

OFFICIAL COPY
DIVISION OF
ECONOMIC REGULATION
CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU383-03-AR

Neighborhood Utilities, Inc.

200 North Laura Street - 10th Floor

Jacksonville, FL 32202-3517

300 W. Adams St.
STE. 540

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2003

DIVISION OF
ECONOMIC REGULATION

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COMMISSION

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FINANCIAL SECTION

REPORT OF

NEIGHBORHOOD UTILITIES, INC.

(EXACT NAME OF UTILITY)

300 W. Adams St. Ste. 540 Jacksonville FL 32202 Mailing Address	300 W. Adams St. Ste. 540 Jacksonville FL 32202 Street Address	County
Telephone Number 904/350-9824	Date Utility First Organized 9/28/1984	
Fax Number 904/356-1520	E-mail Address N/A	

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: Neighborhood Utilities, Inc., 300 W. Adams St. Ste. 540, Jacksonville, FL 32202 904/350-9824

Name of subdivisions where services are provided: Victoria Forest Unit I & II, Timber Creek Unit I, Clayton Communities Estate 572

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>W. Larry O'Steen</u>	<u>President</u>	<u>300 W. Adams St. Ste. 540 Jacksonville FL 32202</u>	\$40
Person who prepared this report: <u>W. Larry O'Steen</u>	<u>President</u>	<u>300 W. Adams St. Ste. 540 Jacksonville FL 32202</u>	540
Officers and Managers: <u>W. Larry O'Steen</u> <u>Dorothy O'Steen</u>	<u>President</u> <u>Vice President</u>	<u>300 W. Adams St. Ste. 540 Jacksonville FL 32202</u>	\$ \$ \$ \$ \$

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>W. Larry O'Steen</u>	<u>100%</u>	<u>300 W. Adams St. Ste. 540 Jacksonville FL 32202</u>	\$40
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
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INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 60,123	\$ _____	\$ _____	\$ 60,123
Commercial_____		410	_____	_____	410
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____		373	_____	_____	373
Total Gross Revenue_____		\$ 60,906	\$ _____	\$ _____	\$ 60,906
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 61,190	\$ _____	\$ _____	\$ 61,190
Depreciation Expense_____	F-5	12,236	_____	_____	12,236
CIAC Amortization Expense_____	F-8	(23,440)	_____	_____	(23,440)
Taxes Other Than Income_____	F-7	13,471	_____	_____	13,471
Income Taxes_____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 63,457	_____	_____	\$ 63,457
Net Operating Income (Loss)		\$ (2,551)	\$ _____	\$ _____	\$ (2,551)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
Accts. Payable Adjustment		2,749	_____	_____	2,749
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_____		5,383	_____	_____	5,383
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (5,185)	\$ _____	\$ _____	\$ (5,185)

UTILITY NAME: Neighborhood Utilities, Inc.

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COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ 485,758	\$ 485,745
Accumulated Depreciation and Amortization (108)_____	F-5,W-2,S-2	(299,441)	(287,115)
Net Utility Plant_____		\$ 186,317	\$ 198,630
Cash_____		(2,774)	1008
Customer Accounts Receivable (141)_____			
Other Assets (Specify):_____		560	560

Total Assets_____		\$ 184,103	\$ 200,198
Liabilities and Capital:			
Common Stock Issued (201)_____	F-6	200	200
Preferred Stock Issued (204)_____	F-6		
Other Paid in Capital (211)_____		19,800	19,800
Retained Earnings (215)_____	F-6	(340,496)	(335,311)
Proprietary Capital (Proprietary and partnership only) (218)_____	F-6		
Total Capital_____		\$ (320,496)	\$ (315,311)
Long Term Debt (224)_____	F-6	\$	\$
Accounts Payable (231)_____		40,754	31,981
Notes Payable (232)_____		102,457	101,128
Customer Deposits (235)_____		6,553	6,870
Accrued Taxes (236)_____		81,497	79,262
Other Liabilities (Specify)_____			

Advances for Construction_____			
Contributions in Aid of Construction - Net (271-272)_____	F-8	273,338	296,268
Total Liabilities and Capital_____		\$ 184,103	\$ 200,198

UTILITY NAME: Neighborhood Utilities, Inc.

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GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ 485,758	\$ _____	\$ _____	\$ 485,758
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 485,758	\$ _____	\$ _____	\$ 485,758

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 287,115	\$ _____	\$ _____	\$ 287,115
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 13,102	\$ _____	\$ _____	\$ 13,102
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
<u>Total Credits</u> _____	\$ 13,102	\$ _____	\$ _____	\$ 13,102
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ 90	\$ _____	\$ _____	\$ 90
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	686	_____	_____	686
<u>Total Debits</u> _____	\$ 776	\$ _____	\$ _____	\$ 776
Balance End of Year _____	\$ 299,441	\$ _____	\$ _____	\$ 299,441

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2003

CAPITAL STOCK (201 - 204)

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

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ _____	\$ (335,311)
Changes during the year (Specify):		
Net Income/Loss _____	_____	(5,185)
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ (340,496)

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: Neighborhood Utilities, Inc.

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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 _____	9,934	_____	_____	9,934
Regulatory assessment fee _____	2,749	_____	_____	2,749
Other (Specify) _____	_____	_____	_____	_____
Occupational License Fee _____	788	_____	_____	788
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ 13,471	\$ _____	\$ _____	\$ 13,471

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
Judith W. Stone	\$ 4,458	\$ _____	Office Mgmt/Billing
Pumping Solutions, Inc.	\$ 5,700	\$ _____	Plant Operation
W. Larry O'Steen	\$ 3,960	\$ _____	Generator Lease
W. Larry O'Steen	\$ 15,000	\$ _____	Management Fee
C.R. Wintz, CPA	\$ 1,138	\$ _____	Accounting Fee
J. Lucas & Associates	\$ 365	\$ _____	Engineering Fees
Frederick R. Brock, Esq.	\$ 648	\$ _____	Legal Fees
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Neighborhood Utilities, Inc.

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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ 585,500	\$ _____	\$ 585,500
2) Add credits during year_____	\$ 510	\$ _____	\$ 510
3) Total_____	586,010	_____	586,610
4) Deduct charges during the year_____	586,010	_____	586,610
5) Balance end of year_____	312,672	_____	312,672
6) Less Accumulated Amortization_____	_____	_____	_____
7) Net CIAC_____	\$ 273,338	\$ _____	\$ 273,338

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		
Meter Install	1	\$ 90.00	\$ 90	\$ _____
Plant Capacity	1	420.00	420	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ 510	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year_____	\$ 289,232	\$ _____	\$ 289,232
Add Debits During Year:_____	23,440	_____	23,440
Deduct Credits During Year:_____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ 312,672	\$ _____	\$ 312,672

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

UTILITY NAME: Neighborhood Utilities, Inc.

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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> </u> %	<u> </u> %	<u> </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> %	0.00 %	<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> </u>	<u>100.00</u> %		<u> </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:

**WATER
OPERATING
SECTION**

UTILITY NAME: Neighborhood Utilites, Inc.

YEAR OF REPORT
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WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises_____	243	_____	_____	243
303	Land and Land Rights_____	1,000	_____	_____	1,000
304	Structures and Improvements_____	6,922	_____	_____	6,922
305	Collecting and Impounding Reservoirs_____	96,940	_____	_____	96,940
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	37,693	_____	_____	37,693
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	_____	_____	_____	_____
310	Power Generation Equipment_____	_____	_____	_____	_____
311	Pumping Equipment_____	54,498	_____	_____	54,498
320	Water Treatment Equipment_____	23,225	_____	_____	23,225
330	Distribution Reservoirs and Standpipes_____	_____	_____	_____	_____
331	Transmission and Distribution Lines_____	183,199	_____	_____	183,199
333	Services_____	14,312	_____	_____	14,312
334	Meters and Meter Installations_____	27,329	103	90	27,342
335	Hydrants_____	26,463	_____	_____	26,463
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	13,921	_____	_____	13,921
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_____	\$ 485,745	\$ _____	\$ _____	\$ 485,758

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
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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	%	3.54 %	\$ 5,002	\$	\$ 245	\$ 5,247
305	Collecting and Impounding Reservoirs	28	%	3.57 %	58,919		3,461	62,380
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	4.70 %	26,232		1,772	28,004
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%					
311	Pumping Equipment	15	%	6.67 %	54,338		160	54,498
320	Water Treatment Equipment	17	%	5.88 %	23,225			23,225
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains	38	%	2.63 %	73,318		4,818	78,136
333	Services	28	%	2.63 %	7,028		376	7,404
334	Meter & Meter Installations	17	%	5.88 %	14,371	90	1,608	15,889
335	Hydrants	40	%	2.50 %	10,075		662	10,737
336	Backflow Prevention Devices		%					
339	Other Plant and Miscellaneous Equipment	15	%	6.70 %	14,607	686		13,921
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				\$ 287,115	\$ 776	\$ 13,102	\$ 299,441 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Neighborhood Utilities, Inc.

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WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	15,000
604	Employee Pensions and Benefits_____	_____
610	Purchased Water_____	_____
615	Purchased Power_____	3,124
616	Fuel for Power Production_____	_____
618	Chemicals_____	1,407
620	Materials and Supplies_____	1,592
630	Contractual Services:	
	Billing_____	4,458
	Professional_____	2,188
	Testing_____	3,483
	Other_____	21,003
640	Rents_____	3,476
650	Transportation Expense_____	_____
655	Insurance Expense_____	4,931
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
670	Bad Debt Expense_____	244
675	Miscellaneous Expenses_____	284
	Total Water Operation And Maintenance Expense_____	\$ 61,190 *

* This amount should tie to Sheet F-3.

WATER 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					
5/8"	D	1.0	320	321	321
3/4"	D	1.5	1	1	2.5
1"	D	2.5	2	2	10
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)					
Total			323	324	333.5

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Neighborhood Utilities, Inc.

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SYSTEM NAME: Neighborhood Utilities, Inc.

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_____	_____	2.157	_____	2.157	_____
February_____	_____	1.693	_____	1.693	_____
March_____	_____	1.954	_____	1.954	5.526
April_____	_____	2.120	_____	2.120	_____
May_____	_____	2.623	_____	2.623	_____
June_____	_____	1.914	_____	1.914	6.575
July_____	_____	2.020	_____	2.020	_____
August_____	_____	1.988	_____	1.988	_____
September_____	_____	2.205	_____	2.205	5.974
October_____	_____	2.079	_____	2.079	_____
November_____	_____	1.892	_____	1.892	_____
December_____	_____	1.943	_____	1.943	5.716
Total for Year_____	_____	24.588	_____	24.588	23.791

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	10"	280'	_____	_____	280'
PVC	8"	11,450'	_____	_____	11,450'
PVC	6"	1,300'	_____	_____	1,300'
PVC	4"	1,460'	_____	_____	1,460'
PVC	2"	2,910'	_____	_____	2,910'
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
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SYSTEM NAME: Neighborhood Utilities, Inc.

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1982</u>	<u>1986</u>	_____	_____
Types of Well Construction and Casing _____	<u>Drilled/Casings</u>	<u>Blk Steel</u>	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	<u>600'</u>	<u>1,000'</u>	_____	_____
Diameters of Wells _____	<u>4 x 3</u>	<u>12 x 8</u>	_____	_____
Pump - GPM _____	<u>90</u>	<u>350</u>	_____	_____
Motor - HP _____	<u>5</u>	<u>10</u>	_____	_____
Motor Type * _____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Yields of Wells in GPD _____	<u>140,000</u>	<u>540,000</u>	_____	_____
Auxiliary Power _____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>Pneumatic</u>	<u>Steel</u>	<u>Steel</u>	_____
Capacity of Tank _____	<u>2,000 gals.</u>	<u>20,000 gals.</u>	<u>40,000 gals.</u>	_____
Ground or Elevated _____	<u>Ground</u>	<u>Ground</u>	<u>Ground</u>	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer _____	<u>Marathon</u>	<u>Peerless</u>	<u>Peerless</u>	_____
Type _____	<u>3-Phase</u>	<u>3-Phase</u>	<u>3-Phase</u>	_____
Rated Horsepower _____	<u>10 hp</u>	<u>15 hp</u>	<u>20 hp</u>	_____
<u>Pumps</u>				
Manufacturer _____	<u>Marathon</u>	<u>Peerless</u>	<u>Peerless</u>	_____
Type _____	<u>Series C</u>	<u>Series C</u>	<u>Series C</u>	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	<u>60KW Gen</u>	<u>60KW Gen</u>	<u>60KW Gen</u>	_____

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
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SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	140,000	540,000	
Type of Source_____	Well#1	Well#2	

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	Steel Ground Storage	Steel Ground Storage	
Make_____	w/Aerator	w/Aerator	
Permitted Capacity (GPD)___	Custom Built	Custom Built	
High service pumping	130,000	240,000	
Gallons per minute_____	Flow Meter	Flow Meter	
Reverse Osmosis_____	100	500	
Lime Treatment			
Unit Rating_____			
Filtration			
Pressure Sq. Ft._____			
Gravity GPD/Sq.Ft._____			
Disinfection			
Chlorinator_____	Yes	Yes	
Ozone_____	No	No	
Other_____	No	No	
Auxiliary Power_____	60KW Diesel Gen	60KW Diesel Gen	

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
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SYSTEM NAME: Neighborhood Utilities, Inc.

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. 686
2. Maximum number of ERCs * which can be served. 1,057
3. Present system connection capacity (in ERCs *) using existing lines. 686
4. Future connection capacity (in ERCs *) upon service area buildout. 371
5. Estimated annual increase in ERCs *. 70
6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? 500 GPM
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
Increase pumping and/or tank capacity in 2004/2005.
9. When did the company last file a capacity analysis report with the DEP? _____
10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # _____
12. Water Management District Consumptive Use Permit # _____
 - 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

DOES NOT APPLY

NEIGHBORHOOD UTILITIES, INC. - Water Only Utility

UTILITY NAME: Neighborhood Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2003

CERTIFICATION OF ANNUAL REPORT

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

YES ☒ NO ☐

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

YES ☒ NO ☐

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

YES ☒ NO ☐

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

YES ☒ NO ☐

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

Items Certified

1. ☒ 2. ☒ 3. ☒ 4. ☒

(signature of chief executive officer of the utility) *

Date:

4-29-04

1. ☐ 2. ☐ 3. ☐ 4. ☐

(signature of chief financial officer of the utility) *

Date:

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.