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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS799-02-AR
Breeze Hill Utilities
P. O. Box 1408
Lake Wales, FL 33859-1408

5135 / 598 W

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

GENERAL DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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FINANCIAL SECTION

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

Company: BREEZE HILL UTILITIES
For the Year Ended December 31, 2002

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 24,413	\$ 23,852	\$ 561
Commercial	754	199	555
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	584	213	371
Total Water Operating Revenue	\$ 25,751	\$ 24,264	\$ 1,487
LESS: Expense for Purchased Water from FPSC-Regulated Utility	0	0	
Net Water Operating Revenues	\$ 25,751	\$ 24,264	\$ 1,487

Explanations:

REGULATORY ASSESSMENT FEE RETURN REPORTED REVENUES ON CASH BASIS.

ADDITIONAL TAX DUE AS FOLLOWS:

$$\begin{aligned} \text{AS FILED} \quad 4.5\% \times 24,264 &= \$1091.88 \\ \text{AS CORRECTED} \quad 4.5\% \times 25,751 &= \$1158.80 \\ \hline \text{ADDITIONAL TAX DUE} &= \$66.92 \end{aligned}$$

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).

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

Company: *BREEZE HILL UTILITIES*

For the Year Ended December 31, 2002

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. F-3	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ <u>26,215</u>	\$ <u>25,032</u>	\$ <u>1,183</u>
Commercial	<u>862</u>	<u>819</u>	<u>43</u>
Industrial			
Multiple Family			
Guaranteed Revenues			
Other			
Total Wastewater Operating Revenue	\$ <u>27,077</u>	\$ <u>25,851</u>	\$ <u>1,226</u>
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	<u>0</u>	<u>0</u>	<u>0</u>
Net Wastewater Operating Revenues	\$ <u>27,077</u>	\$ <u>25,851</u>	\$ <u>1,226</u>

Explanations:

REGULATORY ASSESSMENT FEE RETURNS REPORTED REVENUES ON CASH BASIS,

ADDITIONAL TAX DUE AS FOLLOWS:

<i>AS FILED</i>	<i>4.5% X</i>	<i>25,851 =</i>	<i>\$ 1,163.30</i>
<i>AS CORRECTED</i>	<i>4.5% X</i>	<i>27,077 =</i>	<i>1,218.47</i>
<i>ADDITIONAL TAX DUE</i>			<i>\$ <u>55.17</u></i>

Instructions:

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

REPORT OF

Breeze Hill Utilities

(EXACT NAME OF UTILITY)

P.O. Box 1408	P.O. Box 1408	
Lake Wales, Florida 33859-1408	Lake Wales, Florida 33859-1408	Polk
Mailing Address	Street Address	County

Telephone Number (863) 678-1498 Date Utility First Organized 1976

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: Cheryl M. Martin, CPA 19200 Hwy 27, Lake Wales, FL 33853-2451 (863)678-1498

Name of subdivisions where services are provided: Home Park

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Terry L. Hartigh	President	2029 Arbuckle Creek Rd Sebring, Florida 33870	
Person who prepared this report: Cheryl M. Martin	Certified Public Accountant	19200 Hwy 27 Lake Wales, Florida 33853	
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
Terry L. Hartigh	100%	2029 Arbuckle Creek Rd Sebring, Florida 33870	\$ 0
			\$
			\$
			\$
			\$
			\$
			\$

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_-----		\$ 24,413	\$ 26,215	\$	\$ 50,628
Commercial_-----		754	862		1,616
Industrial_-----					
Multiple Family_-----					
Guaranteed Revenues_-----					
Other (Specify)_-----	*	584			584
Total Gross Revenue_-----		\$ 25,751	\$ 27,077	\$	\$ 52,828
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 18,334	\$ 20,063	\$	\$ 38,397
Depreciation Expense_-----	F-5	4,683	4,623		9,306
CIAC Amortization Expense_-----	F-8	(1,135)	(2,019)		(3,154)
Taxes Other Than Income_-----	F-7	2,991	3,000		5,991
Income Taxes_-----	F-7	0	0		0
Total Operating Expense		\$ 24,873	25,667		\$ 50,540
Net Operating Income (Loss)		\$ 878	\$ 1,410	\$	\$ 2,288
Other Income:					
Nonutility Income_-----		\$	\$	\$	\$ 0
Interest Income_-----					0
Collection Allowance					0
Other Deductions:					
Miscellaneous Nonutility Expenses_-----		\$	\$	\$	\$ 0
Interest Expense_-----					0
Other Amortization Exp_-----					0
Loss on Asset Disposal_-----		357	357		714
Net Income (Loss)		\$ 521	\$ 1,053	\$ 0	\$ 1,574

* Reconnection Fees \$60; Finance Charges \$324; Irrigation Fee \$200

COMPARATIVE BALANCE SHEET

WATER AND WASTEWATER

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ 399,057	\$ 400,357
Accumulated Depreciation and Amortization (108)_____	F-5,W-2,S-2	(276,497)	(267,777)
Net Utility Plant_____		\$ 122,560	\$ 132,580
Cash_____		2,159	1,691
Customer Accounts Receivable (141)_____		8,178	2,777
Other Assets (Specify):_____		0	0
Miscellaneous Deferred Debits_____		0	3,023

Total Assets_____		\$ 132,897	\$ 140,071
Liabilities and Capital:			
Common Stock Issued (201)_____	F-6	133	133
Preferred Stock Issued (204)_____	F-6		
Other Paid in Capital (211)_____		100,627	100,627
Retained Earnings (215)_____	F-6	5,281	(3,109)
Proprietary Capital (Proprietary and partnership only) (218)_____	F-6		
Total Capital_____		\$ 106,041	\$ 97,651
Long Term Debt (224)_____	F-6	\$	\$
Accounts Payable (231)_____		4,906	2,714
Notes Payable (232)_____			
Customer Deposits (235)_____			0
Accrued Taxes (236)_____			1,684
Other Liabilities_____			
Transfers_____		0	12,918
Advances for Construction_____			
Contributions in Aid of Construction - Net (271-272)_____	F-8	21,950	25,104
Total Liabilities and Capital_____		\$ 132,897	\$ 140,071

UTILITY NAME: Breeze Hill Utilities

YEAR OF REPORT
DECEMBER 31, 2002

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service -----	\$ 129,379	\$ 269,678	\$ 0	\$ 399,057
Construction Work in -----		0	0	0
Other (Specify) ----- _____ _____				
Total Utility Plant -----	\$ 129,379	\$ 269,678	\$ 0	\$ 399,057

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year -----	\$ 57,412	\$ 210,365	\$ 0	\$ 267,777
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account -----	\$ 4,683	\$ 4,623	\$ 0	\$ 9,306
Salvage -----				
Other Credits (specify) ----- _____				
Total Credits -----	\$ 4,683	\$ 4,623	\$ 0	\$ 9,306
<u>Deduct Debits During Year:</u>				
Book cost of plant retired -----	\$ (293)	\$ (293)	\$	\$ (586)
Cost of removal -----				
Other debits (specify) ----- _____				
Total Debits -----	\$ (293)	\$ (293)	\$	\$ (586)
Balance End of Year -----	\$ 61,802	\$ 214,695	\$ 0	\$ 276,497

UTILITY NAME: Breeze Hill Utilities

YEAR OF REPORT
DECEMBER 31, 2002

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share_____	1	N/A
Shares authorized_____	1,000	
Shares issued and outstanding_____	133	
Total par value of stock issued_____	133	
Dividends declared per share for year_____	0	

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year_____	\$ N/A	\$ (3,109)
Changes during the year (Specify):		
Net Profit or (Loss)		1,574
Correction for 12/31/01 CIAC Amortization		6,816
Balance end of year_____	\$	\$ 5,281

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year_____	\$ N/A	\$ N/A
Changes during the year (Specify):		
Balance end of year_____	\$	\$

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
N/A	N/A	N/A	\$ N/A
Total_____			\$ 0

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income tax _____	_____	_____	_____	_____
Taxes Other Than Income: _____	_____	_____	_____	_____
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	1,651	1,651	_____	3,302
Regulatory assessment fee _____	1,159	1,218	_____	2,377
Other (Specify) _____ Intangible Tax	131	81	_____	212
State & Federal payroll tax _____	_____	_____	_____	0
Public Service Tax _____	_____	_____	_____	0
Corporate annual report _____	50	50	_____	100
Licenses _____	_____	_____	_____	0
Total Taxes Accrued _____	\$ 2,991	\$ 3,000	\$ _____	\$ 5,991

[illegible]

UTILITY NAME: Breeze Hill Utilities

YEAR OF REPORT
DECEMBER 31, 2002

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$ 31,433	\$ 117,903	\$ 149,336
2) Add credits during year	\$	\$	\$ 0
3) Total	31,433	117,903	149,336
4) Deduct charges during the year			0
5) Balance end of year	31,433	117,903	149,336
6) Less Accumulated Amortization	(24,082)	(103,304)	(127,386)
7) Net CIAC	\$ 7,351	\$ 14,599	\$ 21,950

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
N/A		N/A	N/A	N/A
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		
N/A	N/A	\$ N/A	\$	\$
Total Credits During Year (Must agree with line # 2 above.)			\$ N/A	\$ N/A

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year	\$ (22,947)	\$ (101,285)	\$ (124,232)
Add Credits During Year:	(1,135)	(2,019)	(3,154)
Deduct Debits During Year:			
Balance End of Year (Must agree with line #6 above.)	\$ (24,082)	\$ (103,304)	\$ (127,386)

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

UTILITY NAME: Breeze Hill Utilities

YEAR OF REPORT DECEMBER 31, 2002

SCHEDULE "A"

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

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ <u>N/A</u>	<u>N/A</u> %	N/A %	<u>N/A</u> %
Preferred Stock	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Long Term Debt	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Customer Deposits	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Tax Credits - Zero Cost	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Tax Credits - Weighted Cost	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Deferred Income Taxes	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Other (Explain)	<u> </u>	<u> </u> %	<u> </u> %	<u> </u> %
Total	\$ <u>N/A</u>	<u>N/A</u> %		<u>N/A</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:	<u>N/A</u> %
Commission Order approving AFUDC rate:	<u>N/A</u>

UTILITY NAME: Breeze Hill Utilities

SCHEDULE "B"

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	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>N/A</u>
Preferred Stock	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Long Term Debt	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Customer Deposits	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Tax Credits-Zero Cost	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Tax Credits-Weighted	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cost of Capital	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Deferred Income Taxes	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other (Explain)	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	\$ <u><u>N/A</u></u>	\$ <u><u>N/A</u></u>	\$ <u><u>N/A</u></u>	\$ <u><u>N/A</u></u>	\$ <u><u>N/A</u></u>

N/A

WATER OPERATING SECTION

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_____	2,997			2,997
304	Structures and Improvements_____	5,226			5,226
305	Collecting and Impounding Reservoirs_____				
306	Lake, River and Other Intakes_____				
307	Wells and Springs_____	2,918			2,918
308	Infiltration Galleries and Tunnels_____				
309	Supply Mains_____	891			891
310	Power Generation Equipment_____	635			635
311	Pumping Equipment_____	9,735			9,735
320	Water Treatment Equipment_____	4,594			4,594
330	Distribution Reservoirs and Standpipes_____	29,159			29,159
331	Transmission and Distribution Lines_____	31,433			31,433
333	Services_____	12,579			12,579
334	Meters and Meter Installations_____	21,081			21,081
335	Hydrants_____	4,619			4,619
339	Other Plant and Miscellaneous Equipment_____	2,984			2,984
340	Office Furniture and Equipment_____	324			324
341	Transportation Equipment_____	760		650	110
342	Stores Equipment_____				
343	Tools, Shop and Garage Equipment_____	94			94
344	Laboratory Equipment_____				
345	Power Operated Equipment_____				
346	Communication Equipment_____				
347	Miscellaneous Equipment_____				
348	Other Tangible Plant_____				
	Total Water Plant_____	\$ 130,029	\$ 0	\$ 650	\$ 129,379

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	0 %	3.57 %	\$ 980	\$	\$ 187	\$ 1,167
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs	27	0 %	3.7 %	2,482		108	2,590
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains	32	0 %	3.12 %	204		28	232
310	Power Generating Equipment	17	0 %	5.88 %	131		37	168
311	Pumping Equipment	15	0 %	6.67 %	8,747		649	9,396
320	Water Treatment Equipment	17	0 %	5.88 %	4,594		0	4,594
330	Distribution Reservoirs & Standpipes	33	0 %	3.03 %	8,860		884	9,744
331	Trans. & Dist. Mains	38	0 %	2.63 %	18,752		827	19,579
333	Services	35	0 %	2.85 %	7,867		359	8,226
334	Meter & Meter Installations	17	0 %	5.88 %	1,860		1,240	3,100
335	Hydrants	40	0 %	2.5 %	2,151		115	2,266
339	Other Plant and Miscellaneous Equipment	20	0 %	5 %	369		149	518
340	Office Furniture and Equipment	15	0 %	6.67 %	71		22	93
341	Transportation Equipment	6	0 %	16.67 %	322	293	72	101
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment	15	0 %	6.67 %	22		6	28
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ 57,412	\$ 293	\$ 4,683	\$ 61,802 *

* This amount should tie to Sheet F-5.

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_____	1,578
616	Fuel for Power Production_____	_____
618	Chemicals_____	1,091
620	Materials and Supplies_____	2,848
630	Contractual Services:	
	Billing_____	631
	Professional_____	4,631
	Testing_____	625
	Other_____	3,086
640	Rents_____	_____
650	Transportation Expense_____	_____
655	Insurance Expense_____	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	804
670	Bad Debt Expense_____	_____
675	Miscellaneous Expenses_____	3,040
	Total Water Operation And Maintenance Expense_____	\$ 18,334 *
	* 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	116	116	116
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	2.5
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	_____	_____	_____
Other (Specify):			_____	_____	_____
_____			_____	_____	_____
_____			_____	_____	_____
Unmetered Customers			_____	_____	_____
Total			117	117	118.5

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Breeze Hill Utilities

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

	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)
(a)	(b)	(c)	(d)	(e)	(f)
January_____	N/A	487	N/A	487	487
February_____	N/A	540	N/A	540	540
March_____	N/A	787	N/A	787	787
April_____	N/A	718	N/A	718	718
May_____	N/A	590	N/A	590	590
June_____	N/A	425	N/A	425	425
July_____	N/A	349	N/A	349	349
August_____	N/A	325	N/A	325	325
September_____	N/A	325	N/A	325	325
October_____	N/A	325	N/A	325	325
November_____	N/A	339	N/A	339	339
December_____	N/A	387	N/A	387	387
Total for Year_____	N/A	5597	N/A	5597	5597

If water is purchased for resale, indicate the following:

Vendor_____ N/A

Point of delivery_____ N/A

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

N/A

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	6"	5000 ft	0	0	5000 ft
PVC	4"	200 ft	0	0	200 ft
PVC	2"	200 ft	0	0	200 ft
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Breeze Hill Utilities

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

WELLS AND WELL PUMPS
(If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	<u>1976</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Types of Well Construction and Casing_____	<u>Black Iron</u>			
	<u>Unknown</u>			
Depth of Wells_____	<u>Unknown</u>			
Diameters of Wells_____	<u>6"</u>			
Pump - GPM_____	<u>150</u>			
Motor - HP_____				
Motor Type *_____	<u>US</u>			
Yields of Wells in GPD_____	<u>144</u>			
Auxiliary Power_____	<u>N/A</u>			
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Capacity of Tank_____				
Ground or Elevated_____				

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer_____	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Type_____				
Rated Horsepower_____				
<u>Pumps</u>				
Manufacturer_____	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Type_____				
Capacity in GPM_____				
Average Number of Hours Operated Per Day_____				
Auxiliary Power_____				

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source_	100,000	N/A	N/A
Type of Source_	Well		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_		N/A	N/A
Make_			
Gals. per day capacity_	100,000		
High service pumping			
Gallons per minute_	150		
Reverse Osmosis_	N/A		
Lime Treatment			
Unit Rating_	N/A		
Filtration			
Pressure Sq. Ft._	60 lb		
Gravity GPD/Sq.Ft._			
Disinfection			
Chlorinator_	Chlorine		
Ozone_			
Other_			
Auxiliary Power_	N/A		

GENERAL WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

1. Present ERCs * the system can efficiently serve. ____ 146
2. Maximum number of ERCs * which can be served. ____ 731
3. Present system connection capacity (in ERC's*) using existing lines. ____ 132
4. Future connection capacity (in ERC's*) upon service area buildout. ____ 466
5. Estimated annual increase in ERCs * ____ 0
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. ____ N/A
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. ____ N/A
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 plan upgrade necessary to meet the DEP rules.
 - 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.
 - e. Is this system under any Consent Order with DEP? ____ N/A
11. Department of Environmental Protection ID# ____ FLA 011034-001-DW3P
12. Water Management District Consumptive Use Permit # ____ 53-00172-W
 - a. Is the system in compliance with the requirements of the CUP? ____ YES
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on 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

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____ 0	\$ _____	\$ _____ 0
352	Franchises_____				
353	Land and Land Rights_____	18,519	0		18,519
354	Structures and Improvements_____	1,217	0		1,217
360	Collection Sewers - Force_____	19,843	0		19,843
361	Collection Sewers - Gravity_____	98,060	0		98,060
362	Special Collecting Structures_____				
363	Services to Customers_____	15,170	0		15,170
364	Flow Measuring Devices_____		0		0
365	Flow Measuring Installations_____	68			68
370	Receiving Wells_____	17,577	0		17,577
371	Pumping Equipment_____	1,464			1,464
380	Treatment and Disposal Equipment_____	96,097			96,097
381	Plant Sewers_____				
382	Outfall Sewer Lines_____	336			336
389	Other Plant and Miscellaneous Equipment_____	548	0		548
390	Office Furniture and Equipment_____	325	0		325
391	Transportation Equipment_____	760	0	650	110
392	Stores Equipment_____				
393	Tools, Shop and Garage Equipment_____	94	0		94
394	Laboratory Equipment_____		0		0
395	Power Operated Equipment_____	250			250
396	Communication Equipment_____				
397	Miscellaneous Equipment_____				
398	Other Tangible Plant_____				
	Total Wastewater Plant_____	\$ 270,328	\$ _____ 0	\$ _____ 650	\$ 269,678 *

* This amount should tie to sheet F-5.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

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)
354	Structures and Improvements_ _ _ _ _	27	0 %	3.7 %	\$ 203	\$	\$ 45	\$ 248
360	Collection Sewers - Force_ _ _ _ _	27	0 %	3.7 %	13,411		735	14,146
361	Collection Sewers - Gravity_ _ _ _ _	40	0 %	2.5 %	74,285		2,451	76,736
362	Special Collecting Structures_ _ _ _ _		0 %					
363	Services to Customers_ _ _ _ _	35	0 %	2.9 %	9,564		433	9,997
364	Flow Measuring Devices_ _ _ _ _							
365	Flow Measuring Installations_ _ _ _ _	35	0 %	2.8 %	3		2	5
370	Receiving Wells_ _ _ _ _	25	0 %	4 %	15,885		703	16,588
371	Pumping Equipment_ _ _ _ _	18	0 %	5.56 %	122		81	203
380	Treatment and Disposal Equip_ _ _ _ _	15	0 %	6.67 %	96,097		0	96,097
381	Plant Sewers_ _ _ _ _		0 %					
382	Outfall Sewer Lines_ _ _ _ _	30	0 %	3.33 %	262		11	273
389	Other Plant and Miscellaneous Equipment_ _ _ _ _	15	0 %	6.67 %	55		37	92
390	Office Furniture and Equipment_ _ _ _ _	15	0 %	6.67 %	71		22	93
391	Transportation Equipment_ _ _ _ _	6	0 %	16.67 %	322	293	72	101
392	Stores Equipment_ _ _ _ _							
393	Tools, Shop and Garage Equipment_ _ _ _ _	15	0 %	6.67 %	22		6	28
394	Laboratory Equipment_ _ _ _ _							
395	Power Operated Equipment_ _ _ _ _	10	0 %	10 %	63		25	88
396	Communication Equipment_ _ _ _ _							
397	Miscellaneous Equipment_ _ _ _ _							
398	Other Tangible Plant_ _ _ _ _							
351	Organization Costs_ _ _ _ _							
	Totals_ _ _ _ _				\$ 210,365	\$ 293	\$ 4,623	\$ 214,695 *

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees_____	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	_____
704	Employee Pensions and Benefits_____	_____
710	Purchased Wastewater Treatment_____	_____
711	Sludge Removal Expense_____	590
715	Purchased Power_____	3,749
716	Fuel for Power Production_____	_____
718	Chemicals_____	486
720	Materials and Supplies_____	3,188
730	Contractual Services:	
732	Billing_____	271
	Professional_____	2,661
733	Testing_____	1,273
	Other_____	3,381
740	Rents_____	_____
750	Transportation Expense_____	_____
755	Insurance Expense_____	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	841
770	Bad Debt Expense_____	_____
775	Miscellaneous Expenses_____	3,623
	Total Wastewater Operation And Maintenance Expense_____	\$ 20,063 *

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers Start of Year (d)	End of Year (e)	Total Number of Meter Equivalents (c x e) (f)
Residential Service					
All meter sizes	D	1.0	_____	_____	_____
General Service					
5/8"	D	1.0	116	116	116
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	1	1	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		
			117	117	118.5

PUMPING EQUIPMENT

Lift Station Number_____	2	N/A	N/A	N/A	N/A	N/A
Make or Type and nameplate data on pump_____	2					
Teel 1 HP Sewage						
Year installed_____	1999					
Rated capacity_____	80GPM					
Size_____	3"					
Power:						
Electric_____	230V					
Mechanical_____	546					
Nameplate data of motor_____	Teel					

SERVICE CONNECTIONS

Size (inches)_____	4"	N/A	N/A	N/A	N/A	N/A
Type (PVC, VCP, etc.)_____	PVC					
Average length_____	30 ft					
Number of active service connections_____	117					
Beginning of year_____	117					
Added during year_____	0					
Retired during year_____	0					
End of year_____	117					
Give full particulars concerning inactive connections_____	N/A					

COLLECTING AND FORCE MAINS

	Collecting Mains					Force Mains		
Size (inches)_____	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Type of main_____								
Length of main (nearest foot)_____								
Beginning of year_____								
Added during year_____								
Retired during year_____								
End of year_____								

MANHOLES

Size (inches)_____	48	N/A	N/A	N/A
Type of Manhole_____	Concrete			
Number of Manholes:				
Beginning of year_____	20			
Added during year_____	0			
Retired during year_____	0			
End of Year_____	20			

UTILITY NAME: Breeze Hill Utilities

SYSTEM NAME: _____

YEAR OF REPORT DECEMBER 31, 2002

TREATMENT PLANT

Manufacturer_____	Unknown_____	N/A_____	N/A_____
Type_____	Ex Aeration_____	_____	_____
"Steel" or "Concrete"_____	Concrete_____	_____	_____
Total Permitted Capacity_____	40,000_____	_____	_____
Average Daily Flow_____	9,000_____	_____	_____
Method of Effluent Disposal_____	Percolation Ponds_____	_____	_____
Permitted Capacity of Disposal_____	40,000 per day_____	_____	_____
Total Gallons of Wastewater treated_____	5,770,000_____	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer_____	Teel_____	2_____	N/A_____	N/A_____	N/A_____
Capacity (GPM's)_____	80_____	2_____	_____	_____	_____
Motor:					
Manufacturer_____	Teel_____	2_____	_____	_____	_____
Horsepower_____	1 hp_____	2_____	_____	_____	_____
Power (Electric or Mechanical)_____	230 v Electric_____	2_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	310,000_____	N/A_____	310,000_____
February_____	280,000_____	N/A_____	280,000_____
March_____	310,000_____	N/A_____	310,000_____
April_____	240,000_____	N/A_____	240,000_____
May_____	186,000_____	N/A_____	186,000_____
June_____	510,000_____	N/A_____	510,000_____
July_____	961,000_____	N/A_____	961,000_____
August_____	651,000_____	N/A_____	651,000_____
September_____	690,000_____	N/A_____	690,000_____
October_____	403,000_____	N/A_____	403,000_____
November_____	330,000_____	N/A_____	330,000_____
December_____	899,000_____	N/A_____	899,000_____
Total for year_____	5,770,000_____	N/A_____	5,770,000_____

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Breeze Hill Utilities

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs * now being served 71
2. Maximum number of ERCs * which can be served. 143
3. Present system connection capacity (in ERC's*) using existing lines. 143
4. Future connection capacity (in ERC's*) upon service area buildout 132
5. Estimated annual increase in ERCs * 3
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system. N/A
7. If the utility uses reuse as a means of effluent disposal, provide a list of the reuse end users and the amount of reuse provided to each, if known.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? No
If so, when? _____
9. Has the utility been required by the DEP or water management district to implement reuse? No
If so, what are the utility's plans to comply with this requirement? N/A
10. When did the company last file a capacity analysis report with the DEP? October 2001
11. If 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? 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? N/A
12. Department of Environmental Protection ID # FLA 0111034-001-DW3P

- * 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:
$$\text{ERC} = \frac{\text{Total SFR gallons sold (omit 000/365 days/280 gallons per day)}}{365}$$

CERTIFICATION OF ANNUAL REPORT

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

- | | | | |
|---|--------------------------------|----|--|
| YES
<input checked="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="checked" type="checkbox"/> | NO
<input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="checked" type="checkbox"/> | NO
<input type="checkbox"/> | 3. | There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input checked="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

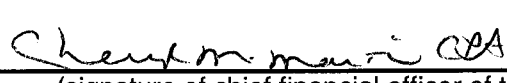
- | | | | |
|--|--|--|--|
| 1.
<input checked="checked" type="checkbox"/> | 2.
<input checked="checked" type="checkbox"/> | 3.
<input checked="checked" type="checkbox"/> | 4.
<input checked="checked" type="checkbox"/> |
|--|--|--|--|

 4/29/03 *

(signature of chief executive officer of the utility)

Date: _____

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

 CPA *

(signature of chief financial officer of the utility)

Date: 4-29-03

* 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.