

OFFICIAL COPY
CLASS "C"
WATER AND SEWER

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU532-02-AR
Mr. James T. Aherron
Quail Meadow Utilities, Inc.
P. O. Box 771268
Ocala, FL 34477-1268

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ECONOMIC REGULATION

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

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

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

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FINANCIAL SECTION

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

Company: Quail Meadow Utilities, Inc.

For the Year Ended December 31, 2002

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 109,338	\$ 109,337	\$ 0
Commercial	1,170	1,170	0
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	270	270	0
Total Water Operating Revenue	\$ 110,778	\$ 110,778	\$
LESS: Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenues	\$ 110,778	\$ 110,778	\$

Explanations:

Instructions:

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

REPORT OF

QUAIL MEADOW UTILITIES, INC.

(EXACT NAME OF UTILITY)

PO BOX 771268 OCALA, FL 34477	7963 SE 12TH CIRCLE OCALA, FL 34480	MARION County
Mailing Address	Street Address	County
Telephone Number (352) 237-3604	Date Utility First Organized 11/13/86	
Fax Number (352) 237-6867	E-mail Address mockingbirdfarm@worldnet.att.net	
Sunshine State One-Call of Florida, Inc. Member No. _____		

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

- Individual
 Sub Chapter S Corporation
 1120 Corporation
 Partnership

Name, Address and phone where records are located: 7963 SE 12th Circle
Ocala, FL 34474 (352) 237-3604

Name of subdivisions where services are provided: Quail Meadow

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Jim Aherron	President/Director	7963 SE 12th Circle Ocala, FL 34474	
Person who prepared this report: Collier, Hagin & Hornby, P.A.	CPA Firm	550 NE 25th Ave. Ocala, FL 34470	
Officers and Managers: Jim Aherron	President/Director	7963 SE 12th Circle	\$ 59,915
Tracy Aherron	Vice Pres./Director	Ocala, FL 34474	\$ 4,354
			\$
			\$
			\$

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

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
Tracy Aherron	100%	7963 SE 12th Circle Ocala, FL 34474	\$ 0
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 109,338	\$ _____	\$ _____	\$ 109,338
Commercial _____		1,170	_____	_____	1,170
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		270	_____	_____	270
Total Gross Revenue _____		\$ 110,778	\$ _____	\$ _____	\$ 110,778
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 93,843	\$ _____	\$ _____	\$ 93,843
Depreciation Expense _____	F-5	15,710	_____	_____	15,710
CIAC Amortization Expense _____	F-8	(9,340)	_____	_____	(9,340)
Taxes Other Than Income _____	F-7	6,871	_____	_____	6,871
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense _____		\$ 107,084	_____	_____	\$ 107,084
Net Operating Income (Loss)		\$ 3,694	\$ _____	\$ _____	\$ 3,694
Other Income:					
Nonutility Income _____		\$ 0	\$ _____	\$ _____	\$ 0
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		747	_____	_____	747
Net Income (Loss)		\$ 2,947	\$ _____	\$ _____	\$ 2,947

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 391,180	\$ 383,215
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	(139,505)	(123,795)
Net Utility Plant -----		\$ 251,675	\$ 259,420
Cash -----		13,703	9,761
Customer Accounts Receivable (141) -----		4,947	2,865
Other Assets (Specify): -----			
Utility Deposits -----		0	0

Total Assets -----		\$ 270,325	\$ 272,046
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	100,000	100,000
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----			
Retained Earnings (215) -----	F-6	(16,581)	(19,528)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ 83,419	\$ 80,472
Long Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----			
Notes Payable (232) -----		11,551	17,720
Customer Deposits (235) -----			
Accrued Taxes (236) -----		7,675	4,075
Other Liabilities (Specify) -----		1,006	110
N/P, Stockholder -----		11,624	11,624
Director's Fee Payable -----		12,000	12,000

Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	143,050	146,045
Total Liabilities and Capital -----		\$ 270,325	\$ 272,046

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ 391,180	\$ _____	\$ _____	\$ 391,180
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 391,180	\$ _____	\$ _____	\$ 391,180

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 123,795	\$ _____	\$ _____	\$ 123,795
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ 15,710	\$ _____	\$ _____	\$ 15,710
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ 15,710	\$ _____	\$ _____	\$ 15,710
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 139,505	\$ _____	\$ _____	\$ 139,505

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	
Shares authorized _____	100,000	
Shares issued and outstanding _____	100,000	
Total par value of stock issued _____	100,000	
Dividends declared per share for year _____	0	

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ _____	\$ (19,528)
Changes during the year (Specify):		
Net Income _____		2,947

Balance end of year _____	\$ _____	\$ (16,581)

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify):		

Balance end of year _____	\$ <u>N/A</u>	\$ <u>N/A</u>

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____			\$ _____
_____			\$ _____
Total _____	N/A		\$ <u>N/A</u>

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	1,886	_____	_____	1,886
Regulatory assessment fee _____	4,985	_____	_____	4,985
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ 6,871	\$ _____	\$ _____	\$ 6,871

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Universal Water	\$ 4,391	\$ _____	Licensed Operator
Barbara Swayse	\$ 1,425	\$ _____	Billing Services
Collier, Hagin & Hornby, P.A.	\$ 6,675	\$ _____	Accounting & Tax Services
Enviro-Masters	\$ 1,602	\$ _____	Licensed Operator
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 222,144	\$ _____	\$ 222,144
2) Add credits during year _____			
3) Total _____	\$ 6,345	\$ _____	\$ 6,345
4) Deduct charges during the year _____	228,489		228,489
5) Balance end of year _____	228,489		228,489
6) Less Accumulated Amortization _____	(85,439)		(85,439)
7) Net CIAC _____	\$ 143,050	\$ _____	\$ 143,050

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

Report below all developers or contractors agreements from which cash or property was received during the year.		Indicate "Cash" or "Property"	Water	Wastewater
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
Sub-total _____			\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
Plant capacity charge	27	\$ 135,000	\$ 3,645	\$ _____
Meter installation fee	27	100,000	2,700	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ 6,345	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ 76,099	\$ _____	\$ 76,099
Add Debits During Year: _____	9,340	_____	9,340
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ 85,439	\$ _____	\$ 85,439

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

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	100.00 %		_____ %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: _____ % Commission Order Number approving AFUDC rate: _____
--

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

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

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

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

**WATER
OPERATING
SECTION**

UTILITY NAME: Quail Meadow Utilities, Inc.

<p>YEAR OF REPORT DECEMBER 31, 2002</p>

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 6,971	\$	\$	\$ 6,971
302	Franchises				
303	Land and Land Rights	52,777			52,777
304	Structures and Improvements	7,115			7,115
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	15,083			15,083
308	Infiltration Galleries and Tunnels				
309	Supply Mains	5,334			5,334
310	Power Generation Equipment	20,183	6,018		26,201
311	Pumping Equipment	36,213			36,213
320	Water Treatment Equipment	5,850			5,850
330	Distribution Reservoirs and Standpipes	14,400			14,400
331	Transmission and Distribution Lines	109,594			109,594
333	Services	48,953			48,953
334	Meters and Meter Installations	30,754	911		31,665
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment	2,332	1,036		3,368
341	Transportation Equipment	19,392			19,392
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	314			314
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment	7,950			7,950
348	Other Tangible Plant				
	Total Water Plant	\$ 383,215	\$ 7,965	\$	\$ 391,180

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i)
301	Organization	32	0	3.13	3,107		218	3,325
304	Structures and Improvements	28	0	3.57	\$ 3,621		\$ 254	\$ 3,875
305	Collecting and Impounding Reservoirs							
306	Lake, River and Other Intakes							
307	Wells and Springs							
308	Infiltration Galleries & Tunnels	27	0	3.70	7,954		559	8,513
309	Supply Mains							
310	Power Generating Equipment	32	0	3.13	2,378		167	2,545
311	Pumping Equipment	17	0	5.88	7,575		1,187	8,762
320	Water Treatment Equipment	17	0	5.88	16,064		2,301	18,365
330	Distribution Reservoirs & Standpipes	17	0	5.88	4,903		344	5,247
331	Trans. & Dist. Mains	33	0	3.03	6,180		436	6,616
333	Services	38	0	2.63	41,085		2,884	43,969
334	Meter & Meter Installations	35	0	2.86	16,614		1,399	18,013
335	Hydrants	17	0	5.88	11,062		1,778	12,840
336	Backflow Prevention Devices							
339	Other Plant and Miscellaneous Equipment							
340	Office Furniture and Equipment							
341	Equipment	15	0	6.67	389		135	524
342	Transportation Equipment	6		16.67	1,293		3,232	4,525
343	Stores Equipment							
343	Tools, Shop and Garage Equipment	15	0	6.67	47		21	68
344	Laboratory Equipment							
345	Power Operated Equipment							
346	Communication Equipment							
347	Miscellaneous Equipment	10	0	10.00	1,523		795	2,318
348	Other Tangible Plant							
	Totals				\$ 123,795		\$ 15,710	\$ 139,505 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	64,269
604	Employee Pensions and Benefits	
610	Purchased Water	
615	Purchased Power	3,841
616	Fuel for Power Production	199
618	Chemicals	
620	Materials and Supplies	
630	Contractual Services:	
	Billing	1,425
	Professional	6,675
	Testing	5,993
	Other	
640	Rents	
650	Transportation Expense	0
655	Insurance Expense	2,250
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	
675	Miscellaneous Expenses	9,191
	Total Water Operation And Maintenance Expense	\$ 93,843 *
	* This amount should tie to Sheet F-3.	

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	342		393
3/4"	D	1.5			
1"	D	2.5	3		3
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers					
Other (Specify)					
** D = Displacement C = Compound T = Turbine			Total		

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	(f) Water Sold To Customers (Omit 000's)
January		2,305		2,305	2,305
February		2,466		2,466	2,466
March		3,864		3,864	3,864
April		4,296		4,296	4,296
May		6,436		6,436	6,436
June		4,340		4,340	4,340
July		3,037		3,037	3,037
August		2,636		2,636	2,636
September		3,578		3,578	3,578
October		3,824		3,824	3,824
November		3,578		3,578	3,578
December		2,572		2,572	2,572
Total for Year		42,932		42,932	42,932

If water is purchased for resale, indicate the following:

Vendor _____
 Point of delivery _____

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

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	2"	10,300			10,300
PVC	4"	10,650			10,650
PVC	6"	8,750			8,750

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1987 _____	_____	_____	_____
Types of Well Construction and Casing _____	10 DPE _____	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	150 _____	_____	_____	_____
Diameters of Wells _____	10" _____	_____	_____	_____
Pump - GPM _____	825 _____	_____	_____	_____
Motor - HP _____	60 _____	_____	_____	_____
Motor Type * _____	Submersible _____	_____	_____	_____
Yields of Wells in GPD _____	0.16 mil. _____	_____	_____	_____
Auxiliary Power _____	30 h.p. _____	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	steel _____	_____	_____	_____
Capacity of Tank _____	11,000 _____	_____	_____	_____
Ground or Elevated _____	ground _____	_____	_____	_____

HIGH SERVICE PUMPING

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

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2002

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day _____	<u>160,000</u>	_____	_____
*Type of Source _____	<u>Deep Well</u>	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	_____	_____	_____
Make _____	<u>Star Rite</u>	_____	_____
Permitted Capacity (GPD) _____	<u>1,188,000</u>	_____	_____
High service pumping	_____	_____	_____
Gallons per minute _____	<u>825</u>	_____	_____
Reverse Osmosis _____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating _____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft. _____	_____	_____	_____
Gravity GPD/Sq.Ft. _____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator _____	<u>Liquid Chlorine</u>	_____	_____
Ozone _____	_____	_____	_____
Other _____	_____	_____	_____
Auxiliary Power _____	<u>30 h.p.</u>	_____	_____

UTILITY NAME: Quail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

GENERAL WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve. 322
2. Maximum number of ERCs * which can be served. 457
3. Present system connection capacity (in ERCs *) using existing lines. 457
4. Future connection capacity (in ERCs *) upon service area buildout. 135
5. Estimated annual increase in ERCs *. 40
6. Is the utility required to have fire flow capacity? No
If so, how much capacity is required? N/A
7. Attach a description of the fire fighting facilities. None
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
None
9. When did the company last file a capacity analysis report with the DEP? Inception
10. If the present system does not meet the requirements of DEP rules, submit the following: N/A
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # 6424-645
12. Water Management District Consumptive Use Permit # 400837.01
 - a. Is the system in compliance with the requirements of the CUP? Yes
 - b. If not, what are the utility's plans to gain compliance? N/A

* An ERC is determined based on one of the following methods:
(a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
(b) If no historical flow data are available use:
ERC = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).

N/A

WASTEWATER

OPERATING

SECTION

UTILITY NAME: Qail Meadow Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2002

CERTIFICATION OF ANNUAL REPORT

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

YES NO

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.

YES NO

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.

YES NO

4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents.

Items Certified

1. 2. 3. 4.



(signature of chief executive officer of the utility) *

Date: 3-31-03

1. 2. 3. 4.

(signature of chief financial officer of the utility) *

Date: _____

* 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.