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CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU760-04-AR
Daniel Holmes
Holmes Utilities, Inc.
760 Henscratch Road
Lake Placid, FL 33852-8397

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2004

Williams & Sherman

CERTIFIED PUBLIC ACCOUNTANTS

FRANK L. WILLIAMS, CPA
LISA SHERMAN, CPA

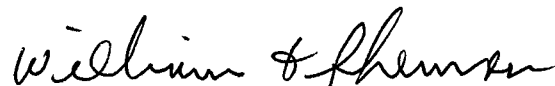
111 EAST PARK STREET
LAKE PLACID, FL 33852-6362
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To the Board of Directors
Holmes Utilities, Inc.
Lake Placid, Florida

We have compiled the comparative balance sheets of Holmes Utilities, Inc. as of December 31, 2004 and 2003, and the related statements of income and retained earnings for the year ended December 31, 2004 and supplementary information included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Florida Public Service Commission information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) are presented in accordance with the requirements of the Florida Public Service Commission, which may differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.



Williams & Sherman, CPA's

February 18, 2005

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FINANCIAL SECTION

REPORT OF

Holmes Utilities, Inc.
(EXACT NAME OF UTILITY)

<u>760 Henscratch Road</u> <u>Lake Placid, FL 33852</u>	<u>760 Henscratch Road</u> <u>Lake Placid, FL 33852</u>	<u>Highlands</u>
Mailing Address	Street Address	County

Telephone Number 863-465-6044 Date Utility First Organized 08/25/95

Fax Number 863-465-5159 E-mail Address _____

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: Holmes Utilities, Inc., 760 Henscratch Road,
Lake Placid, FL 33852 863-465-6044

Name of subdivisions where services are provided: Country Walk of Leisure Lakes Subdivision

CONTACTS:

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>Daniel Holmes</u>	<u>President</u>	<u>760 Henscratch Road</u> <u>Lake Placid, FL 33852</u>	
Person who prepared this report: <u>Frank L. Williams</u>	<u>C.P.A.</u>	<u>111 East Park Street</u> <u>Lake Placid, FL 33852</u>	
Officers and Managers: <u>Daniel Holmes</u>	<u>President</u>	<u>760 Henscratch Road</u> <u>Lake Placid, FL 33852</u>	\$ 0
<u>Lisa Holmes</u>	<u>V/P, Sec, Treas</u>	<u>Same as above</u>	\$ 0
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

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	Principal Business Address	Salary Charged Utility
<u>Daniel Holmes</u>	<u>50%</u>	<u>760 Henscratch Road</u>	\$ 0
<u>Lisa K. Holmes</u>	<u>50%</u>	<u>760 Henscratch Road</u>	\$ 0
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2004

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 24,038	\$ _____	\$ _____	\$ 24,038
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____		_____	_____	_____	_____
Total Gross Revenue_____		\$ 24,038	\$ _____	\$ _____	\$ 24,038
Operation Expense (Must tie to pages W-3 and S-3)	W-3				
	S-3	\$ 27,734	\$ _____	\$ _____	\$ 27,734
Depreciation Expense_____	F-5	2,519	_____	_____	2,519
CIAC Amortization Expense_____	F-8	(911)	_____	_____	(911)
Taxes Other Than Income_____	F-7	1,681	_____	_____	1,681
Income Taxes_____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 31,023	_____	_____	\$ 31,023
Net Operating Income (Loss)		\$ (6,985)	\$ _____	\$ _____	\$ (6,985)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_____		(10,611)	_____	_____	(10,611)
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (17,596)	\$ _____	\$ _____	\$ (17,596)

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2004

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 63,826	\$ 63,826
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>27,648</u>	<u>25,129</u>
Net Utility Plant -----		\$ 36,178	\$ 38,697
Cash -----		10	
Customer Accounts Receivable (141) -----			
Other Assets (Specify): -----			
Utility Deposits -----		180	180
Unamortized Rate Case Expense -----		125	250
Total Assets -----		\$ <u>36,493</u>	\$ <u>39,127</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	100	100
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----			
Retained Earnings (215) -----	F-6	(121,907)	(104,311)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ (121,807)	\$ (104,211)
Long Term Debt (224) -----	F-6		
Accounts Payable (231) -----			
Notes Payable (232) -----		140,668	124,852
Customer Deposits (235) -----			
Accrued Taxes (236) -----		1,082	1,025
Other Liabilities (Specify) -----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>16,550</u>	<u>17,461</u>
Total Liabilities and Capital -----		\$ <u>36,493</u>	\$ <u>39,127</u>

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2004

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ 63,826	\$ _____	\$ _____	\$ 63,826
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____ _____	_____	_____	_____	_____
Total Utility Plant _____	\$ 63,826	\$ _____	\$ _____	\$ 63,826

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 25,129	\$ _____	\$ _____	\$ 25,129
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ 2,519	\$ _____	\$ _____	\$ 2,519
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ 2,519	\$ _____	\$ _____	\$ 2,519
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 27,648	\$ _____	\$ _____	\$ 27,648

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2004

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	_____
Shares authorized _____	500	_____
Shares issued and outstanding _____	100	_____
Total par value of stock issued _____	100	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ (104,311)
Changes during the year (Specify):		
Net loss for the year _____	_____	(17,596)
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ (121,907)

PROPRIETARY CAPITAL (218)

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

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ _____

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2004

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 _____	262	_____	_____	262
Regulatory assessment fee _____	1,082	_____	_____	1,082
Other (Specify) Ass'n _____	97	_____	_____	97
Occupational license _____	90	_____	_____	90
Department of State _____	150	_____	_____	150
Total Tax Expense _____	\$ 1,681	\$ _____	\$ _____	\$ 1,681

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
Williams & Sherman, CPA's	\$ 2,830	\$ _____	Accounting
Pugh Utilities Service, Inc	\$ 21,678	\$ _____	O & M, Billing, various
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2004

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ 23,400	\$ _____	\$ 23,400
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	23,400	_____	23,400
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	23,400	_____	23,400
6) Less Accumulated Amortization _____	6,850	_____	6,850
7) Net CIAC _____	\$ 16,550	\$ _____	\$ 16,550

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.			Water	Wastewater
Description of Charge	Number of Connections	Charge per Connection		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ _____	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ 5,939	\$ _____	\$ 5,939
Add Debits During Year: _____	911	_____	911
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ 6,850	\$ _____	\$ 6,850

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

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2004

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	\$ _____	<u>100.00</u> %		_____ %

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

APPROVED AFUDC RATE

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

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

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2004

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

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

**WATER
OPERATING
SECTION**

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2004

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	1,495			1,495
304	Structures and Improvements	9,245			9,245
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	16,306			16,306
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	3,350			3,350
320	Water Treatment Equipment	6,924			6,924
330	Distribution Reservoirs and Standpipes	6,701			6,701
331	Transmission and Distribution Lines	11,863			11,863
333	Services				
334	Meters and Meter Installations	7,942			7,942
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	Total Water Plant	\$ 63,826	\$	\$	\$ 63,826

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2004

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%	\$ 4,333	\$	\$ 330	\$ 4,663
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs	27	%	3.70%	8,747		603	9,350
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment	17	%	5.88%	61		197	258
320	Water Treatment Equipment	17	%	5.88%	4,799		407	5,206
330	Distribution Reservoirs & Standpipes	33	%	3.03%	2,809		203	3,012
331	Trans. & Dist. Mains	38	%	2.63%	1,458		312	1,770
333	Services		%	%				
334	Meter & Meter Installations	17	%	5.88%	2,922		467	3,389
335	Hydrants		%	%				
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment		%	%				
341	Transportation Equipment		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ 25,129	\$	\$ 2,519	\$ 27,648 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2004

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
604	Employee Pensions and Benefits	_____
610	Purchased Water	_____
615	Purchased Power	629
616	Fuel for Power Production	_____
618	Chemicals	1,928
620	Materials and Supplies	_____
630	Contractual Services:	
	Billing	3,650
	Professional	2,830
	Testing	2,684
	Other	13,615
640	Rents	_____
650	Transportation Expense	_____
655	Insurance Expense	768
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	125
670	Bad Debt Expense	_____
675	Miscellaneous Expenses	1,505
	Total Water Operation And Maintenance Expense	\$ <u>27,734</u> *

* 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	66	65	65
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
General Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total		
			66	65	65

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2004

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January		249		249	249
February		216		237	237
March		226		267	267
April		235		224	224
May		201		198	198
June		238		280	280
July		193		208	208
August		186		177	177
September		200		203	203
October		224		180	180
November		231		237	237
December		243		186	186
Total for Year		2,642		2,646	2,646

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"	2,693'	1,122'		3,815'
PVC	4"	1,602'			1,602'

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2004

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1987</u>	_____	_____	_____
Types of Well Construction and Casing _____	<u>Steel Grouted</u>	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	<u>1,000'</u>	_____	_____	_____
Diameters of Wells _____	<u>4"</u>	_____	_____	_____
Pump - GPM _____	<u>85 GPM</u>	_____	_____	_____
Motor - HP _____	<u>5 HP</u>	_____	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	<u>N/A</u>	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>Pneumatic</u>	_____	_____	_____
Capacity of Tank _____	<u>5,000</u>	_____	_____	_____
Ground or Elevated _____	<u>Ground</u>	_____	_____	_____

HIGH SERVICE PUMPING

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

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2004

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day _____	<u>122,400</u>	_____	_____
Type of Source _____	<u>Well</u>	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	<u>Community System</u>	_____	_____
Make _____	<u>Pump & pressure tank</u>	_____	_____
Permitted Capacity (GPD) _____	<u>122,400</u>	_____	_____
High service pumping Gallons per minute _____	<u>85</u>	_____	_____
Reverse Osmosis _____	<u>None</u>	_____	_____
Lime Treatment Unit Rating _____	<u>N/A</u>	_____	_____
Filtration Pressure Sq. Ft. _____	<u>N/A</u>	_____	_____
Gravity GPD/Sq.Ft. _____	<u>N/A</u>	_____	_____
Disinfection Chlorinator _____	<u>2-3 Gal/day</u>	_____	_____
Ozone _____	<u>Chem Tech</u>	_____	_____
Other _____	_____	_____	_____
Auxiliary Power _____	<u>Diesel Generator</u>	_____	_____

UTILITY NAME: Holmes Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2004

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. 100
2. Maximum number of ERCs * which can be served. 350
3. Present system connection capacity (in ERCs *) using existing lines. 100
4. Future connection capacity (in ERCs *) upon service area buildout. 23
5. Estimated annual increase in ERCs *. 5
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. Local volunteer fire department; no fire hydrants; lake access.
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? N/A
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. N/A
 - b. Have these plans been approved by DEP? N/A
 - c. When will construction begin? N/A
 - d. Attach plans for funding the required upgrading. N/A
 - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 5284114
12. Water Management District Consumptive Use Permit # N/A
 - a. Is the system in compliance with the requirements of the CUP? N/A
 - b. If not, what are the utility's plans to gain compliance? N/A

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

WASTEWATER OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-6 have been omitted from this report.

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.

David M. Adams *
(signature of chief executive officer of the utility)

Date: 2/23/05

1. 2. 3. 4.

Lisa K. Holmes *
(signature of chief financial officer of the utility)

Date: 2/23/05

* 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.

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

Company: Holmes Utilities, Inc.

For the Year Ended December 31, 2004

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 24,038	\$ 24,038	\$ _____
Commercial	_____	_____	_____
Industrial	_____	_____	_____
Multiple Family	_____	_____	_____
Guaranteed Revenues	_____	_____	_____
Other	_____	_____	_____
Total Water Operating Revenue	\$ 24,038	\$ 24,038	\$ _____
LESS: Expense for Purchased Water from FPSC-Regulated Utility	_____	_____	_____
Net Water Operating Revenues	\$ 24,038	\$ 24,038	\$ _____

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).