429	Amortization of Premium on Debt	F-13		-
Total Interest Expense			\$ 82,446	\$ 15,540
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$ -
434	Extraordinary Deductions			-
409.3	Income Taxes, Extraordinary Items			-
Total Extraordinary Items			\$	\$ -
NET INCOME			\$ 87,894	\$ 25,920

Explain Extraordinary Income:

NONE

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 2,201,084	\$ 1,722,232
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	697,811	974,123
110	Accumulated Amortization	F-8	-	-
271	Contributions In Aid of Construction	F-22	187,548	407,182
252	Advances for Construction	F-20	-	-
Subtotal			\$ 1,315,725	\$ 340,927
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	59,340	263,102
Subtotal			\$ 1,375,064	\$ 604,029
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	465,759	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-	-
	Working Capital Allowance (3)		12,276	27,049
	Other (Specify):			
RATE BASE			\$ 1,853,100	\$ 631,078
NET UTILITY OPERATING INCOME			\$ 82,870	\$ (43,111)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			4.47%	-6.83%

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 993,542	40.00%	11.65%	4.66%
Preferred Stock	-	0.00%	0.00%	0.00%
Long Term Debt	1,133,770	45.64%	6.60%	3.01%
Short Term Debt	313,519	12.62%	3.75%	0.47%
Customer Deposits	-	0.00%	6.00%	0.00%
Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
Deferred Income Taxes	43,075	1.73%	0.00%	0.00%
Other (Explain) Short Term Debt	-	0.00%	0.00%	0.00%
Total	\$ <u>2,483,906</u>	<u>100.00%</u>		<u>8.14%</u>

1 If the utility's capital structure is not used, explain which capital structure is used.

2 Should equal amounts on Schedule F-6, Column (g).

3 Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	<u>11.65%</u>
Commission order approving Return on Equity:	<u>LEVERAGE FORMULA</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>9.03%</u>
Commission order approving AFUDC rate:	<u>PSC-04-0262-PAA-WS</u>

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 157,737,014	\$			\$ (156,743,472)	\$ 993,542
Preferred Stock	-					-
Long Term Debt	180,000,000				(178,866,230)	1,133,770
Short Term Debt	49,775,000				(49,461,481)	313,519
Customer Deposits	-					-
Tax Credits - Zero Cost	-					-
Tax Credits - Weighted Cost	-					-
Deferred Inc. Taxes	43,075					43,075
Other (Explain) Short Term Debt	-					-
Total	\$ 387,555,089	\$			\$ (385,071,183)	\$ 2,483,906

(1) Explain below all adjustments made in Columns (e) and (f):

NOT APPLICABLE

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 2,201,084	\$ 1,722,232	\$	\$ 3,923,316
102	Utility Plant Leased to Other				-
103	Property Held for Future Use	-	-		-
104	Utility Plant Purchased or Sold				-
105	Construction Work in Progress	285	147		432
106	Completed Construction Not Classified				-
	Total Utility Plant	\$ 2,201,368	\$ 1,722,380	\$ -	\$ 3,923,748

**UTILITY PLANT ACQUISITION ADJUSTMENTS
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ 465,759	-		465,759
	Total Plant Acquisition Adjustments	\$ 465,759	\$ -	\$ -	\$ 465,759
115	Beginning Bal	\$	\$	\$	\$ -
	Accumulated Amortization				
	Accruals charged during year	-	-		
	Total Accumulated Amortization	\$ -	\$ -	\$ -	\$ -
	Net Acquisition Adjustments	\$ 465,759	\$ -	\$ -	\$ 465,759

ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 674,813	950,088		1,624,901
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 73,561	\$ 57,896	\$ -	\$ 131,457
Account 108.2 (2)	-	-	-	-
Account 108.3 (2)	-	-	-	-
Other Accounts (specify):	46,320	7,066	-	53,386
Salvage	-	-	-	-
Other Credits (Specify):	-	-	-	-
Total Credits	\$ 119,881	\$ 64,962	\$ -	\$ 184,843
Debits during year:				
Book cost of plant retired	96,883	40,927	-	137,810
Cost of Removal	-	-	-	-
Other Debits (specify):	-	-	-	-
Acting adjustments mandated by FPSC	-	-	-	-
Total Debits	\$ 96,883	\$ 40,927	\$ -	\$ 137,810
Balance end of year	\$ <u>697,811</u>	\$ <u>974,123</u>	\$ <u>-</u>	\$ <u>1,671,934</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 4,053	4,380		8,433
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ -	\$ -	\$ -	\$ -
Other Accounts (specify):	-	-	-	-
Total credits	\$ -	\$ -	\$ -	\$ -
Debits during year:				
Book cost of plant retired	-	-	-	-
Other debits (specify):	-	-	-	-
Total Debits	\$ -	\$ -	\$ -	\$ -
Balance end of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

- 1 Account 108 for Class B utilities.
- 2 Not applicable for Class B utilities.
- 3 Account 110 for Class B utilities.

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
██████████	\$ _____	_____	\$ _____ 0
	_____	_____	_____
	_____	_____	_____
Total	\$ _____	_____	\$ _____ 0

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.
Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
NONE	\$ _____	\$ _____	\$ _____	\$ _____ -
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Nonutility Property	\$ _____	\$ _____	\$ _____	\$ _____ -

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): Electric Deposit Florida Power and Light	\$ _____ 11,955

Total Special Deposits	\$ _____ 11,955
OTHER SPECIAL DEPOSITS (Account 133): NONE	\$ _____ -

Total Other Special Deposits	\$ _____ -

**INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ - _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____ -
UTILITY INVESTMENTS (Account 124): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ - _____ _____ _____ _____ _____
Total Utility Investment		\$ _____ -
OTHER INVESTMENTS (Account 125): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ - _____ _____ _____ _____ _____
Total Other Investment		\$ _____ -
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	_____ _____ _____ _____ _____ _____	\$ _____ - _____ _____ _____ _____ _____
Total Special Funds		\$ _____ -

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):	
Water	\$ 20,457
Wastewater	17,610
Other	
Total Customer Accounts Receivable	\$ 38,067
OTHER ACCOUNTS RECEIVABLE (Account 142):	
_____	\$ _____
_____	_____
_____	_____
Total Other Accounts Receivable	\$ -
NOTES RECEIVABLE (Account 144):	
_____	\$ _____
_____	_____
_____	_____
Total Notes Receivable	\$ -
Total Accounts and Notes Receivable	\$ 38,067
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)	
Balance first of year	\$ -
Provision for uncollectibles for current year	\$ _____
Collection of accounts previously written off	_____
Utility Accounts	_____
Others	_____
_____	_____
Total Additions	\$ -
Deduct accounts written off during year:	
Utility Accounts	_____
Others	_____
_____	_____
Total accounts written off	\$ -
Balance end of year	\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET	\$ 38,067

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Water Service Corp.	\$ 79,899
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>79,899</u>

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
NONE	%	\$ -
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
Total		\$ <u>-</u>

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE	\$ -
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Assets	\$ <u>-</u>

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181): NONE	\$ _____	\$ _____ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____ -
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____ -

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____ -
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____ -

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
RATE CASE	\$ 3,131	\$ -
Total Deferred Rate Case Expense	\$ 3,131	\$ -
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
OTHER DEFERRED MAINTENANCE (NONE)	\$ 12,967	\$ (14,010)
Total Other Deferred Debits	\$ 12,967	\$ (14,010)
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
NONE	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 16,098	\$ (14,010)

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share		1
Shares authorized		0
Shares issued and outstanding		0
Total par value of stock issued		\$1,000
Dividends declared per share for year		0
REFERRED STOCK		
Par or stated value per share		0
Shares authorized		0
Shares issued and outstanding		0
Total par value of stock issued		\$0
Dividends declared per share for year		0

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ -

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

STATEMENT OF RETAINED EARNINGS

- 1 Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- 2 Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 120,092
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	\$ _____
	Total Credits:	\$ -
	Debits: _____	\$ _____
	Total Debits:	\$ _____
435	Balance Transferred from Income {income/(loss)}	\$ 25,920
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ _____
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ _____
215	Year end Balance	\$ _____
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>146,012</u>
Notes to Statement of Retained Earnings:		

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
WATER SERVICE CORPORATION	\$ 428,279
Total	\$ 428,279

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION INCLUDING DATE OF ISSUE AND DATE OF MATURITY (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ -

* For variable rate obligations, provide the basis for the rate. (i.e., prime + 2%, etc.)

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232): NONE			\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ -
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): NONE			\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ -

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
WATER SERVICE CORPORATION	\$ (277,975)
Total	\$ (277,975)

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ _____	_____	_____	\$ _____	_____
UTILITIES INC INTERCOMPANY INTEREST	_____	_____	15,260	15,260	_____
Total Account 237.1	\$ _____	_____	15,260	\$ 15,260	\$ _____
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$ _____	_____	_____	\$ _____	_____
Customer Deposits	_____	_____	_____	_____	_____
MISC ITEMS	_____	_____	_____	_____	_____
Total Account 237.2	\$ _____	_____	_____	\$ _____	\$ _____
Total Account 237 (1)	\$ _____	_____	15,260	\$ 15,260	\$ _____
INTEREST EXPENSED:					
Total accrual Account 237			15,260		
Short Term Interest Expense			280		
Net Interest Expensed to Account No. 427 (2)			15,540		

(1) Must agree to F-2 (a), Beginning and
Ending Balance of Accrued Interest.

(2) Must agree to F-3 (c), Current
Year Interest Expense

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UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE	\$ -
Total Miscellaneous Current and Accrued Liabilities	\$ -

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
NONE	\$ -		\$ -		\$ -
Total	\$ -		\$ -		\$ -

* Report advances separately by reporting group, designating water or wastewater in column (a).

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1): NONE	\$ _____	\$ _____ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____ -
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2): _____	\$ _____	\$ _____ -
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____ -
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____ -

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>187,548</u>	\$ <u>407,182</u>	\$ <u>-</u>	\$ <u>594,730</u>
Add credits during year:	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Less debit charged during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Contribution In Aid of Construction	\$ <u><u>187,548</u></u>	\$ <u><u>407,182</u></u>	\$ <u><u>-</u></u>	\$ <u><u>594,730</u></u>

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>53,211</u>	\$ <u>252,606</u>	\$ <u>-</u>	\$ <u>305,817</u>
Debits during the year:	\$ <u>6,129</u>	\$ <u>10,496</u>	\$ <u>-</u>	\$ <u>16,624</u>
Credits during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>59,340</u></u>	\$ <u><u>263,102</u></u>	\$ <u><u>-</u></u>	\$ <u><u>322,441</u></u>

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT
31-Dec-08

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)

- 1 The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- 2 If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 25,920
Reconciling items for the year:		
Taxable income not reported on books:		
Tap Fees		
Deductions recorded on books not deducted for return:		
Amortization ITC		
Excess Tax Depreciation over Book Depreciation		22,156
Tap in Fees		
CIA Property		
Int During Construction		(1,308)
Def. Maint. CY additions		(45)
Def. Maint. CY amortization		12,593
Def. Rate Case CY additions		(2,588)
Def. Rate Case CY amortization		3,131
Organization Exp-Amort		(4,905)
Bad Debts CY		
Current FIT (725)		22,756
Deferred FIT (731)		(9,748)
Deferred SIT (732)		(1,670)
Current SIT		
Income recorded on books not included in return:		
Interest During Construction		
Misc.		388
Deduction on return not charged against book income:		
Meals		250
Federal tax net income		\$ 66,930
Computation of tax :		
	66,930	
	34%	
	22,756	

**WATER
OPERATION
SECTION**

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,201,084
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	697,811
110	Accumulated Amortization	F-8	-
271	Contributions In Aid of Construction	W-7	187,548
252	Advances for Construction	F-20	-
Subtotal			\$ 1,315,725
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 59,340
Subtotal			\$ 1,375,064
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	465,759
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		12,276
	Other (Specify):		
WATER RATE BASE			\$ 1,853,100
WATER OPERATING INCOME		W-3	\$ 82,870
RN (Water Operating Income / Water Rate Base)			4.47%

NOTES (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY :

Martin County

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 279,746
469	Less: Guaranteed Revenue and AFPI	W-9	-
	Net Operating Revenues		\$ 279,746
401	Operating Expenses	W-10(a)	\$ 98,210
403	Depreciation Expense	W-6(a)	73,561
	Less: Amortization of CIAC	W-8(a)	(6,128)
	Net Depreciation Expense		\$ 67,433
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	-
408.1	Taxes Other Than Income Utility Regulatory Assessment Fee		81
408.11	Property Taxes		6,803
408.12	Payroll Taxes		1,201
408.13	Other Taxes and Licenses		14,754
408	Total Taxes Other Than Income		\$ 22,839
409.1	Income Taxes		14,531
410.1	Deferred Federal Income Taxes		(5,239)
410.11	Deferred State Income Taxes		(897)
411.1	Deferred Income Taxes - Credit		-
412.1	Investment Tax Credits Deferred to Future Periods		-
412.11	Investment Tax Credits Amortized		-
	Utility Operating Expenses		\$ 196,876
	Utility Operating Income		\$ 82,870
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ -
413	Income From Utility Plant Leased to Others		-
414	Gains (losses) From Disposition of Utility Property		58
420	Allowance for Funds Used During Construction		857
	Total Utility Operating Income		\$ 83,784

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 21,522	\$ (0)	\$ 62,264.20	\$ (40,743)
302	Franchises				
303	Land and Land Rights	162,989	(5)		162,984
304	Structures and Improvements	555,928	155,573	1,090.00	710,411
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	27,825	2,780		30,605
308	Infiltration Galleries and Tunnels				
309	Supply Mains		4,849		4,849
310	Power Generation Equipment		2,026		2,026
311	Pumping Equipment	97,777	36,710		134,487
320	Water Treatment Equipment	395,813	54,502	33,529.00	416,786
330	Distribution Reservoirs and Standpipes	104,403	556		104,959
331	Transmission and Distribution Mains	258,620	5,705		264,325
333	Services	69,115	859		69,974
334	Meters and Meter Installations	136,066	34		136,100
335	Hydrants	13,397	0		13,397
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment		851		851
340	Office Furniture and Equipment	23,125	1,212		24,337
341	Transportation Equipment	11,915	(6,182)		5,733
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	110,418	43,952		154,370
344	Laboratory Equipment	2,546	1,195		3,741
345	Power Operated Equipment				
346	Communication Equipment	458	5		463
347	Miscellaneous Equipment		1,428		1,428
348	Other Tangible Plant	12,651	(12,651)		
TOTAL WATER PLANT		\$ 2,004,568	\$ 293,399	\$ 96,883	\$ 2,201,084

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

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 INTANGIBLE PLANT	.2 SOURCE OF SUPPLY AND PUMPING PLANT	.3 WATER TREATMENT PLANT	.4 TRANSMISSION AND DISTRIBUTION PLANT	.5 GENERAL PLANT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
301	Organization	\$ (40,743)	\$ (40,743)				
302	Franchises	-	-				
303	Land and Land Rights	162,984		162,984			
304	Structures and Improvements	710,411		521,911	42,941	131,476	14,082
305	Collecting and Impounding Reservoirs	-		-			
306	Lake, River and Other Intakes	-		-			
307	Wells and Springs	30,605		30,605			
308	Infiltration Galleries and Tunnels	-		-			
309	Supply Mains	4,849		4,849			
310	Power Generation Equipment	2,026		2,026			
311	Pumping Equipment	134,487		134,487			
320	Water Treatment Equipment	416,786			416,786		
330	Distribution Reservoirs and Standpipes	104,959				104,959	
331	Transmission and Distribution Mains	264,325				264,325	
333	Services	69,974				69,974	
334	Meters and Meter Installations	136,100				136,100	
335	Hydrants	13,397				13,397	
336	Backflow Prevention Devices	-					
339	Other Plant Miscellaneous Equipment	851				851	
340	Office Furniture and Equipment	24,337					24,337
341	Transportation Equipment	5,733					5,733
342	Stores Equipment	-					
343	Tools, Shop and Garage Equipment	154,370					154,370
344	Laboratory Equipment	3,741					3,741
345	Power Operated Equipment	-					
346	Communication Equipment	463					463
347	Miscellaneous Equipment	1,428					1,428
348	Other Tangible Plant	-					
TOTAL WATER PLANT		\$ 2,201,084	\$ (40,743)	\$ 856,862	\$ 459,727	\$ 721,082	\$ 204,155

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

<p>YEAR OF REPORT 31-Dec-08</p>
--

SYSTEM NAME / COUNTY : Martin County

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
301	Organization	40		2.50%
302	Franchises	40		2.50%
304	Structures and Improvements	32		3.13%
304	Structures and Improvements - General	40		2.50%
305	Collecting and Impounding Reservoirs	50		2.00%
306	Lake, River and Other Intakes	40		2.50%
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels	40		2.50%
309	Supply Mains	35		2.86%
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants	45		2.22%
336	Backflow Prevention Devices	15		6.67%
339	Other Plant Miscellaneous Equipment	25		4.00%
340	Office Furniture and Equipment	15		6.67%
340	Office Furniture and Equipment - Computers	6		16.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment	18		5.56%
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment	15		6.67%
345	Power Operated Equipment	12		8.33%
346	Communication Equipment	10		10.00%
347	Miscellaneous Equipment	15		6.67%
348	Other Tangible Plant	10		10.00%
Water Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

YEAR OF REPORT
31-Dec-08

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization	\$	-	4,053	4,053
302	Franchises				
304	Structures and Improvements	236,912	21,090		21,090
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	169	983		983
308	Infiltration Galleries and Tunnels				
309	Supply Mains		91		91
310	Power Generation Equipment		19		19
311	Pumping Equipment	38,470	6,057		6,057
320	Water Treatment Equipment	205,257	21,205		21,205
330	Distribution Reservoirs and Standpipes	9,797	2,828		2,828
331	Transmission and Distribution Mains	66,820	6,046		6,046
333	Services	8,747	1,731		1,731
334	Meters and Meter Installations	27,117	6,812		6,812
335	Hydrants	(1,245)	297		297
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment		15		15
340	Office Furniture and Equipment	2,526	2,006	5,030	7,036
341	Transportation Equipment	8,043	616	(3,730)	(3,114)
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	65,418	3,761	44,771	48,532
344	Laboratory Equipment	320	1	1,511	1,512
345	Power Operated Equipment				
346	Communication Equipment	459	3	664	667
347	Miscellaneous Equipment				
348	Other Tangible Plant	6,003		(5,979)	(5,979)
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 674,813	\$ 73,561	\$ 46,320	\$ 119,881

* Specify nature of transaction
Use () to denote reversal entries.

OTHER CREDITS column (E) * are due to allocation of UJF plant

W-6(a)
GROUP _____

YEAR OF REPORT
31-Dec-08

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
(a)	(b)	(g)	(h)	(i)	(j)	(k)
301	Organization	\$ 62,264	\$ -	\$ -	\$ 62,264	\$ (58,211)
302	Franchises	-	-	-	-	-
304	Structures and Improvements	1,090	-	-	1,090	256,912
305	Collecting and Impounding Reservoirs	-	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-	-
307	Wells and Springs	-	-	-	-	1,152
308	Infiltration Galleries and Tunnels	-	-	-	-	-
309	Supply Mains	-	-	-	-	91
310	Power Generation Equipment	-	-	-	-	19
311	Pumping Equipment	-	-	-	-	44,527
320	Water Treatment Equipment	33,529	-	-	33,529	192,933
330	Distribution Reservoirs and Standpipes	-	-	-	-	12,625
331	Transmission and Distribution Mains	-	-	-	-	72,866
333	Services	-	-	-	-	10,478
334	Meters and Meter Installations	-	-	-	-	33,929
335	Hydrants	-	-	-	-	(948)
336	Backflow Prevention Devices	-	-	-	-	-
339	Other Plant Miscellaneous Equipment	-	-	-	-	15
340	Office Furniture and Equipment	-	-	-	-	9,562
341	Transportation Equipment	-	-	-	-	4,929
342	Stores Equipment	-	-	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-	-	113,950
344	Laboratory Equipment	-	-	-	-	1,832
345	Power Operated Equipment	-	-	-	-	-
346	Communication Equipment	-	-	-	-	1,126
347	Miscellaneous Equipment	-	-	-	-	-
348	Other Tangible Plant	-	-	-	-	24
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 96,883	\$ -	\$ -	\$ 96,883	\$ 697,811

W-6(b)
GROUP _____

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>187,548</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>-</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>-</u>
Total Credits		\$ <u>-</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>-</u>
Total Contributions In Aid of Construction		\$ <u>187,548</u>

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

Explain all debits charged to Account 271 during the year below:

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER CIAC SCHEDULE "A"
 ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
WATER CONNECTIONS FEES		\$	\$ -
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ _____

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 53,211
Debits during the year:	
Accruals charged to Account 272	\$ 6,128
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 6,128
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ _____
Balance end of year	\$ <u>59,340</u>

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER CIAC SCHEDULE "B"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
NONE		\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Credits		\$ _____ 0

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$ -
	Metered Water Revenue:			
461.1	Sales to Residential Customers			124,809
461.2	Sales to Commercial Customers			154,985
461.3	Sales to Industrial Customers			-
461.4	Sales to Public Authorities			-
461.5	Sales Multiple Family Dwellings			-
461.6	Other Revenues			-
	Total Metered Sales	-	-	\$ 279,794
	Fire Protection Revenue:			
462.1	Public Fire Protection			-
462.2	Private Fire Protection			-
	Total Fire Protection Revenue			\$ -
464	Other Sales To Public Authorities			-
465	Sales To Irrigation Customers			-
466	Sales For Resale			-
467	Interdepartmental Sales			-
	Total Water Sales	-	-	\$ 279,794
	Other Water Revenues:			
469	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ -
470	Forfeited Discounts			-
471	Miscellaneous Service Revenues			(64)
472	Rents From Water Property			-
473	Interdepartmental Rents			-
474	Other Water Revenues			16
	Total Other Water Revenues			\$ (48)
	Total Water Operating Revenues			\$ 279,746

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.
 Accruals are recorded in account 461.1.



UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 36,343	\$ 5,342	\$ 5,342
603	Salaries and Wages - Officers, Directors and Majority Stockholders	1,149	-	-
604	Employee Pensions and Benefits	3,763	536	536
610	Purchased Water	-	-	-
615	Purchased Power	-	-	-
616	Fuel for Power Purchased	-	-	-
618	Chemicals	19,979	3,330	3,330
620	Materials and Supplies	2,995	374	374
631	Contractual Services-Engineering	-	-	-
632	Contractual Services - Accounting	208	-	-
633	Contractual Services - Legal	120	-	-
634	Contractual Services - Mgt. Fees	-	-	-
635	Contractual Services - Testing	3,037	506	506
636	Contractual Services - Other	449	56	56
641	Rental of Building/Real Property	-	-	-
642	Rental of Equipment	-	-	-
650	Transportation Expenses	1,442	180	180
656	Insurance - Vehicle	-	-	-
657	Insurance - General Liability	-	-	-
658	Insurance - Workman's Comp.	-	-	-
659	Insurance - Other	1,606	201	201
660	Advertising Expense	1	-	-
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	-	-	-
667	Regulatory Commission Exp.-Other	46	-	-
668	Water Resource Conservation Exp.	-	-	-
670	Bad Debt Expense	152	-	-
675	Miscellaneous Expenses	26,921	3,365	3,365
Total Water Utility Expenses		\$ 98,210	\$ 13,891	\$ 13,891



W-10(a)
GROUP _____

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

WATER EXPENSE ACCOUNT MATRIX					
.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 5,342	\$ 5,342	\$ 5,342	\$ 5,342	\$ 1,028	\$ 3,260
-	-	-	-	-	1,149
536	536	536	536	103	443
-	-	-	-	-	-
-	-	-	-	-	-
3,330	3,330	3,330	3,330	-	-
374	374	374	374	374	374
-	-	-	-	-	-
-	-	-	-	-	208
-	-	-	-	-	120
-	-	-	-	-	-
506	506	506	506	-	-
56	56	56	56	56	56
-	-	-	-	-	-
-	-	-	-	-	-
180	180	180	180	180	180
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
201	201	201	201	201	201
-	-	-	-	-	1
-	-	-	-	-	-
-	-	-	-	-	46
-	-	-	-	152	-
3,365	3,365	3,365	3,365	3,365	3,365
\$ 13,891	\$ 13,891	\$ 13,891	\$ 13,891	\$ 5,460	\$ 9,403

W-10(b)
GROUP _____

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY :

HUTCHINSON ISLAND/MARTIN

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		5.395	0.691	4.704	4.305
February		5.997	0.668	5.329	4.492
March		6.543	0.691	5.852	4.390
April		3.827	0.000	3.827	4.582
May		2.761	0.000	2.761	0.000
June		2.902	0.276	2.626	1.936
July		3.626	0.714	2.912	1.517
August		3.299	0.000	3.299	3.680
September		2.643	0.691	1.952	3.712
October		3.213	0.734	2.479	1.922
November		3.459	0.673	2.786	3.033
December		3.635	0.719	2.916	1.468
Total for Year		47.300	5.857	41.443	35.037

If water is purchased for resale, indicate the following:

Vendor NONE

Point of delivery NONE

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

NONE

Based on 16hrs/day

or each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well # 1	420gpm	403,200	Well
Well #2	420gpm	403,200	Well

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : HUTCHINSON ISLAND/MARTIN

WATER TREATMENT PLANT INFORMATION
Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>0.400 mgd</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Storage Tank</u>
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):	<u>Reverse Osmosis, pH adjustment, corrosion control, disinfection</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>N/A</u>	Manufacturer: <u>N/A</u>
FILTRATION	
Type and size of area:	
Pressure (in square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer: <u>N/A</u>

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY :

HUTCHINSON ISLAND/MARTIN

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	32	32
5/8"	Displacement	1.0	23	23
3/4"	Displacement	1.5	0	0
1"	Displacement	2.5	11	28
1 1/2"	Displacement or Turbine	5.0	39	195
2"	Displacement, Compound or Turbine	8.0	15	120
3"	Displacement	15.0	7	105
3"	Compound	16.0	0	0
3"	Turbine	17.5	0	0
4"	Displacement or Compound	25.0	0	0
4"	Turbine	30.0	0	0
6"	Displacement or Compound	50.0	0	0
6"	Turbine	62.5	0	0
8"	Compound	80.0	0	0
8"	Turbine	90.0	0	0
10"	Compound	115.0	0	0
10"	Turbine	145.0	0	0
12"	Turbine	215.0	0	0
Total Water System Meter Equivalents				<u>503</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

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:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC Calculation: $35.037/365/350=274 \text{ ERC's}$
--

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY HUTCHINSON ISLAND/MARTIN

OTHER 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. 1400
2. Maximum number of ERCs * which can be served. 1400
3. Present system connection capacity (in ERCs *) using existing lines. 1400
4. Future connection capacity (in ERCs *) upon service area buildout. 1400
5. Estimated annual increase in ERCs *. 0
6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? 500 gpm
7. Attach a description of the fire fighting facilities. 0.300 MG GST; 1,500-gpm fire pump, hydrants throughout service area.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____

9. When did the company last file a capacity analysis report with the DEP? N/A
10. If the present system does not meet the requirements of DEP rules:
 - 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? No
11. Department of Environmental Protection ID # PWS ID No. 4331692
12. Water Management District Consumptive Use Permit # 43-00328-W
 - 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 the calculation on the bottom of Page W-13.

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4A	\$ 1,722,232
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6B	974,123
110	Accumulated Amortization	F-8	-
271	Contributions In Aid of Construction	S-7	407,182
252	Advances for Construction	F-20	
Subtotal			\$ 340,927
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8A	\$ 263,102
Subtotal			\$ 604,029
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		27,049
	Other (Specify):		-
WASTEWATER RATE BASE			\$ 631,078
WASTEWATER OPERATING INCOME		S-3	\$ (43,111)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>-6.83%</u>

NOTES (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

<p>YEAR OF REPORT 31-Dec-08</p>
--

SYSTEM NAME / COUNTY :

Martin County

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9A	\$ 247,567
530	Less: Guaranteed Revenue (and AFPI)	S-9A	-
	Net Operating Revenues		\$ 247,567
401	Operating Expenses	S-10A	\$ 216,391
403	Depreciation Expense	S-6A	57,896
	Less: Amortization of CIAC	S-8A	(10,495)
	Net Depreciation Expense		\$ 47,400
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	-
408.1	Taxes Other Than Income		
	Utility Regulatory Assessment Fee		69
408.11	Property Taxes		5,856
408.12	Payroll Taxes		1,034
408.13	Other Taxes and Licenses		12,701
408	Total Taxes Other Than Income		\$ 19,660
409.1	Income Taxes		12,508
410.1	Deferred Federal Income Taxes		(4,509)
410.11	Deferred State Income Taxes		(773)
411.1	Provision for Deferred Income Taxes - Credit		-
412.1	Investment Tax Credits Deferred to Future Periods		-
412.11	Investment Tax Credits Restored to Operating Income		-
	Utility Operating Expenses		\$ 290,678
	Utility Operating Income		\$ (43,111)
530	Add Back: Guaranteed Revenue (and AFPI)	S-9A	\$ -
413	Income From Utility Plant Leased to Others		-
414	Gains (losses) From Disposition of Utility Property		50
420	Allowance for Funds Used During Construction		737
	Total Utility Operating Income		\$ (42,324)

YEAR OF REPORT
31-Dec-08

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 11,607	\$ -	\$ -	\$ 11,607
352	Franchises	-	-	-	-
353	Land and Land Rights	165,091	-	-	165,091
354	Structures and Improvements	783,572	39,262	-	822,834
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	98,989	(8,204)	-	90,785
361	Collection Sewers - Gravity	150,210	(0)	-	150,210
361	Manholes	-	-	-	-
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	-	8,204	-	8,204
364	Flow Measuring Devices	-	-	-	-
365	Flow Measuring Installations	-	-	-	-
366	Reuse Services	-	-	-	-
367	Reuse Meters and Meter Installations	-	-	-	-
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	-	896	-	896
374	Reuse Distribution Reservoirs	5,358	(5,358)	-	-
375	Reuse Transmisson and Distribution System	670	7,613	-	8,283
380	Treatment and Disposal Equipment	237,147	34,600	-	271,747
381	Plant Sewers	-	13,923	-	13,923
382	Outfall Sewer Lines	-	-	-	-
389	Other Plant Miscellaneous Equipment	-	15,035	-	15,035
390	Office Furniture and Equipment	4,223	16,726	-	20,949
391	Transportation Equipment	-	4,935	-	4,935
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	172,300	(0)	39,416	132,884
394	Laboratory Equipment	4,415	316	1,511	3,220
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	399	-	399
397	Miscellaneous Equipment	-	1,229	-	1,229
398	Other Tangible Plant	-	-	-	-
	Total Wastewater Plant	\$ 1,633,582	\$ 129,577	\$ 40,927	\$ 1,722,232

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

S-4(a)
GROUP _____

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
351	Organization	\$ 11,607						
352	Franchises							
353	Land and Land Rights		165,091					
354	Structures and Improvements		133	37,811	771,682			13,208
355	Power Generation Equipment							
360	Collection Sewers - Force		90,785					
361	Collection Sewers - Gravity		150,210					
361	Manholes							
362	Special Collecting Structures							
363	Services to Customers		8,204					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment			896				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System			8,283				
380	Treatment and Disposal Equipment				268,089	3,659		
381	Plant Sewers					13,923		
382	Outfall Sewer Lines							20,949
389	Other Plant Miscellaneous Equipment		1,275	5,495	8,265			4,935
390	Office Furniture and Equipment							132,884
391	Transportation Equipment							3,220
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							399
396	Communication Equipment							
397	Miscellaneous Equipment							1,229
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 11,607	\$ 415,698	\$ 52,486	\$ 1,048,036	\$ 17,582	\$ -	\$ 176,824

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

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
301	Organization	40		2.50%
302	Franchises	40		2.50%
354	Structures and Improvements	32		3.13%
354	Structures and Improvements - General	40		2.50%
355	Power Generation Equipment	20		5.00%
360	Collection Sewers - Force	30		3.33%
361	Collection Sewers - Gravity	45		2.22%
361	Manholes	30		3.33%
362	Special Collecting Structures	40		2.50%
363	Services to Customers	38		2.63%
364	Flow Measuring Devices	5		20.00%
365	Flow Measuring Installations	38		2.63%
366	Reuse Services	40		2.50%
367	Reuse Meters and Meter Installations	20		5.00%
370	Receiving Wells	30		3.33%
371	Pumping Equipment	18		5.56%
375	Reuse Transmission and Distribution System	43		2.33%
380	Treatment and Disposal Equipment	18		5.56%
381	Plant Sewers	35		2.86%
382	Outfall Sewer Lines	30		3.33%
389	Other Plant Miscellaneous Equipment	18		5.56%
390	Office Furniture and Equipment	15		6.67%
390	Office Furniture and Equipment - Computers	6		16.67%
391	Transportation Equipment	6		16.67%
392	Stores Equipment	18		5.56%
393	Tools, Shop and Garage Equipment	16		6.25%
394	Laboratory Equipment	15		6.67%
395	Power Operated Equipment	12		8.33%
396	Communication Equipment	10		10.00%
397	Miscellaneous Equipment	15		6.67%
398	Other Tangible Plant	10		10.00%
Wastewater Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

YEAR OF REPORT
31-Dec-08

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

NO.	ACCT. ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
301	Organization	\$	-	4,380	4,380
302	Franchises		-		-
354	Structures and Improvements	571,655	26,521	(963)	25,558
355	Power Generation Equipment				
360	Collection Sewers - Force	69,524	3,026		3,026
361	Collection Sewers - Gravity	66,636	3,332		3,332
362	Special Collecting Structures				
363	Services to Customers		273		273
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment		4		4
375	Reuse Transmission and Distribution System	296	168	(24)	144
380	Treatment and Disposal Equipment	108,417	7,264		7,264
381	Plant Sewers		340		340
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment		163		163
390	Office Furniture and Equipment	3,085	1,949	3,198	5,147
391	Transportation Equipment		530	3,713	4,243
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	127,664	14,045	(4,204)	9,841
394	Laboratory Equipment	2,811	277		277
395	Power Operated Equipment				
396	Communication Equipment		3	966	969
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 950,088	\$ 57,896	\$ 7,066	\$ 64,962

* Specify nature of transaction.
Use () to denote reversal entries.

OTHER CREDITS column (E) * are due to allocation of UIF plant

S-6(a)
GROUP

YEAR OF REPORT
31-Dec-08

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
301	Organization	\$ -	\$ -	\$ -	\$ -	4,380
302	Franchises	-	-	-	-	-
354	Structures and Improvements	-	-	-	-	597,213
355	Power Generation Equipment	-	-	-	-	-
360	Collection Sewers - Force	-	-	-	-	72,550
361	Collection Sewers - Gravity	-	-	-	-	69,968
362	Special Collecting Structures	-	-	-	-	-
363	Services to Customers	-	-	-	-	273
364	Flow Measuring Devices	-	-	-	-	-
365	Flow Measuring Installations	-	-	-	-	-
366	Reuse Services	-	-	-	-	-
367	Reuse Meters and Meter Installations	-	-	-	-	-
370	Receiving Wells	-	-	-	-	-
371	Pumping Equipment	-	-	-	-	4
375	Reuse Transmission and Distribution System	-	-	-	-	-
380	Treatment and Disposal Equipment	-	-	-	-	440
381	Plant Sewers	-	-	-	-	115,681
382	Outfall Sewer Lines	-	-	-	-	340
389	Other Plant Miscellaneous Equipment	-	-	-	-	163
390	Office Furniture and Equipment	-	-	-	-	8,232
391	Transportation Equipment	-	-	-	-	4,243
392	Stores Equipment	-	-	-	-	-
393	Tools, Shop and Garage Equipment	39,416	-	-	39,416	98,089
394	Laboratory Equipment	1,511	-	-	1,511	1,577
395	Power Operated Equipment	-	-	-	-	-
396	Communication Equipment	-	-	-	-	969
397	Miscellaneous Equipment	-	-	-	-	-
398	Other Tangible Plant	-	-	-	-	-
Total Depreciable Wastewater Plant in Service		\$ 40,927	\$ -	\$ -	\$ 40,927	\$ 974,123

* Specify nature of transaction.
Use () to denote reversal entries.

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WASTEWATER CIAC SCHEDULE "A"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
SEWER CONNECTIONS FEES (NONE)		\$ _____	\$ _____ -
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ _____ -

ACCUMULATED AMORTIZATION OF WASTEWATER
CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ <u>252,606</u>
Debits during the year:	
Accruals charged to Account 272	\$ <u>10,495</u>
Other debits (specify) :	_____
_____	_____
_____	_____
Total debits	\$ <u>10,495</u>
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ _____ -
Balance end of year	\$ <u><u>263,102</u></u>

S-8(a)
GROUP _____

revised

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT

31-Dec-08

SYSTEM NAME / COUNTY : Martin County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues			\$ 3,794
521.2	Commercial Revenues			125,579
521.3	Industrial Revenues			-
521.4	Revenues From Public Authorities			-
521.5	Multiple Family Dwelling Revenues			-
521.6	Other Revenues			-
521	Total Flat Rate Revenues	-	-	\$ 129,373
522.1	Measured Revenues: Residential Revenues			3,528
522.2	Commercial Revenues			114,707
522.3	Industrial Revenues			-
522.4	Revenues From Public Authorities			-
522.5	Multiple Family Dwelling Revenues			-
522	Total Measured Revenues			\$ 118,236
523	Revenues From Public Authorities			-
524	Revenues From Other Systems			-
525	Interdepartmental Revenues			-
Total Wastewater Sales		-	-	\$ 247,608
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ -
531	Sale of Sludge			-
532	Forfeited Discounts			-
534	Rents From Wastewater Property			-
535	Interdepartmental Rents			-
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			(41)
Total Other Wastewater Revenues				\$ (41)

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

521.1 includes accruals

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GROUP _____

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY Martin County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
	Flat Rate Reuse Revenues:			
540.1	Residential Reuse Revenues	_____	_____	\$ _____ -
540.2	Commercial Reuse Revenues	_____	_____	_____ -
540.3	Industrial Reuse Revenues	_____	_____	_____ -
540.4	Reuse Revenues From Public Authorities	_____	_____	_____ -
540.5	Other Revenues	_____	_____	_____ -
540	Total Flat Rate Reuse Revenues	_____	_____	\$ _____ -
	Measured Reuse Revenues:			
541.1	Residential Reuse Revenues	_____	_____	_____ -
541.2	Commercial Reuse Revenues	_____	_____	_____ -
541.3	Industrial Reuse Revenues	_____	_____	_____ -
541.4	Reuse Revenues From Public Authorities	_____	_____	_____ -
541	Total Measured Reuse Revenues	_____	_____	\$ _____ -
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ _____ -
Total Wastewater Operating Revenues				\$ <u>247,567</u>

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

YEAR OF REPORT
31-Dec-08

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY : Martin County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES- OPERATIONS (f)	.4 PUMPING EXPENSES- MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 31,285	\$ 4,599	\$ 4,599	\$ 4,599	\$ 4,599	\$ 4,599	\$ 4,599
703	Salaries and Wages - Officers, Directors and Majority Stockholders	989	-	-	-	-	-	-
704	Employee Pensions and Benefits	3,239	462	462	462	462	462	462
710	Purchased Sewage Treatment	-	-	-	-	-	-	-
711	Sludge Removal Expense	21,087	33,481	33,481	33,481	33,481	21,087	-
715	Purchased Power	100,442	-	-	-	-	-	-
716	Fuel for Power Purchased	-	-	-	-	-	-	-
718	Chemicals	17,198	2,866	2,866	2,866	2,866	2,866	2,866
720	Materials and Supplies	5,169	646	646	646	646	646	646
731	Contractual Services-Engineering	-	-	-	-	-	-	-
732	Contractual Services - Accounting	179	-	-	-	-	-	-
733	Contractual Services - Legal	104	-	-	-	-	-	-
734	Contractual Services - Mgt. Fees	-	-	-	-	-	-	-
735	Contractual Services - Testing	11,219	1,402	1,402	1,402	1,402	1,402	1,402
736	Contractual Services - Other	387	48	48	48	48	48	48
741	Rental of Building/Real Property	-	-	-	-	-	-	-
742	Rental of Equipment	-	-	-	-	-	-	-
750	Transportation Expenses	1,241	155	155	155	155	155	155
756	Insurance - Vehicle	-	-	-	-	-	-	-
757	Insurance - General Liability	-	-	-	-	-	-	-
758	Insurance - Workman's Comp.	-	-	-	-	-	-	-
759	Insurance - Other	1,383	173	173	173	173	173	173
760	Advertising Expense	1	-	-	-	-	-	-
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	-	-	-	-	-	-	-
767	Regulatory Commission Exp.-Other	39	-	-	-	-	-	-
770	Bad Debt Expense	131	-	-	-	-	-	-
775	Miscellaneous Expenses	22,299	2,787	2,787	2,787	2,787	2,787	2,787
Total Wastewater Utility Expenses		\$ 216,391	\$ 46,620	\$ 13,139	\$ 46,620	\$ 13,139	\$ 67,707	\$ 13,139

S-10(a)
GROUP

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

SYSTEM NAME / COUNTY: Martin County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ 885	\$ 2,807	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	-	989	-	-	-	-
704	Employee Pensions and Benefits	89	381	-	-	-	-
710	Purchased Sewage Treatment	-	-	-	-	-	-
711	Sludge Removal Expense	-	-	-	-	-	-
715	Purchased Power	-	-	-	-	-	-
716	Fuel for Power Purchased	-	-	-	-	-	-
718	Chemicals	-	-	-	-	-	-
720	Materials and Supplies	646	646	-	-	-	-
731	Contractual Services-Engineering	-	-	-	-	-	-
732	Contractual Services - Accounting	-	179	-	-	-	-
733	Contractual Services - Legal	-	104	-	-	-	-
734	Contractual Services - Mgt. Fees	-	-	-	-	-	-
735	Contractual Services - Testing	1,402	1,402	-	-	-	-
736	Contractual Services - Other	48	48	-	-	-	-
741	Rental of Building/Real Property	-	-	-	-	-	-
742	Rental of Equipment	-	-	-	-	-	-
750	Transportation Expenses	155	155	-	-	-	-
756	Insurance - Vehicle	-	-	-	-	-	-
757	Insurance - General Liability	-	-	-	-	-	-
758	Insurance - Workman's Comp.	-	-	-	-	-	-
759	Insurance - Other	173	173	-	-	-	-
760	Advertising Expense	1	1	-	-	-	-
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	-	-	-	-	-	-
767	Regulatory Commission Exp.-Other	-	39	-	-	-	-
770	Bad Debt Expense	131	-	-	-	-	-
775	Miscellaneous Expenses	2,787	2,787	-	-	-	-
Total Wastewater Utility Expenses		\$ 6,317	\$ 9,712	\$ -	\$ -	\$ -	\$ -

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT 31-Dec-08

SYSTEM NAME / COUNTY :

HUTCHINSON ISLAND/MARTIN

CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	32	32
5/8"	Displacement	1.0	11	11
3/4"	Displacement	1.5		0
1"	Displacement	2.5	11	28
1 1/2"	Displacement or Turbine	5.0	39	195
2"	Displacement, Compound or Turbine	8.0	13	104
3"	Displacement	15.0	7	105
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				<u>475</u>

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

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:

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

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per

NOTE: Total gallons treated includes both treated and purchased treatment.

<p>ERC Calculation:</p> <p>46.261/365/280=453</p>

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : HUTCHINSON ISLAND/MARTIN

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>0.300 mgd</u>	<u> </u>	<u> </u>
Basis of Permit Capacity (1)	<u>AADF</u>	<u> </u>	<u> </u>
Manufacturer	<u>Marolf</u>	<u> </u>	<u> </u>
Type (2)	<u>Contact Stabilization</u>	<u> </u>	<u> </u>
Hydraulic Capacity	<u>0.300 mgd</u>	<u> </u>	<u> </u>
Average Daily Flow	<u>0.127 mgd</u>	<u> </u>	<u> </u>
Total Gallons of Wastewater Treated	<u>46.261 mg</u>	<u> </u>	<u> </u>
Method of Effluent Disposal	<u>Reuse on the Golf Course</u>	<u> </u>	<u> </u>

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

YEAR OF REPORT
31-Dec-08

SYSTEM NAME / COUNTY : HUTCHINSON ISLAND/MARTIN

OTHER 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 1400
2. Maximum number of ERCs* which can be served 1400
3. Present system connection capacity (in ERCs*) using existing lines 1400
4. Future connection capacity (in ERCs*) upon service area buildout 1400
5. Estimated annual increase in ERCs* 0
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. Indian River Plantation GC
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? N/A
If so, when? N/A
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? Effluent meets Part III public access reuse regulations.
10. When did the company last file a capacity analysis report with the DEP? 2007
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? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? No
12. Department of Environmental Protection ID # FLA 013792

* An ERC is determined based on the calculation on S-11.

S-13
GROUP _____
SYSTEM _____

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations

YEAR OF REPORT 31-Dec-08

UTILITY NAME: UTILITIES, INC. OF HUTCHINSON ISLAND

	(A)	(B)	(C)	(D)
Accounts		Gross Water Revenues per Sch W-9	Gross Water Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:				
Unmetered Water Revenues		-		
Total Metered Sales		279,794	279,794	0
Total Fire Protection Revenue		-		-
Other Sales to Public Authorities		-		-
Sales to Irrigation Customers		-		-
Sales for Resale		-		-
Interdepartmental Sales		-		-
Total Other Water Revenue		(48)	(48)	(0)
Total Water Operating Revenue		279,746	279,746	0
Less: Expense for Purchased Water from FPSC Regulated Utility				-
Net Water Operating Revenues		279,746	279,746	0

revised

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations

YEAR OF REPORT 31-Dec-08

UTILITY NAME:

UTILITIES, INC. OF HUTCHINSON ISLAND

	(A)	(B)	(C)	(D)
Accounts		Gross Wastewater Revenues per Sch S-9	Gross Wastewater Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:				
Total Flat-Rate Revenues		129,373	129,373	(0)
Total Measured Revenues		118,236	118,236	(0)
Revenues from Public Authorities		-		
Revenues from Other Systems		-		
Interdepartmental Revenues		-		
Total Other Wastewater Revenues		(41)	(41)	(0)
Reclaimed Water Sales				
Total Wastewater Operating Revenue		247,567	247,568	(1)
Less: Expense for Purchased Wastewater from FPSC Regulated Utility				
Net Wastewater Operating Revenues		247,567	247,568	(1)

revised