

OFFICIAL COPY
BUREAU OF
WATER AND WASTEWATER UTILITIES

CLASS "C"
WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS728-03-AR
Shangri-La by the Lake Utilities, Inc.
1214 West Route 72
Leaf River, IL 61047

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2003

RECEIVED
DIVISION OF
ECONOMIC REGULATION

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FLORIDA PUBLIC SERVICE
COMMISSION

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

Company: SHANGRI-LA BY THE LAKE UTILITIES, INC.

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	\$ 27,689	\$ 27,689	\$
Commercial			
Industrial			
Multiple Family			
Guaranteed Revenues			
Other			
Total Water Operating Revenue	\$ 27,689	\$ 27,689	\$
LESS: Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenues	\$ 27,689	\$ 27,689	\$

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).

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

Company: SHANGRI-LA BY THE LAKE UTILITIES, INC.

For the Year Ended December 31, 2003

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. F-3	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 27,689	\$ 27,689	\$
Commercial			
Industrial			
Multiple Family			
Guaranteed Revenues			
Other			
Total Wastewater Operating Revenue	\$ 27,689	\$ 27,689	\$
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility			
Net Wastewater Operating Revenues	\$ 27,689	\$ 27,689	\$

Explanations:

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).

TABLE OF CONTENTS

FINANCIAL SECTION	PAGE
Identification	F-2
Income Statement	F-3
Balance Sheet	F-4
Net Utility Plant	F-5
Accumulated Depreciation and Amortization of Utility Plant	F-5
Capital Stock	F-6
Retained Earnings	F-6
Proprietary Capital	F-6
Long Term Debt	F-6
Taxes Accrued	F-7
Payment for Services Rendered by Other Than Employees	F-7
Contributions in Aid of Construction	F-8
Cost of Capital Used for AFUDC Calculation	F-9
AFUDC Capital Structure Adjustments	F-10
WATER OPERATING SECTION	PAGE
Water Utility Plant Accounts	W-1
Analysis of Accumulated Depreciation by Primary Account - Water	W-2
Water Operation and Maintenance Expense	W-3
Water Customers	W-3
Pumping and Purchased Water Statistics and Mains	W-4
Wells and Well Pumps, Reservoirs, and High Service Pumping	W-5
Sources of Supply and Water Treatment Facilities	W-6
General Water System Information	W-7
WASTEWATER OPERATING SECTION	PAGE
Wastewater Utility Plant Accounts	S-1
Analysis of Accumulated Depreciation by Primary Account - Wastewater	S-2
Wastewater Operation and Maintenance Expense	S-3
Wastewater Customers	S-3
Pumping Equipment, Collecting and Force Mains and Manholes	S-4
Treatment Plant, Pumps and Pumping Wastewater Statistics	S-5
General Wastewater System Information	S-6
VERIFICATION SECTION	PAGE
Verification	V-1

FINANCIAL SECTION

REPORT OF

SHANGRI LA BY THE LAKE UTILITIES, INC.

(EXACT NAME OF UTILITY)

1214 West Route 72	100 Shangri-La Blvd.
Leaf River, IL 61047	Leesburg, FL 34788
Mailing Address	Street Address County
Telephone Number (815) 738-2508	Date Utility First Organized 1/1/94
Fax Number (815) 738-2508	E-mail Address jay-laura@juno.com
Sunshine State One-Call of Florida, Inc. Member No.	680

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: 1214 West Route 72
Leaf River, IL 61047

Name of subdivisions where services are provided: Werner & Werner, Inc. d/b/a
Shangri-La By The Lake

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: Jay E. Werner	Business Manager	1214 W Route 72 Leaf River, IL 61047	
Person who prepared this report: Biggs, Hausserman, Thompson & Dickinson PC	CPA Firm	356 E Main St POB 60 Saranac, MI 48881	
Officers and Managers: Jay Werner	Business Manager	Leaf River, IL 61047	\$ None
Andrew Werner	Operations Manager	Leesburg, FL 34788	\$ None
			\$
			\$
			\$
			\$

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
Mertis L Werner Trust	50%	Sparta, MI	\$ None
Estate of William E Werner	50%	Sparta, MI	\$ None
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 27,689	\$ 27,689	\$ _____	\$ 55,378
Commercial_____		_____	_____	_____	_____
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____		_____	_____	_____	_____
Total Gross Revenue_____		\$ 27,689	\$ 27,689	\$ _____	\$ 55,378
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	25,628	28,726		54,354
		\$ _____	\$ _____	\$ _____	\$ _____
Depreciation Expense_____	F-5	3,386	10,108		13,494
CIAC Amortization Expense_____	F-8	_____	_____	_____	_____
Taxes Other Than Income_____	F-7	1,528	1,527		3,055
Income Taxes_____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 30,542	40,361		\$ 70,903
Net Operating Income (Loss)		\$ (2,853)	\$ (12,672)	\$ _____	\$ (15,525)
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ 12,056	\$ 21,137	\$ _____	\$ 33,193
Interest Expense_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (14,909)	\$ (33,809)	\$ _____	\$ (48,718)

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, 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	\$389,342	\$ 389,342
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	94,914	81,419
Net Utility Plant _____		\$294,428	\$ 307,923
Cash _____		1,505	6,237
Customer Accounts Receivable (141) _____			
Other Assets (Specify): _____			
<u>Note Receivable - Officer</u>		1,394	
<u>Deposit</u>		352	

Total Assets _____		\$297,679	\$ 314,160
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	100	100
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____			
Retained Earnings (215) _____	F-6	(280,134)	(231,416)
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		\$(180,034)	\$(231,316)
Long Term Debt (224) _____	F-6	\$ 379,387	\$ 379,387
Accounts Payable (231) _____			
Notes Payable (232) _____		1,273	2,229
Customer Deposits (235) _____			
Accrued Taxes (236) _____			
Other Liabilities (Specify) _____			
<u>Accrued Interest</u>		197,053	163,860

Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8		
Total Liabilities and Capital _____		\$ 297,679	\$ 314,160

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, 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)	\$ 153,292	\$ 236,045	\$	\$ 389,342
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 153,292	\$ 236,045	\$	\$ 389,342

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ 17,485	\$ 63,934	\$	\$ 81,419
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 3,386	\$ 10,109	\$	\$ 13,495
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ 20,871	\$ 74,043	\$	\$ 94,914
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$	\$	\$	\$
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$	\$	\$	\$
Balance End of Year _____	\$ 20,871	\$ 74,043	\$	\$ 94,914

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

CAPITAL STOCK (201 - 204)

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

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ 231,416)	\$ _____
Changes during the year (Specify):		
Net loss _____	(48,718)	
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ 280,134)	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ n/a	\$ _____
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	
Note payable _____	6.00%	360	\$ 379,387
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ 379,387

YEAR OF REPORT
DECEMBER 31, 2003

(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_____	_____	_____	_____	_____
Regulatory assessment fee_____	1246.41	1246.41	_____	2492.82
Other (Specify)_____	_____	_____	_____	_____
P/R Taxes_____	165	164	_____	329
Total Tax Expense_____	\$ 1411.41	\$ 1410.41	\$ _____	\$ 2821.82

[illegible]

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ <u>n/a</u>	\$ <u>n/a</u>	\$ _____
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	_____	_____	_____
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	_____	_____	_____
6) Less Accumulated Amortization _____	_____	_____	_____
7) Net CIAC _____	\$ _____	\$ _____	\$ _____

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
_____		_____	<u>n/a</u>	<u>n/a</u>
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
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 _____	\$ <u>n/a</u>	\$ <u>n/a</u>	\$ _____
Add Debits During Year: _____	_____	_____	_____
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ _____	\$ _____	\$ _____

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

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31 2003

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:

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted	_____	_____	_____	_____	_____
Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

[illegible]

WATER OPERATING SECTION

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, 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_____	_____	_____	_____	_____
304	Structures and Improvements_____	5,000	_____	_____	5,000
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	36,412	_____	_____	36,412
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	_____	_____	_____	_____
310	Power Generation Equipment_____	_____	_____	_____	_____
311	Pumping Equipment_____	20,178	_____	_____	20,178
320	Water Treatment Equipment_____	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes_____	_____	_____	_____	_____
331	Transmission and Distribution Lines_____	67,000	_____	_____	67,000
333	Services_____	_____	_____	_____	_____
334	Meters and Meter Installations_____	23,523	_____	_____	23,523
335	Hydrants_____	_____	_____	_____	_____
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	1,184	_____	_____	1,184
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_____	\$ 153,297	\$ _____	\$ _____	\$ 153,297

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		%		\$ 350	\$	\$ 100	\$ 450
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs		%		3569		728	4297
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%					
311	Pumping Equipment		%		2673		473	3146
320	Water Treatment Equipment		%					
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains		%		8710		1340	10,050
333	Services		%					
334	Meter & Meter Installations		%		1775		576	2351
335	Hydrants		%					
336	Backflow Prevention Devices		%					
339	Other Plant and Miscellaneous Equipment		%		408		169	577
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				\$ 17,485	\$	\$ 3,386	\$ 20,871*

* This amount should tie to Sheet F-5.

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 2400
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	
610	Purchased Water	
615	Purchased Power	
616	Fuel for Power Production	2576
618	Chemicals	
620	Materials and Supplies	4013
630	Contractual Services:	
	Billing	
	Professional	2495
	Testing	
	Other	11,152
640	Rents	
650	Transportation Expense	
655	Insurance Expense	
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	
675	Miscellaneous Expenses	3042
	Total Water Operation And Maintenance Expense	\$ 25,628 *
	* 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	137	146	146
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0	0	2	2
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			0	0	0
Other (Specify)					
Total			137	148	148
** D = Displacement C = Compound T = Turbine					

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

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_____	473			473	318
February_____	485			485	396
March_____	603			603	564
April_____	753			753	409
May_____	976			976	594
June_____	529			529	1,076
July_____	464			464	408
August_____	357			357	326
September_____	538			538	391
October_____	513			513	338
November_____	650			650	379
December_____	489			489	814
Total for Year_____	6,830			6,830	6,013

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	unknown	unknown			unknown
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1982			
Types of Well Construction and Casing _____	submersible			
Depth of Wells _____	350'			
Diameters of Wells _____	6"			
Pump - GPM _____	225			
Motor - HP _____	10			
Motor Type * _____	Ground FOS			
Yields of Wells in GPD _____	388,800			
Auxiliary Power _____	none			

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	steel	concrete		
Capacity of Tank _____	3000	15000		
Ground or Elevated _____	Ground	Ground		

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	Baldor			
Type _____	JMM3219			
Rated Horsepower _____	75			
Pumps				
Manufacturer _____	Goulds			
Type _____	3656			
Capacity in GPM _____	125			
Average Number of Hours Operated Per Day _____	unknown			
Auxiliary Power _____	none			

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	<u>43,589</u>	_____	_____
Type of Source_____	<u>ground</u>	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	<u>Aeration</u>	_____	_____
Make_____	<u>Job</u>	_____	_____
Permitted Capacity (GPD)_____	<u>43,589</u>	_____	_____
High service pumping	_____	_____	_____
Gallons per minute_____	<u>125</u>	_____	_____
Reverse Osmosis_____	<u>none</u>	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_____	<u>none</u>	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._____	<u>no</u>	_____	_____
Gravity GPD/Sq.Ft._____	<u>no</u>	_____	_____
Disinfection	_____	_____	_____
Chlorinator_____	<u>yes</u>	_____	_____
Ozone_____	<u>no</u>	_____	_____
Other_____	<u>no</u>	_____	_____
Auxiliary Power_____	<u>none</u>	_____	_____

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

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. 393
2. Maximum number of ERCs * which can be served. 393
3. Present system connection capacity (in ERCs *) using existing lines. 393
4. Future connection capacity (in ERCs *) upon service area buildout. 393
5. Estimated annual increase in ERCs *. unknown
6. Is the utility required to have fire flow capacity? no
If so, how much capacity is required? _____
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
There are 76 lots that could be hooked up for service
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:
 - 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 # WC 35-2031 April 21, 1989
12. Water Management District Consumptive Use Permit # 6781
 - 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

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

<p>YEAR OF REPORT DECEMBER 31, 2003</p>

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	_____	_____	_____	_____
354	Structures and Improvements_____	_____	_____	_____	_____
355	Power Generation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	_____	_____	_____	_____
361	Collection Sewers - Gravity_____	164,000	_____	_____	164,000
362	Special Collecting Structures_____	_____	_____	_____	_____
363	Services to Customers_____	_____	_____	_____	_____
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____	_____
371	Pumping Equipment_____	26,000	_____	_____	26,000
380	Treatment and Disposal Equipment_____	26,000	_____	_____	26,000
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	1,183	_____	_____	1,183
390	Office Furniture and Equipment_____	1,500	_____	_____	1,500
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	17,362	_____	_____	17,362
	Total Wastewater Plant_____	\$ 236,045	\$ _____	\$ _____	\$ 236,045 *

* This amount should tie to sheet F-5.

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

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		%	%	\$	\$	\$	\$
355	Power Generation Equipment		%	%				
360	Collection Sewers - Force		%	%				
361	Collection Sewers - Gravity		%	%	44,416		6,834	51,250
362	Special Collecting Structures		%	%				
363	Services to Customers		%	%				
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%				
371	Pumping Equipment		%	%	7,041		1,084	8,125
380	Treatment and Disposal Equipment		%	%	7,041		1,084	8,125
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%	408		169	577
390	Office Furniture and Equipment		%	%	607		214	821
391	Transportation Equipment		%	%				
392	Stores Equipment		%	%				
393	Tools, Shop and Garage Equipment		%	%				
394	Laboratory Equipment		%	%				
395	Power Operated Equipment		%	%				
396	Communication Equipment		%	%				
397	Miscellaneous Equipment		%	%	4,422		723	5,145
398	Other Tangible Plant		%	%				
	Totals				\$ 63,935	\$	\$ 10,108	\$ 74,043 *

* This amount should tie to Sheet F-5.

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.YEAR OF REPORT
DECEMBER 31, 2003

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 2,400
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	743
715	Purchased Power	
716	Fuel for Power Production	2,576
718	Chemicals	
720	Materials and Supplies	8,318
730	Contractual Services:	
	Billing	
	Professional	2,445
	Testing	
	Other	7,410
740	Rents	
750	Transportation Expense	
755	Insurance Expense	
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	
770	Bad Debt Expense	
775	Miscellaneous Expenses	4,834
	Total Wastewater Operation And Maintenance Expense	28,726
	* This amount should tie to Sheet F-3.	

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers at Start of Year (d)	Number of Active Customers at End of Year (e)	Number of Equivalents (c x e) (f)
Residential Service	D	1.0	131	141	141
All meter sizes					
General Service	D D D D,T D,C,T D C T	1.0			
5/8"		1.5			
3/4"		2.5			
1"		5.0			
1 1/2"		8.0			
2"		15.0			
3"		16.0			
3"		17.5			
Unmetered Customers			0	0	0
Other (Specify)					
Total			131	141	141

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

PUMPING EQUIPMENT

Lift Station Number	1	2				
Make or Type and nameplate data on pump	unknown	unknown				
Year installed	1983	1983				
Rated capacity						
Size	2H	2H				
Power:						
Electric	yes	yes				
Mechanical	No					
Nameplate data of motor	unknown	unknown				

SERVICE CONNECTIONS

Size (inches)	3					
Type (PVC, VCP, etc.)	PVC					
Average length	unknown					
Number of active service connections	131					
Beginning of year	131					
Added during year	0					
Retired during year	0					
End of year	131					
Give full particulars concerning inactive connections	n/a					

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches)	4				4			
Type of main	unknown				unknown			
Length of main (nearest foot)	unknown				unknown			
Beginning of year	unknown				unknown			
Added during year	0				0			
Retired during year	0				0			
End of year	unknown				unknown			

MANHOLES

Size (inches)	48			
Type of Manhole	concrete			
Number of Manholes:				
Beginning of year	5			
Added during year	0			
Retired during year	0			
End of Year	5			

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

SYSTEM NAME: _____

YEAR OF REPORT
DECEMBER 31 2003

TREATMENT PLANT

Manufacturer_____	General Environmental		
Type_____	EG. Inc. Mod 75		
"Steel" or "Concrete"_____	Biochemical Oxygen Demand		
Total Permitted Capacity_____	Steel		
Average Daily Flow_____	50,000 GPD		
Method of Effluent Disposal_____	6000 GPD		
Permitted Capacity of Disposal_____	Sprayfield & Perkalation		
Total Gallons of	Pond		
Wastewater treated_____	<10,000 day		

MASTER LIFT STATION PUMPS

Manufacturer_____	unknown	unknown				
Capacity (GPM's)_____	unknown	unknown				
Motor:						
Manufacturer_____	unknown	unknown				
Horsepower_____	2	2				
Power (Electric or						
Mechanical)_____	electric	electric				

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January_____	124,000		124,000
February_____	73,000		73,000
March_____	23,000		23,000
April_____	316,000		316,000
May_____	229,000		229,000
June_____	291,000		291,000
July_____	275,000		275,000
August_____	259,000		259,000
September_____	207,000		207,000
October_____	235,000		235,000
November_____	257,000		257,000
December_____	307,000		307,000
Total for year_____	2,596,000		2,596,000

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: SHANGRI-LA BY THE LAKE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 2003

SYSTEM NAME: _____

GENERAL 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. 139
2. Maximum number of ERCs* which can be served. 1000
3. Present system connection capacity (in ERCs*) using existing lines. 1000
4. Future connection capacity (in ERCs*) upon service area buildout. 1000
5. Estimated annual increase in ERCs*. unknown
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
There are 76 lots for future expansion
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? _____
10. When did the company last file a capacity analysis report with the DEP? February 1996
11. 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? _____
12. Department of Environmental Protection ID # FLA010521

- * 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/280 gallons per day).

UTILITY NAME: SHANGRI-LA BY THE LAKE 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.

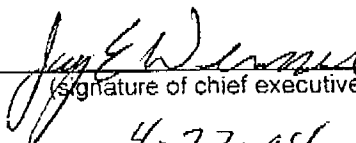
YES ☒ NO ☐

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:

4-22-04

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.