

OFFICIAL COPY

DIVISION OF

WATER AND SEWER

Do Not Remove from this 8

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU779-03-AR
Pinecrest Ranches, Inc.
P. O. Box 2427
Bartow, FL 33831-2427

Submitted To The

STATE OF FLORIDA



DIVISION OF
ECONOMIC REGULATION

04 MAY -3 PM 2:27

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2003

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

Company:

For the Year Ended December 31, 2003

| (a) | (b) | (c) | (d) |
|--|---|---|-------------------------|
| Accounts | Gross Water Revenues Per Sch. F-3 | Gross Water Revenues Per RAF Return | Difference (b) - (c) |
| Gross Revenue: | | | |
| Residential | \$ 38,364 | \$ 38,364 | \$ - |
| Commercial | _____ | _____ | _____ |
| Industrial | _____ | _____ | _____ |
| Multiple Family | _____ | _____ | _____ |
| Guaranteed Revenues | _____ | _____ | _____ |
| Other | _____ | _____ | _____ |
| Total Water Operating Revenue | \$ 38,364 | \$ 38,364 | \$ - |
| LESS: Expense for Purchased Water from FPSC-Regulated Utility | _____ | _____ | _____ |
| Net Water Operating Revenues | \$ 38,364 | \$ 38,364 | \$ - |

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).

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FINANCIAL SECTION

REPORT OF

Pinecrest Ranches, Inc.

(EXACT NAME OF UTILITY)

| | | |
|--|---|----------------|
| P.O. Box 2427 Bartow, Florida 33883 | Citrus Highlands Drive, West Bartow, Florida | Polk County |
| Mailing Address | Street Address | County |

Telephone Number 863/537-1411 Date Utility First Organized 1987
 Fax Number 863/537-4398 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: Norman Duncan
6115 St. Rd. 60, East, Bartow, Florida 33830 863/537-1411

Name of subdivisions where services are provided: Citrus Highlands and Star Terrace

CONTACTS:

| Name | Title | Principle Business Address | Salary Charged Utility |
|--|----------------------------------|---|--|
| Person to send correspondence: <u>Norman Duncan</u> | <u>President</u> | <u>P.O. Box 2427</u> <u>Bartow, FL 33831</u> | None |
| Person who prepared this report: <u>Campbell & Associates, P.A., C.P.A.'s</u> | <u>Accountant</u> | <u>P.O. Box 1365</u> <u>Winter Haven, FL 33882</u> | |
| Officers and Managers: _____ _____ _____ _____ | _____ _____ _____ _____ | _____ _____ _____ _____ | \$ _____ \$ _____ \$ _____ \$ _____ \$ _____ |

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>Norman Duncan</u> | <u>50%</u> | <u>P.O. Box 2427</u> <u>Bartow, FL 33831</u> | \$ None |
| <u>Richard Little</u> | <u>50%</u> | <u>6215 Dale Street</u> <u>Cass City, MI 48726</u> | \$ None |
| _____ _____ _____ | _____ _____ _____ | _____ _____ _____ | \$ _____ \$ _____ \$ _____ |

UTILITY NAME: Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

INCOME STATEMENT

| Account Name | Ref. Page | Water | Wastewater | Other | Total Company |
|---|------------|-------------|------------|----------|---------------|
| Gross Revenue: | | | | | |
| Residential_----- | | \$ 38,364 | \$ _____ | \$ _____ | \$ 38,364 |
| Commercial_----- | | _____ | _____ | _____ | _____ |
| Industrial_----- | | _____ | _____ | _____ | _____ |
| Multiple Family_----- | | _____ | _____ | _____ | _____ |
| Guaranteed Revenues_ | | _____ | _____ | _____ | _____ |
| Other (Specify)_----- | | _____ | _____ | _____ | _____ |
| Total Gross Revenue_-- | | \$ 38,364 | \$ _____ | \$ _____ | \$ 38,364 |
| Operation Expense (Must tie to pages W-3 and S-3) | W-3 S-3 | \$ 48,565 | \$ _____ | \$ _____ | \$ 48,565 |
| Depreciation Expense_-- | F-5 | 6,250 | _____ | _____ | 6,250 |
| CIAC Amortization Expense_ | F-8 | (56) | _____ | _____ | 0 |
| Taxes Other Than Income_-- | F-7 | 1,410 | _____ | _____ | (56) |
| Income Taxes_----- | F-7 | _____ | _____ | _____ | 0 |
| Total Operating Expense | | \$ 56,169 | _____ | _____ | 1,410 |
| Net Operating Income (Loss) | | \$ (17,805) | \$ _____ | \$ _____ | \$ (17,805) |
| Other Income: | | | | | |
| Nonutility Income_----- | | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Late fees | | 2,237 | _____ | _____ | 2,237 |
| Interest & coll allow | | 164 | _____ | _____ | 164 |
| Other Deductions: | | | | | |
| Miscellaneous Nonutility Expenses_----- | | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Interest Expense_----- | | 10,239 | _____ | _____ | 10,239 |
| _____ | | _____ | _____ | _____ | _____ |
| _____ | | _____ | _____ | _____ | _____ |
| Net Income (Loss) | | \$ (25,643) | \$ _____ | \$ _____ | \$ (25,643) |

UTILITY NAME: Pinecrest Ranches, Inc.

YEAR OF REPORT
DECEMBER 31, 2003

COMPARATIVE BALANCE SHEET

| ACCOUNT NAME | Reference Page | Current Year | Previous Year |
|--|----------------|---------------------------|--------------------------|
| Assets: | | | |
| Utility Plant in Service (101-105) ----- | F-5,W-1,S-1 | \$ <u>196,246</u> | \$ <u>196,246</u> |
| Accumulated Depreciation and Amortization (108) ----- | F-5,W-2,S-2 | <u>97,576</u> | <u>91,326</u> |
| Net Utility Plant ----- | | \$ <u>98,670</u> | \$ <u>104,920</u> |
| Cash ----- | | <u>644</u> | <u>1,025</u> |
| Customer Accounts Receivable (141) ----- | | | |
| Other Assets (Specify): ----- | | | |
| Water system franchise ----- | | <u>1,988</u> | <u>1,988</u> |
| Unamortized expenses ----- | | <u>2,839</u> | <u>4,843</u> |
| N/R ----- | | <u>9,398</u> | <u>10,000</u> |
| Total Assets ----- | | \$ <u>113,539</u> | \$ <u>122,776</u> |
| Liabilities and Capital: | | | |
| Common Stock Issued (201) ----- | F-6 | <u>20</u> | <u>20</u> |
| Preferred Stock Issued (204) ----- | F-6 | | |
| Other Paid in Capital (211) ----- | | <u>31,395</u> | <u>28,583</u> |
| Retained Earnings (215) ----- | F-6 | <u>(52,202)</u> | <u>(26,559)</u> |
| Proprietary Capital (Proprietary and partnership only) (218) ----- | F-6 | | |
| Total Capital ----- | | \$ <u>(20,787)</u> | \$ <u>2,044</u> |
| Long Term Debt (224) ----- | F-6 | <u>132,591</u> | <u>68,919</u> |
| Accounts Payable (231) ----- | | | |
| Notes Payable (232) ----- | | | <u>50,361</u> |
| Customer Deposits (235) ----- | | | |
| Accrued Taxes (236) ----- | | | |
| Other Liabilities (Specify) ----- | | | |
| Taxes withheld and collected ----- | | <u>265</u> | <u>86</u> |
| Advances for Construction ----- | | | |
| Contributions in Aid of Construction - Net (271-272) ----- | F-8 | <u>1,470</u> | <u>1,366</u> |
| Total Liabilities and Capital ----- | | \$ <u>113,539</u> | \$ <u>122,776</u> |

UTILITY NAME: Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

GROSS UTILITY PLANT

| Plant Accounts: (101 - 107) inclusive | Water | Wastewater | Plant other Than Reporting Systems | Total |
|--|-------------------|------------|---|-------------------|
| Utility Plant in Service (101) | \$ <u>196,246</u> | \$ _____ | \$ _____ | \$ <u>196,246</u> |
| Construction Work in Progress (105) _____ | _____ | _____ | _____ | _____ |
| Other (Specify) _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| Total Utility Plant _____ | \$ <u>196,246</u> | \$ _____ | \$ _____ | \$ <u>196,246</u> |

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

| Account 108 | Water | Wastewater | Other Than Reporting Systems | Total |
|---|------------------|------------|------------------------------------|------------------|
| Balance First of Year _____ | \$ <u>91,326</u> | \$ _____ | \$ _____ | \$ <u>91,326</u> |
| <u>Add Credits During Year:</u> | | | | |
| Accruals charged to depreciation account _____ | \$ <u>6,250</u> | \$ _____ | \$ _____ | \$ <u>6,250</u> |
| Salvage _____ | _____ | _____ | _____ | _____ |
| Other Credits (specify) _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| Total Credits _____ | \$ <u>97,576</u> | \$ _____ | \$ _____ | \$ <u>97,576</u> |
| <u>Deduct Debits During Year:</u> | | | | |
| Book cost of plant retired _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Cost of removal _____ | _____ | _____ | _____ | _____ |
| Other debits (specify) _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| Total Debits _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Balance End of Year _____ | \$ <u>97,576</u> | \$ _____ | \$ _____ | \$ <u>97,576</u> |

UTILITY NAME: Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

CAPITAL STOCK (201 - 204)

| | Common Stock | Preferred Stock |
|---|-----------------|--------------------|
| Par or stated value per share _____ | 1 | _____ |
| Shares authorized _____ | 100 | _____ |
| Shares issued and outstanding _____ | 20 | _____ |
| Total par value of stock issued _____ | 20 | _____ |
| Dividends declared per share for year _____ | _____ | _____ |

RETAINED EARNINGS (215)

| | Appropriated | Un- Appropriated |
|------------------------------------|--------------|---------------------|
| Balance first of year _____ | \$ _____ | \$ (26,559) |
| Changes during the year (Specify): | | |
| Net loss _____ | _____ | (25,643) |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| Balance end of year _____ | \$ _____ | \$ (52,202) |

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 | |
| CenterState Bank 653.33/mo P & I | 7.5 | 16 | \$ 65,802 |
| Richard Little | 6 | 300 | 46,900 |
| Due on demand | | | 19,889 |
| Total _____ | | | \$ 132,591 |

UTILITY NAME: Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

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 _____ | 560 | _____ | _____ | 560 |
| Regulatory assessment fee _____ | 850 | _____ | _____ | 850 |
| Other (Specify) _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| Total Tax Expense _____ | \$ 1,410 | \$ _____ | \$ _____ | \$ 1,410 |

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 |
|-----------------------|--------------|-------------------|---------------------------------|
| W. Leigh Messer | \$ 4,741 | \$ _____ | Water testing & plant operation |
| Campbell & Associates | \$ 2,500 | \$ _____ | Tax services |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |
| _____ | \$ _____ | \$ _____ | _____ |

UTILITY NAME: Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

| (a) | Water (b) | Wastewater (c) | Total (d) |
|--|--------------|-------------------|--------------|
| 1) Balance first of year _____ | \$ 1,515 | \$ _____ | \$ 1,515 |
| 2) Add credits during year _____ <u>Connection fees</u> | \$ 160 | \$ _____ | \$ 160 |
| 3) Total _____ | 1,675 | _____ | 1,675 |
| 4) Deduct charges during the year _____ | _____ | _____ | _____ |
| 5) Balance end of year _____ | 1,675 | _____ | 1,675 |
| 6) Less Accumulated Amortization _____ | 205 | _____ | 205 |
| 7) Net CIAC _____ | \$ 1,470 | \$ _____ | \$ 1,470 |

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 | |
| _____ | _____ | \$ _____ | \$ _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| Total Credits During Year (Must agree with line # 2 above.) _____ | | | \$ _____ |

ACCUMULATED AMORTIZATION OF CIAC (272)

| | Water | Wastewater | Total |
|--|--------|------------|--------|
| Balance First of Year _____ | \$ 149 | \$ _____ | \$ 149 |
| Add Debits During Year: _____ | 56 | _____ | 56 |
| Deduct Credits During Year: _____ | _____ | _____ | _____ |
| Balance End of Year (Must agree with line #6 above.) | \$ 205 | \$ _____ | \$ 205 |

**WATER
OPERATING
SECTION**

UTILITY NAME: Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

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 _____ | 16,500 | | | 16,500 |
| 304 | Structures and Improvements _____ | 3,000 | | | 3,000 |
| 305 | Collecting and Impounding Reservoirs _____ | | | | |
| 306 | Lake, River and Other Intakes _____ | | | | |
| 307 | Wells and Springs _____ | 88,207 | | | 88,207 |
| 308 | Infiltration Galleries and Tunnels _____ | | | | |
| 309 | Supply Mains _____ | 14,432 | | | 14,432 |
| 310 | Power Generation Equipment _____ | | | | |
| 311 | Pumping Equipment _____ | 17,874 | | | 17,874 |
| 320 | Water Treatment Equipment _____ | 1,439 | | | 1,439 |
| 330 | Distribution Reservoirs and Standpipes _____ | 15,144 | | | 15,144 |
| 331 | Transmission and Distribution Lines _____ | 27,106 | | | 27,106 |
| 333 | Services _____ | 3,358 | | | 3,358 |
| 334 | Meters and Meter Installations _____ | 8,520 | | | 8,520 |
| 335 | Hydrants _____ | | | | |
| 336 | Backflow Prevention Devices _____ | | | | |
| 339 | Other Plant and Miscellaneous Equipment _____ | 499 | | | 499 |
| 340 | Office Furniture and Equipment _____ | 167 | | | 167 |
| 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 _____ | \$ 196,246 | \$ 0 | \$ 0 | \$ 196,246 |

UTILITY NAME: Pincrest Ranches, Inc.

YEAR OF REPORT
DECEMBER 31, 2003

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 | % | % | \$ 1,348 | \$ | \$ 107 | \$ 1,455 |
| 305 | Collecting and Impounding Reservoirs | | % | % | | | | |
| 306 | Lake, River and Other Intakes | | % | % | | | | |
| 307 | Wells and Springs | 27 | % | % | 46,154 | | 3,267 | 49,421 |
| 308 | Infiltration Galleries & Tunnels | | % | % | 7,179 | | 451 | 7,630 |
| 309 | Supply Mains | 32 | % | % | | | | |
| 310 | Power Generating Equipment | | % | % | | | | |
| 311 | Pumping Equipment | 17 | % | % | 13,630 | | 620 | 14,250 |
| 320 | Water Treatment Equipment | 7 | % | % | 1,439 | | | 1,439 |
| 330 | Distribution Reservoirs & Standpipes | 33 | % | % | 7,341 | | 459 | 7,800 |
| 331 | Trans. & Dist. Mains | 38 | % | % | 11,354 | | 713 | 12,067 |
| 333 | Services | 35 | % | % | 1,343 | | 96 | 1,439 |
| 334 | Meter & Meter Installations | 17 | % | % | 1,139 | | 501 | 1,640 |
| 335 | Hydrants | | % | % | | | | |
| 336 | Backflow Prevention Devices | | % | % | | | | |
| 339 | Other Plant and Miscellaneous Equipment | 20 | % | % | 391 | | 25 | 416 |
| 340 | Office Furniture and Equipment | 15 | % | % | 8 | | 11 | 19 |
| 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 | | | | \$ 91,326 | \$ 0 | \$ 6,250 | \$ 97,576 * |

* This amount should tie to Sheet F-5.

UTILITY NAME: Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

WATER OPERATION AND MAINTENANCE EXPENSE

| Acct. No. | Account Name | Amount |
|-----------|--|-------------|
| 601 | Salaries and Wages - Employees_ Leased employees | \$ 13,822 |
| 603 | Salaries and Wages - Officers, Directors, and Majority Stockholders_____ | |
| 604 | Employee Pensions and Benefits_____ | |
| 610 | Purchased Water_____ | |
| 615 | Purchased Power_____ | 5,516 |
| 616 | Fuel for Power Production_____ | |
| 618 | Chemicals_____ | 1,867 |
| 620 | Materials and Supplies_____ | |
| 630 | Contractual Services: | |
| | Billing_____ | 295 |
| | Professional_____ | 2,500 |
| | Testing_____ | 4,741 |
| | Other_____ | 1,510 |
| 640 | Rents_____ | 900 |
| 650 | Transportation Expense_____ | 1,394 |
| 655 | Insurance Expense_____ | 5,288 |
| 665 | Regulatory Commission Expenses (Amortized Rate Case Expense)_____ | |
| 670 | Bad Debt Expense_____ | |
| 675 | Miscellaneous Expenses_____ | 10,732 |
| | Total Water Operation And Maintenance Expense_____ | \$ 48,565 * |

* 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 | 141 | 134 | 134 |
| 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 | | |
| | | | 141 | 134 | 134 |

UTILITY NAME: _____ Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

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 _____ | _____ | 1,685 | _____ | 1,685 | 811 |
| February _____ | _____ | 1,050 | _____ | 1,050 | 850 |
| March _____ | _____ | 1,421 | _____ | 1,421 | 682 |
| April _____ | _____ | 1,395 | _____ | 1,395 | 821 |
| May _____ | _____ | 1,638 | _____ | 1,638 | 412 |
| June _____ | _____ | 1,266 | _____ | 1,266 | 684 |
| July _____ | _____ | 1,288 | _____ | 1,288 | 620 |
| August _____ | _____ | 1,355 | _____ | 1,355 | 829 |
| September _____ | _____ | 1,561 | _____ | 1,561 | 943 |
| October _____ | _____ | 1,591 | _____ | 1,591 | 820 |
| November _____ | _____ | 1,316 | _____ | 1,316 | 664 |
| December _____ | _____ | 1,445 | _____ | 1,445 | 767 |
| Total for Year _____ | _____ | <u>17,011</u> | _____ | <u>17,011</u> | <u>8,903</u> |

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" | 500 | _____ | _____ | 500 |
| PVC _____ | 3" | 6,300 | _____ | _____ | 6,300 |
| PVC _____ | 4" | 1,880 | 1,330 | _____ | 3,210 |
| PVC _____ | 6" | 4,575 | 450 | _____ | 5,025 |
| DI _____ | 4" | _____ | 20 | _____ | 20 |
| Fire Hydrants _____ | _____ | 5 | 2 | _____ | 7 |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |

UTILITY NAME: _____ Pinecrest Ranches, Inc.

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2003 |
|-------------------------------------|

SYSTEM NAME: _____

WELLS AND WELL PUMPS

| (a) | (b) | (c) | (d) | (e) |
|---|-------------|-------------|-------|-------|
| Year Constructed _____ | 1986 | 1989 | _____ | _____ |
| Types of Well Construction and Casing _____ | Rotary | Rotary | _____ | _____ |
| _____ | Grouted | Grouted | _____ | _____ |
| _____ | BT&C Steel | BT&C Steel | _____ | _____ |
| Depth of Wells _____ | 190' | 405' | _____ | _____ |
| Diameters of Wells _____ | 4" | 6" | _____ | _____ |
| Pump - GPM _____ | 75 | 350 | _____ | _____ |
| Motor - HP _____ | 5 | 25 | _____ | _____ |
| Motor Type * _____ | Submersible | Submersible | _____ | _____ |
| Yields of Wells in GPD _____ | 180,000 | 504,000 | _____ | _____ |
| Auxiliary Power _____ | None | None * | _____ | _____ |
| * Submersible, centrifugal, etc. | | * Rental | | |

RESERVOIRS

| (a) | (b) | (c) | (d) | (e) |
|-------------------------------|----------|-------|-------|-------|
| Description (steel, concrete) | Steel | _____ | _____ | _____ |
| Capacity of Tank _____ | 6000 gal | _____ | _____ | _____ |
| 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: _____ Pinecrest Ranches, Inc.

| |
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SOURCE OF SUPPLY

| | | | |
|--|----------------|-------|-------|
| List for each source of supply (Ground, Surface, Purchased Water etc.) | | | |
| Permitted Gals. per day _____ | <u>101,510</u> | _____ | _____ |
| Type of Source _____ | <u>Ground</u> | _____ | _____ |

WATER TREATMENT FACILITIES

| | | | |
|---|----------------------------|-------|-------|
| List for each Water Treatment Facility: | | | |
| Type _____ | <u>Hypochlorination</u> | _____ | _____ |
| Make _____ | <u>Hydropneumatic tank</u> | _____ | _____ |
| Permitted Capacity (GPD) _____ | <u>264,000</u> | _____ | _____ |
| High service pumping | _____ | _____ | _____ |
| Gallons per minute _____ | <u>N/A</u> | _____ | _____ |
| Reverse Osmosis _____ | <u>N/A</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>25 gpd</u> | _____ | _____ |
| Ozone _____ | <u>N/A</u> | _____ | _____ |
| Other _____ | <u>N/A</u> | _____ | _____ |
| Auxiliary Power _____ | <u>Standby generator</u> | _____ | _____ |

UTILITY NAME: ___ Pinecrest Ranches, Inc.

YEAR OF REPORT
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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. 1084
2. Maximum number of ERCs * which can be served. 1084
3. Present system connection capacity (in ERCs *) using existing lines. 350
4. Future connection capacity (in ERCs *) upon service area buildout. 1084
5. Estimated annual increase in ERCs *. 20
6. Is the utility required to have fire flow capacity? Yes but it is a separate system
If so, how much capacity is required? Supply of 500 gpm @ hydrant
7. Attach a description of the fire fighting facilities. - See statement attached.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
Star Terrace was added and will go completely online in 2004
9. When did the company last file a capacity analysis report with the DEP? Unknown
10. If the present system does not meet the requirements of DEP rules, submit the following: - See statement attached
 - 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 # 6535079
12. Water Management District Consumptive Use Permit # 20009128.002
 - 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).

GENERAL WATER SYSTEM INFORMATION

- #7. 12" Pump with 500 gallon pressure tank – capable of maintaing 500 gpm at 1 Hydrant. System has seven (7) hydrants. 6000' of 6" PVC distribution line.

- #10 a. The system does not have an auxiliary power source. Chapter 62-555.320(14)(a) states that all community water systems serving, or designed to serve, 350 or more persons or 150 or more service connections, shall provide auxiliary power for operation of the source, treatment units, and pumps at a rate at least equal to the average daily water demand for the system.
 - a.1. Note – With the addition of Star Terrace we are adding 23 lots and are presently in design and acquisition of a auxiliary power source to conform to 10 a.

 - b. In progress now. Civil Engineer – Chuck Freed – is preparing the plans.

 - c. Summer of 2004

 - d. We are presently negotiating a bank loan and doing a Limited Proceeding for a rate increase to cover this unanticipated expenditure
 - e. No

WASTEWATER OPERATING SECTION

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

UTILITY NAME: Pinecrest Ranches, Inc.

YEAR OF REPORT
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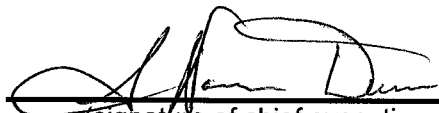
CERTIFICATION OF ANNUAL REPORT

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

- | | | | |
|--|---|----|--|
| YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code. |
| YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> | 3. | There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | 4. | The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified

- | | | | |
|---|---|---|---|
| 1. <input checked="" type="checkbox"/> | 2. <input checked="" type="checkbox"/> | 3. <input checked="" type="checkbox"/> | 4. <input checked="" type="checkbox"/> |
|---|---|---|---|



(signature of chief executive officer of the utility) *

Date: 4-30-04

- | | | | |
|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| 1. <input type="checkbox"/> | 2. <input type="checkbox"/> | 3. <input type="checkbox"/> | 4. <input type="checkbox"/> |
|--------------------------------|--------------------------------|--------------------------------|--------------------------------|

(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.