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FLORIDA PUBLIC SERVICE  
COMMISSION

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**WATER AND/OR WASTEWATER UTILITIES**

REGULATORY

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

**ANNUAL REPORT**

OF

**Heartland Utilities, Inc.**

Exact Legal Name of Respondent

**420-W**

Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**

RECEIVED

APR 02 2001

Florida Public Service Commission  
Division of Water and Wastewater



WU566-00-AR

HEARTLAND UTILITIES, INC.

**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 2000**

## GENERAL INSTRUCTIONS

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

Florida Public Service Commission  
Division of Water and Wastewater  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Water and Wastewater, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

## GENERAL DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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# **FINANCIAL SECTION**

**REPORT OF**

Heartland Utilities, Inc.

(EXACT NAME OF UTILITY)

P.O. Box 1991 Sebring, FL 33871  Telephone Number (863) 655-4300 Fax Number (863) 655-4313	4923 Regency Drive Sebring, FL 33870 Highlands County  Date Utility First Organized 1989
Mailing Address	Street Address County

Sunshine State One-Call of Florida, Inc. Member No. HUI475

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: Howard Short, 4923 Regency Drive, Sebring, FL 33870  
(863) 655-4300

Name of subdivisions where services are provided: DeSoto City, Sebring Country Estates, Sebring Lakes

**CONTACTS:**

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Howard Short</u>	<u>President</u>	<u>4923 Regency Drive</u> <u>Sebring, FL 33870</u>	
Person who prepared this report: <u>The NCT Group CPA's, L.L.P.</u>	<u>CPA</u>	<u>435 South Commerce Ave.</u> <u>Sebring, FL 33870</u>	
Officers and Managers: <u>Howard Short</u>	<u>President</u>	<u>Same</u>	\$ 36,800
<u>Coleen Short</u>	<u>Vice President</u>	<u>Same</u>	\$ 18,000
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

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

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
<u>Howard Short</u>	<u>50%</u>	<u>Same</u>	\$ 36,800
<u>Coleen Short</u>	<u>50%</u>	<u>Same</u>	\$ 18,000
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
<b>Gross Revenue:</b>					
Residential _____		\$ 175,779	_____	\$ _____	\$ 175,779
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Reconnect & late fees _____		4,128	_____	_____	4,128
<b>Total Gross Revenue _____</b>		<b>\$ 179,907</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 179,907</b>
<b>Operation Expense (Must tie to pages W-3 and S-3)</b>					
Depreciation Expense(Net) _____	W-3 S-3	\$ 129,455	\$ _____	\$ _____	\$ 129,455
Amortization Expense _____	F-5	47,365	_____	_____	47,365
Taxes Other Than Income _____	F-8	(34,920)	_____	_____	(34,920)
Income Taxes _____	F-7	23,799	_____	_____	23,799
	F-7	0	_____	_____	0
<b>Total Operating Expense _____</b>		<b>\$ 165,699</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 165,699</b>
<b>Net Operating Income (Loss) _____</b>		<b>\$ 14,208</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 14,208</b>
<b>Other Income:</b>					
Nonutility Income - Rental _____		\$ _____	\$ _____	\$ _____	\$ _____
Misc. Income _____		_____	_____	_____	_____
Gain on Sale of Asset _____		_____	_____	_____	_____
<b>Other Deductions:</b>					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		21,410	_____	_____	21,410
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
<b>Net Income (Loss) _____</b>		<b>\$ (7,202)</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ (7,202)</b>

## COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 1,478,197	\$ 1,481,839
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u>(540,032)</u>	<u>(492,740)</u>
Net Utility Plant -----		\$ 938,165	\$ 989,099
Cash -----		3,530	3,646
Customer Accounts Receivable (141) -----		7,722	7,502
Other Assets (Specify): Loan Costs -----		2,542	3,301
Due from Stockholders -----		5,539	5,539
Deposits -----		250	250
Total Assets -----		\$ <u>957,748</u>	\$ <u>1,009,337</u>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201) -----	F-6	100	100
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----		2,000	2,000
Retained Earnings (215) -----	F-6	<u>(38,562)</u>	<u>(31,312)</u>
Treasury Stock -----	F-6	<u>(40,000)</u>	<u>(40,000)</u>
Total Capital -----		\$ <u>(76,462)</u>	\$ <u>(69,212)</u>
Long Term Debt (224) -----	F-6	\$ 212,639	\$ 251,356
Accounts Payable (231) -----		100	100
Notes Payable (232) -----		49,025	26,000
Customer Deposits (235) -----		4,293	3,513
Accrued Taxes (236) -----		5,381	2,030
Other Liabilities (Specify) -----			
Accrued Salaries -----		11,000	15,000
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>751,772</u>	<u>780,550</u>
Total Liabilities and Capital -----		\$ <u>957,748</u>	\$ <u>1,009,337</u>



UTILITY NAME: Heartland Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2000
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**GROSS UTILITY PLANT**

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)_____	\$ 1,478,197	\$ _____	\$ _____	\$ 1,478,197
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ 1,478,197	\$ _____	\$ _____	\$ 1,478,197

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

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year_____	\$ 492,740	\$ _____	\$ _____	\$ 492,740
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account_____	\$ 47,365	\$ _____	\$ _____	\$ 47,365
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
Total Credits_____	\$ 47,365	\$ _____	\$ _____	\$ 47,365
<u>Deduct Debits During Year:</u>				
Book cost of plant retired_____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal_____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Prior period adjustment_____	73	_____	_____	73
Total Debits_____	\$ 73	\$ _____	\$ _____	\$ 73
Balance End of Year_____	\$ 540,032	\$ _____	\$ _____	\$ 540,032

UTILITY NAME: Heartland Utilities, Inc.

YEAR OF REPORT	
DECEMBER 31,	2000

**CAPITAL STOCK ( 201 - 204 )**

	Common Stock	Preferred Stock
Par or stated value per share _____	1.00	_____
Shares authorized _____	100	_____
Shares issued and outstanding _____	100	_____
Total par value of stock issued _____	100	_____
Dividends declared per share for year _____	0.00	_____

**RETAINED EARNINGS ( 215 )**

	Appropriated	Un- Appropriated
Balance first of year _____	\$ _____	\$ (31,312)
Changes during the year (Specify):		
2000 Net income _____		(7,202)
Prior period adjustment to remove \$5,100 of CIAC and fixed assets and accumulated amortization/depreciation. Amounts were actually customer owned property instead of utility owned property and should not be reflected on the utility's books. _____		(48)
Balance end of year _____	\$ _____	\$ (38,562)

**TREASURY STOCK**

	Common Stock	Partner
Balance first of year _____	\$ 40,000	\$ _____
Changes during the year (Specify):		
N/A _____		
Balance end of year _____	\$ 40,000	\$ _____

**LONG TERM DEBT ( 224 )**

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
Note payable to bank _____	9.00	180	\$ 194,233
Note payable to bank _____	8.21	84	18,406
_____			
Total _____			\$ 212,639

UTILITY NAME: Heartland Utilities, Inc.

<b>YEAR OF REPORT</b> <b>DECEMBER 31, 2000</b>
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**TAXES ACCRUED ( 236 )**

(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 _____	7,879	_____	_____	7,879
Regulatory assessment fee _____	8,194	_____	_____	8,194
Other (Specify) FI intangible tax _____	592	_____	_____	592
Payroll taxes _____	5,905	_____	_____	5,905
Permits, Licenses & other taxes _____	1,229	_____	_____	1,229
<b>Total Taxes Accrued _____</b>	<b>\$ 23,799</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 23,799</b>

**PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES**

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

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Larry Howard	\$ 2,815	\$ _____	Operations and Maintenance
Pugh Utilities, Inc.	\$ 1,300	\$ _____	Operations and Maintenance
The NCT Group CPA's, L.L.P.	\$ 6,190	\$ _____	Accounting and Consulting
Shelnut & Johnson, P.A.	\$ 964	\$ _____	Legal Services
Short Environmental Labs	\$ 2,227	\$ _____	Water Testing
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Heartland Utilites, Inc.

<b>YEAR OF REPORT</b> <b>DECEMBER 31 2000</b>
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**CONTRIBUTIONS IN AID OF CONSTRUCTION ( 271 )**

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ <u>1,304,519</u>	\$ _____	\$ <u>1,304,519</u>
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	\$ <u>1,315,639</u>	\$ _____	\$ <u>1,315,639</u>
4) Deduct charges during the year _____	<u>(5,100) *</u>	_____	<u>(5,100)</u>
5) Balance end of year _____	<u>1,310,539</u>	_____	<u>1,310,539</u>
6) Less Accumulated Amortization _____	<u>(558,767)</u>	_____	<u>558,767</u>
7) Net CIAC _____	\$ <u>751,772</u>	\$ _____	\$ <u>751,772</u>

**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
Service Connections _____		Cash _____	3,620	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
Sub-total _____		_____	\$ <u>3,620</u>	\$ _____
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		
Tap Fees _____	15	\$ 500	\$ 7,500	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ <u>11,120</u>	\$ _____

**ACCUMULATED AMORTIZATION OF CIAC (272)**

	Water	Wastewater	Total
Balance First of Year _____	\$ <u>523,969</u>	\$ _____	\$ <u>523,969</u>
Add Credits During Year: _____	<u>34,920</u>	_____	<u>34,920</u>
Deduct Debits During Year: _____	<u>(121) *</u>	_____	<u>(121)</u>
Balance End of Year (Must agree with line #6 above.) _____	\$ <u>558,767</u>	\$ _____	\$ <u>558,767</u>

\*Prior period adjustment

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

UTILITY NAME: Heartland Utilities, Inc.

YEAR OF REPORT DECEMBER 31 2000
------------------------------------

N/A

**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)	_____	_____ %	_____ %	_____ %
<b>Total</b>	<b>\$ _____</b>	<b>100.00 %</b>		<b>_____ %</b>

(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: _____
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**\*\* COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR \*\***

UTILITY NAME: Heartland Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 2000

N/A

**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)	_____	_____	_____	_____	_____
<b>Total</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>

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

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**WATER  
OPERATING  
SECTION**

UTILITY NAME: Heartland Utilities, Inc.

<b>YEAR OF REPORT</b> <b>DECEMBER 31 2000</b>
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**WATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____	_____
303	Land and Land Rights _____	14,650	_____	_____	14,650
304	Structures and Improvements _____	157,395	_____	_____	157,395
305	Collecting and Impounding Reservoirs _____	_____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____	_____
307	Wells and Springs _____	299,748	_____	_____	299,748
308	Infiltration Galleries and Tunnels _____	_____	_____	_____	_____
309	Supply Mains _____	12,000	_____	_____	12,000
310	Power Generation Equipment _____	_____	_____	_____	_____
311	Pumping Equipment _____	121,915	845	_____	122,760
320	Water Treatment Equipment _____	13,635	_____	_____	13,635
330	Distribution Reservoirs and Standpipes _____	154,361	_____	_____	154,361
331	Transmission and Distribution Lines _____	538,740	_____	5,100 *	533,640
333	Services _____	79,829	_____	_____	79,829
334	Meters and Meter Installations _____	72,575	_____	_____	72,575
335	Hydrants _____	_____	_____	_____	_____
336	Backflow Prevention Devices _____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	_____	_____	_____	_____
340	Office Furniture and Equipment _____	7,149	613	_____	7,762
341	Transportation Equipment _____	_____	_____	_____	_____
342	Stores Equipment _____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	245	_____	_____	245
344	Laboratory Equipment _____	_____	_____	_____	_____
345	Power Operated Equipment _____	6,167	_____	_____	6,167
346	Communication Equipment _____	_____	_____	_____	_____
347	Miscellaneous Equipment _____	_____	_____	_____	_____
348	Other Tangible Plant _____	3,430	_____	_____	3,430
	<b>Total Water Plant _____</b>	<b>\$ 1,481,839</b>	<b>\$ 1,458</b>	<b>\$ 5,100</b>	<b>\$ 1,478,197</b>

\*Prior period adjustment



ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements	28	%	3.57 %	\$ 44,047	\$	\$ 5,774	\$ 49,821
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs	27	%	3.70 %	130,909		10,224	141,133
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains	32	%	3.13 %	4,460		375	4,835
310	Power Generating Equipment		%	%				
311	Pumping Equipment	27	%	3.70 %	26,384		5,243	31,627
320	Water Treatment Equipment	17	%	5.88 %	3,377		496	3,873
330	Distribution Reservoirs & Standpipes	33	%	3.03 %	51,454		4,980	56,434
331	Trans. & Dist. Mains	40	%	2.50 %	170,427	73 **	14,505	184,859
333	Services	40	%	2.50 %	18,073		2,077	20,150
334	Meter & Meter Installations	17	%	5.88 %	37,456		2,290	39,746
335	Hydrants		%	%				
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment		%	%				
341	Equipment	15	%	6.67 %	2,114		974	3,088
342	Transportation Equipment		%	%				
343	Stores Equipment		%	%				
344	Tools, Shop and Garage Equipment	15	%	6.67 %	12		16	28
345	Laboratory Equipment		%	%				
346	Power Operated Equipment	15	%	6.67 %	598		411	1,009
347	Communication Equipment		%	%				
348	Miscellaneous Equipment		%	%				
	Other Tangible Plant	10	%	10.00 %	3,429			3,429
	Totals				\$ 492,740	\$ 73	\$ 47,365	\$ 540,032 *

\* This amount should tie to Sheet F-5.

\*\*Prior period adjustment

**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ 4,120
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	54,800
604	Employee Pensions and Benefits _____	3,348
610	Purchased Water _____	
615	Purchased Power _____	11,549
616	Fuel for Power Production _____	478
618	Chemicals _____	
620	Materials and Supplies _____	453
630	Contractual Services:	
	Billing _____	
	Professional _____	7,154
	Testing _____	2,227
	Other - Operation and Maintenance _____	4,625
640	Rents _____	1,027
650	Transportation Expense _____	11,929
655	Insurance Expense _____	4,795
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	
670	Bad Debt Expense _____	
675	Miscellaneous Expenses (Office Exp, Repairs, Maintenance & Miscellaneous) _____	22,950
	<b>Total Water Operation And Maintenance Expense _____</b>	<b>\$ 129,455 *</b>

\* 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)	
<u>Residential Service</u>					
5/8"	D	1.0	686	706	706.0
3/4"	D	1.5	4	4	6.0
1"	D	2.5	7	7	17.5
1 1/2"	D,T	5.0	2	2	10.0
<u>General Service</u>					
5/8"	D	1.0			
3/4"	D	1.5	7	7	10.5
1"	D	2.5	7	7	17.5
1 1/2"	D,T	5.0	4	4	20.0
2"	D,C,T	8.0	3	3	24.0
3"	D	15.0			
3"	C	16.0			
Other (Specify): _____					
Unmetered Customers					
			Total		
			720	740	811.5

\*\* D = Displacement  
C = Compound  
T = Turbine

UTILITY NAME: HEARTLAND UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

SYSTEM NAME: DeSoto City

**PUMPING AND PURCHASED WATER STATISTICS**

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January		3440	299	3141	3141
February		2864	595	2269	2269
March		3320	579	2741	2741
April		3172	539	2633	2633
May		3915	521	3394	3394
June		2943	162	2781	2781
July		2348	431	1917	1917
August		2694	731	1963	1963
September		2656	719	1937	1937
October		2943	243	2700	2700
November		2866	641	2225	2225
December		3010	274	2736	2736
Total for Year		36171	5734	30437	30437

If water is purchased for resale, indicate the following: NA

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"	7640	0	0	7640
PVC	4"	25180	0	0	25180
PVC	6"	10098	0	0	10098
Galv.	2"	500	0	0	500
Galv.	3"	3000	0	0	3000
Transite	6"	7000	0	0	7000

UTILITY NAME: HEARTLAND UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

SYSTEM NAME: Sebring Country Estates

**PUMPING AND PURCHASED WATER STATISTICS**

(a)	(b)	(c)	(d)	(e)	(f)
	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	Water Sold To Customers (Omit 000's)
January		2706	(58)	2764	2764
February		2486	85	2401	2401
March		2677	229	2448	2448
April		3021	(143)	3164	3164
May		3250	527	2723	2723
June		2565	100	2465	2465
July		2002	(121)	2123	2123
August		2274	138	2136	2136
September		2202	230	1972	1972
October		2440	(337)	2777	2777
November		2129	(151)	2280	2280
December		2095	58	2037	2037
Total for Year		29847	557	29290	29290

If water is purchased for resale, indicate the following: N/A

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"	5,290	0	0	5,290
PVC	4"	18,850	0	0	18,850
Galv.	2"	500	0	0	500
Transite	6"	3,250	0	0	3,250

UTILITY NAME: HEARTLAND UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

SYSTEM NAME: Sebring Lakes

**PUMPING AND PURCHASED WATER STATISTICS**

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [ (b)+(c)-(d) ] (e)	Water Sold To Customers (Omit 000's) (f)
January		401	274	127	127
February		407	251	156	156
March		543	389	154	154
April		478	333	145	145
May		262	97	165	165
June		191	48	143	143
July		184	57	127	127
August		183	52	131	131
September		422	299	123	123
October		254	111	143	143
November		299	139	160	160
December		389	246	143	143
Total for Year		4013	2296	1717	1717

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"	2300	0	0	2300
PVC	4"	2050	0	0	2050
PVC	6"	7300	4440	0	11740

UTILITY NAME: HEARTLAND UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

SYSTEM NAME: DeSoto City

**WELLS AND WELL PUMPS**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1987	1987	_____	_____
Types of Well Construction and Casing _____	Steel	Steel	_____	_____
Depth of Wells _____	1500'	1500'	_____	_____
Diameters of Wells _____	8"	8"	_____	_____
Pump - GPM _____	300	300	_____	_____
Motor - HP _____	10	10	_____	_____
Motor Type *	_____	_____	_____	_____
Yields of Wells in GPD _____	360,000	360,000	_____	_____
Auxiliary Power _____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel	Steel Pneumatic	_____	_____
Capacity of Tank _____	11,000	10,000	_____	_____
Ground or Elevated _____	Ground	Ground	_____	_____

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b>Motors</b>				
Manufacturer _____	U.S.E.M.	U.S.E.M.	_____	_____
Type _____	Electric	Electric	_____	_____
Rated Horsepower _____	15	15	_____	_____
<b>Pumps</b>				
Manufacturer _____	Peerless	Peerless	_____	_____
Type _____	H/S Centrifugal	H/S Centrifugal	_____	_____
Capacity in GPM _____	240	240	_____	_____
Average Number of Hours Operated Per Day _____	6	6	_____	_____
Auxiliary Power _____	65 KW	65 KW	_____	_____

UTILITY NAME: HEARTLAND UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

SYSTEM NAME: Sebring Country Estates

**WELLS AND WELL PUMPS**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	Unknown	Unknown	_____	_____
Types of Well Construction and Casing _____	Steel	Steel	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	1200'	120'	_____	_____
Diameters of Wells _____	12"	4"	_____	_____
Pump - GPM _____	300	30	_____	_____
Motor - HP _____	20	1.5	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	504,000	43,200	_____	_____
Auxiliary Power _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\* Submersible, centrifugal, etc.

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel Pneumatic	_____	_____	_____
Capacity of Tank _____	10,000	_____	_____	_____
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: HEARTLAND UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

SYSTEM NAME: Sebring Lakes

**WELLS AND WELL PUMPS**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1998	1998	_____	_____
Types of Well Construction and Casing _____	Steel	Steel	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	1300'	1200'	_____	_____
Diameters of Wells _____	10 x 6	10 x 6	_____	_____
Pump - GPM _____	450	450	_____	_____
Motor - HP _____	20	20	_____	_____
Motor Type * _____	Goulds	Goulds	_____	_____
Yields of Wells in GPD _____	400	400	_____	_____
Auxiliary Power _____	NA	NA	_____	_____
* Submersible, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel	_____	_____	_____
Capacity of Tank _____	10,000	_____	_____	_____
Ground or Elevated _____	15,000	_____	_____	_____

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b>Motors</b>				
Manufacturer _____	Baldour	Baldour	_____	_____
Type _____	Elect	Elect	_____	_____
Rated Horsepower _____	15	15	_____	_____
<b>Pumps</b>				
Manufacturer _____	Goulds	Goulds	_____	_____
Type _____	Centrifugal	Centrifugal	_____	_____
Capacity in GPM _____	350	350	_____	_____
Average Number of Hours Operated Per Day _____	20	20	_____	_____
Auxiliary Power _____	NA	NA	_____	_____



UTILITY NAME: HEARTLAND UTILITIES, INC.

DeSoto City

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Permitted Gals. per day_____	200,000	_____	_____
Type of Source_____	Groundwater	_____	_____

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type_____	Aeration & Chlorination		
Make_____	_____	_____	_____
Permitted Capacity (GPD)_____	200,000	_____	_____
High service pumping	_____	_____	_____
Gallons per minute_____	600	_____	_____
Reverse Osmosis_____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._____	_____	_____	_____
Gravity GPD/Sq.Ft._____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator_____	Regal 216	_____	_____
Ozone_____	_____	_____	_____
Other_____	_____	_____	_____
Auxiliary Power_____	65 KW	_____	_____

UTILITY NAME: HEARTLAND UTILITIES, INC.  
Sebring Country Estates

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Permitted Gals. per day_____	<u>200,000</u>	_____	_____
Type of Source_____	<u>Groundwater</u>	_____	_____

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type_____	<u>Chlorination</u>	_____	_____
Make_____	_____	_____	_____
Permitted Capacity (GPD)_____	<u>200,000</u>	_____	_____
High service pumping	_____	_____	_____
Gallons per minute_____	_____	_____	_____
Reverse Osmosis_____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._____	_____	_____	_____
Gravity GPD/Sq.Ft._____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator_____	<u>Regal 216</u>	_____	_____
Ozone_____	_____	_____	_____
Other_____	_____	_____	_____
Auxiliary Power_____	<u>75 KW</u>	_____	_____

UTILITY NAME: HEARTLAND UTILITIES, INC.

Sebring Lakes

YEAR OF REPORT DECEMBER 31, 2000
-------------------------------------

**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Permitted Gals. per day_____	280,000	_____	_____
Type of Source_____	Groundwater	_____	_____

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type_____	Aeration/Chlorination		
Make_____	_____	_____	_____
Permitted Capacity (GPD)_____	280,000	_____	_____
High service pumping	_____	_____	_____
Gallons per minute_____	700	_____	_____
Reverse Osmosis_____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._____	_____	_____	_____
Gravity GPD/Sq.Ft._____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator_____	Regal 216	_____	_____
Ozone_____	_____	_____	_____
Other_____	_____	_____	_____
Auxiliary Power_____	NA	_____	_____

UTILITY NAME: HEARTLAND UTILITIES, INC

YEAR OF REPORT  
DECEMBER 31, 2000

SYSTEM NAME: DeSoto City

### 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. 238
2. Maximum number of ERCs \* which can be served. 571
3. Present system connection capacity (in ERCs \*) using existing lines. 238
4. Future connection capacity (in ERCs \*) upon service area buildout. 571
5. Estimated annual increase in ERCs \*. 10
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities. 2 hydrants @ 500 GPM
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
NA
9. When did the company last file a capacity analysis report with the DEP? NA
10. If the present system does not meet the requirements of DEP rules, submit the following:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? NA
  - 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 # 5280075
12. Water Management District Consumptive Use Permit # 207938.01
  - 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? \_\_\_\_\_

\* 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).

UTILITY NAME: HEARTLAND UTILITIES, INC

YEAR OF REPORT  
DECEMBER 31, 2000

SYSTEM NAME: Sebring Country Estates

### 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. 229
2. Maximum number of ERCs \* which can be served. 571
3. Present system connection capacity (in ERCs \*) using existing lines. 229
4. Future connection capacity (in ERCs \*) upon service area buildout. 571
5. Estimated annual increase in ERCs \*. 10
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
NA
9. When did the company last file a capacity analysis report with the DEP? NA
10. If the present system does not meet the requirements of DEP rules, submit the following:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? \_\_\_\_\_
11. Department of Environmental Protection ID # 5280247
12. Water Management District Consumptive Use Permit # 205882.02
  - a. Is the system in compliance with the requirements of the CUP? Yes
  - b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

\* An ERC is determined based on one of the following methods:

(a) If actual flow data are available from the preceding 12 months:

Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available use:

ERC = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).

UTILITY NAME: HEARTLAND UTILITIES, INC

YEAR OF REPORT  
DECEMBER 31, 2000

SYSTEM NAME: Sebring Lakes

### 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. 800
2. Maximum number of ERCs \* which can be served. 800
3. Present system connection capacity (in ERCs \*) using existing lines. 13
4. Future connection capacity (in ERCs \*) upon service area buildout. 800
5. Estimated annual increase in ERCs \*. 10
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities. None
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
NA
9. When did the company last file a capacity analysis report with the DEP? NA
10. If the present system does not meet the requirements of DEP rules, submit the following:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? \_\_\_\_\_
11. Department of Environmental Protection ID # 5284137
12. Water Management District Consumptive Use Permit # 2011768.00
  - a. Is the system in compliance with the requirements of the CUP? Yes
  - b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

\* An ERC is determined based on one of the following methods:

(a) If actual flow data are available from the preceding 12 months:

Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available use:

ERC = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).

**THIS COMPANY IS WATER ONLY**

# CERTIFICATION OF ANNUAL REPORT

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

- |  |                                |    |  |
|--|--------------------------------|----|--|
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.  |
| YES<br><input checked="" type="checkbox"/> | NO<br><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<br><input checked="" type="checkbox"/> | NO<br><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. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>	<u>Howard Short</u> *
				(signature of chief executive officer of the utility)
				Howard Short, President
1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>	4. <input type="checkbox"/>	_____ *
				(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.