

**CLASS "C"**  
**WATER AND/OR WASTEWATER UTILITIES**

(Gross Revenue of Less Than \$150,000 Each)

# ANNUAL REPORT

WS800  
Cypress Lakes Utilities, Inc.  
Utilities, Inc. Of Florida  
2335 Sanders Road  
Northbrook, Illinois 60062-6196

OFFICIAL COPY  
DIVISION OF  
WATER AND SEWER  
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592-W 509-S

Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**



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MAY - 6 1999

Florida Public Service Commission  
Division of Water and Wastewater

**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 1998**

## General Instructions

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Sewer Utilities.
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it trebly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. The report should be filled out in quadruplicate and the original and two copies returned by March 31 of the year following the date of the report. The report should be returned to:

Florida Public Service Commission  
Division of Water and Sewer  
101 East Gaines Street  
Tallahassee, Florida 32399-0873

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**EXECUTIVE**

**SUMMARY**

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT  
DECEMBER 31, 1998

UTILITY NAME: CYPRESS LAKES UTILITIES INC

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

- |       |     |  |
|-------|-----|--|
| YES   | NO  |  |
| ( X ) | ( ) | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.   |
| YES   | NO  |  |
| ( X ) | ( ) | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES   | NO  |  |
| ( X ) | ( ) | 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  |  |
| ( X ) | ( ) | 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)

1.	2.	3.	4.	
( X )	( X )	( X )	( X )	( X )

*Janece N. D. Duna* \_\_\_\_\_ \*

(signature of chief financial officer of the utility)

\* 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.

ANNUAL REPORT OF

CYPRESS LAKES UTILITIES INC  
(Exact Name of Utility)

List below the exact mailing address of the utility for which normal correspondence should be sent:

2335 SANDERS ROAD  
NORTHBROOK, IL 60062

Telephone: (847) 498-6440

Name and address of person to whom correspondence concerning this report should be addressed:

JOHN S HAYNES  
2335 SANDERS ROAD  
NORTHBROOK, IL 60062

Telephone: (847) 498-6440

List below the address of where the utility's books and records are located:

CYPRESS LAKES UTILITIES INC  
2335 SANDERS ROAD  
NORTHBROOK, IL 60062

Telephone: (847) 498-6440

List below any groups auditing or reviewing the records and operations:

ARTHUR ANDERSEN LLP

Date of original organization of the utility: 1996

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

Individual  Partnership  Sub S Corp  1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility.:

Name	Percent Ownership
Utilities Inc.	100%

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OR REPORT  
DECEMBER 31, 1998

DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1) (2)	TITLE OR POSITION	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
CARL WENZ	VICE PRESIDENT		RATE CASE
ANDREW N DOPUCH	SECRETARY & VP		RATE CASE
ARTHUR ANDERSEN	AUDITORS		

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

YEAR OF REPORT  
DECEMBER 31, 1998

UTILITY NAME: CYPRESS LAKES UTILITIES INC

COMPANY PROFILE  
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Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

- A. Formed in 1996, Cypress Lakes Utilities, Inc. was acquired by Utilities Inc.
- B. Cypress Lakes Utilities, Inc. performs water and wastewater services
- C. Maintain a high quality of service and earn a fair return.
- D. Only one subdivision is served
- E. We expect modest growth currently with anticipated higher growth in the future
- F. The system was purchased in 1998 and is currently being brought up to Utilities Inc. standards of quality.



UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

PARENT/AFFILIATE ORGANIZATION CHART  
Current as of 12/31/98

Complete below an organization chart that shows all parents and subsidiaries of the utility. The chart must also show the relationship between the utility and the affiliates listed on E-7, E-10 (a) and E-10(b).

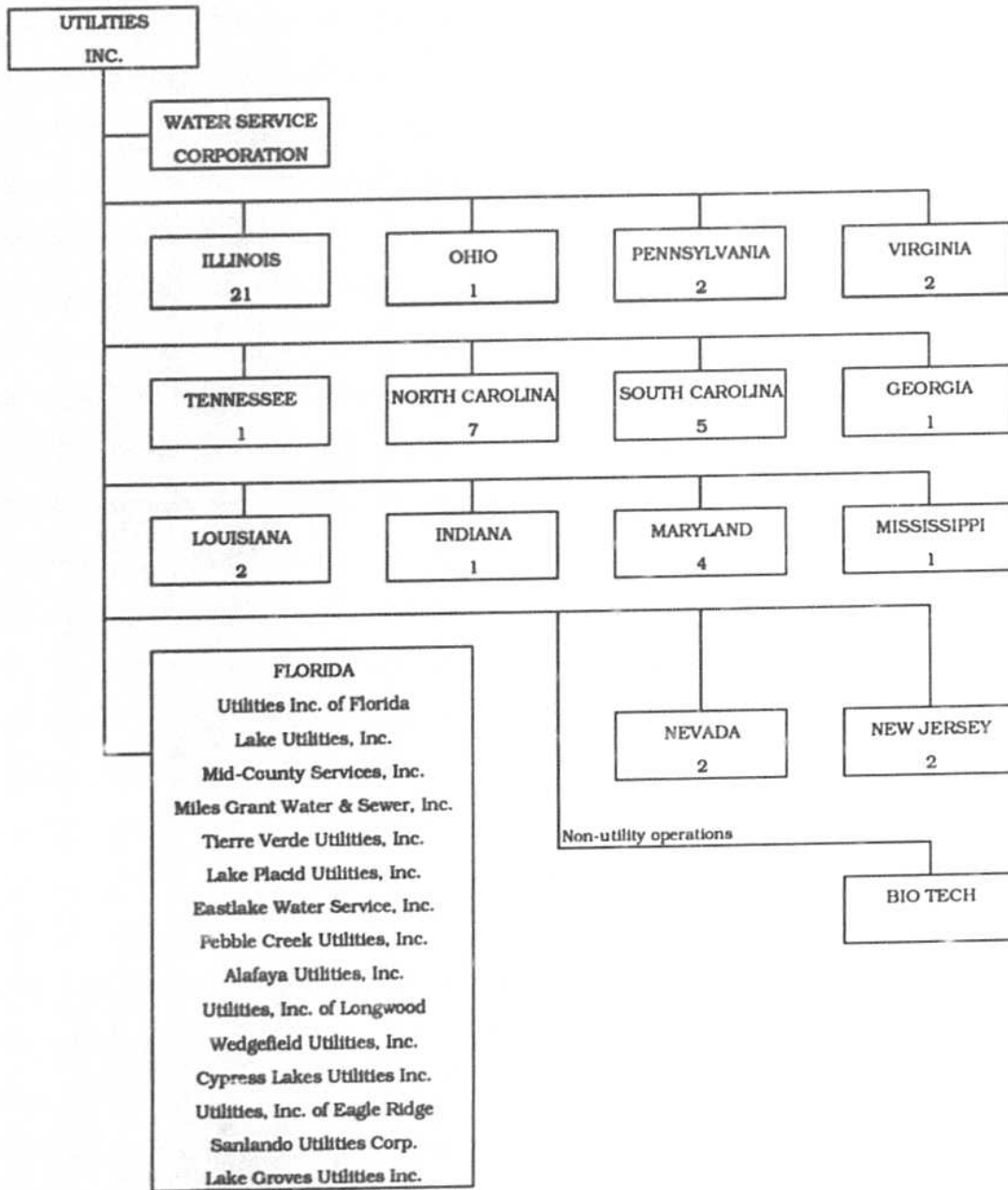
UTILITIES, INC. -- PARENT COMPANY

WATER SERVICE CORP. -- SERVICE COMPANY SUPPLYING MOST  
SERVICES REQUIRED BY UTILITY.

UTILITIES INC. of FLORIDA -- provides office personnel and administrative  
staff.

SEE ATTACHED

**Parent And Affiliate Organizational Chart**



UTILITIES, INC. - Parent Company

WATER SERVICE CORP. - Service organization providing administrative and other service functions for the utility.

NOTE: Within each state except Florida is the number of companies owned.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
JAMES L CAMAREN	CHAIRMAN & CEO	%	\$ NONE
LAWRENCE N SCHUMACHER	PRESIDENT	%	\$
ANDREW N DOPUCH	SECRETARY & VP	%	\$ NONE
CARL J WENZ	VICE PRESIDENT	%	\$
		%	\$ NONE
		%	\$
		%	\$
		%	\$

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.

NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
			\$ NONE
			\$ NONE
			\$ NONE
			\$ NONE
			\$ NONE
			\$ NONE
			\$ NONE
			\$ NONE
			\$ NONE
			\$ NONE

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements\* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
NO BUSINESS CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS WERE ENTERED INTO DURING THE CURRENT YEAR BY THE OFFICERS LISTED ON PAGE E6, THE DIRECTORS OR AFFILIATES.		\$	

\*Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
<p>THE OFFICIALS LISTED ON PAGE E6 HAVE NO OTHER PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION OR CONNECTIONS WITH ANY OTHER BUSINESS OR FINANCIAL ORGANIZATIONS, FIRMS, OR PARTNERSHIPS DURING THE REPORTED YEAR.</p>			

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT  
OF PROVIDING WATER OR SEWER SERVICE

Complete the following for any business which is conducted as a byproduct, coproduct or joint product as a result of providing water and/or sewer service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenues and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
NO BUSINESS WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULTING FROM PROVIDING WATER AND/OR SEWER SERVICE.	\$		\$		\$	

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6 identifying the parties, amounts, dates and product, asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
  - management, legal and accounting services
  - computer services
  - engineering & construction services
  - repairing and servicing of equipment
  - material and supplies furnished
  - leasing of structures, land and equipment
  - rental transactions
  - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased/ or (S)old (d)	/AMOUNT / (e)
WATER SERVICE CORP	Operators Salaries & Benefits	Continuous	P	\$ 32,216
	Insurance	Continuous	P	-
	Computer Operations	Continuous	P	1,748
	Supplies & Postage	Continuous	P	1,102
	Outside Services	Continuous	P	2,052
	Management Services	Continuous	P	16,381

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions to the purchase, sale or transfer of assets. The columnar instructions follow:
2. Below are examples of some types of transactions to include:
- purchase, sale or transfer of equipment
  - purchase, sale or transfer of land and structures.
  - purchase, sale or transfer of securities
  - noncash transfers of assets.
  - noncash dividends other than stock dividends.
  - writeoff of bad debts or loans.
- (a) Enter name of related party or company.  
 (b) Describe briefly the type of assets purchased, sold or transferred.  
 (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".  
 (d) Enter the net book value for each item reported.  
 (e) Enter the net profit or loss for each item (column (c) - column (d)).  
 (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
NO ASSETS WERE SOLD, PURCHASED OR TRANSFERRED WITH A RELATED PARTY DURING THE FISCAL YEAR ENDED DECEMBER 31, 1998		\$	\$	\$	\$



YEAR OF REPORT  
DECEMBER 31, 1998

UTILITY NAME: CYPRESS LAKES UTILITIES INC

COMPOSITE STATISTICS FOR ALL  
PRIVATELY OWNED WATER AND SEWER UTILITIES UNDER AGENCY JURISDICTION

DESCRIPTION (a)	WATER (b)	SEWER (c)
PLANT (Intrastate Only) (000's Omitted):		
Plant in Service	\$ 1,121	\$ 1,723
Construction Work In Progress		-
Plant Acquisition Adjustment		
Plant Held For Future Use		
Materials and Supplies		
Less:		
Accumulated Depreciation and Accumulated Amortization	200	385
Contributions In Aid Of Construction (NET)	227	446
Net Book Cost	\$ 694	\$ 893
REVENUES AND EXPENSES (Intrastate Only) (000's Omitted):		
Operating Revenues	\$ 24	\$ 56
Depreciation and Amortization Expense	\$ 3	\$ 1
Income Tax Expense	1	9
Taxes Other Than Income	3	7
Other Operating Expenses	17	24
Total Operating Expenses	\$ 23	\$ 41
Net Operating Income	\$ 0	\$ 15
Other Income	\$ -	\$ -
Other Income Deductions	0	1
Net Income	\$ (0)	\$ 14
CUSTOMERS (Intrastate Only):		
Residential - Yearly Average	896	895
Commercial - Yearly Average	48	48
Industrial - Yearly Average		
Others - Yearly Average		
Total	944	943
OTHER STATISTICS (Intrastate Only):		
Average Annual Residential Use Per 1,000 Gallons		
Average Annual Residential Cost Per 1,000 Gallons	\$	\$
Average Residential Monthly Bill	\$	\$
Gross Plant Investment Per Customer	\$ 1,187	\$ 1,828

**FINANCIAL  
SUMMARY**

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-105	Utility Plant	F-5	\$ 2,844,370	\$ 0
108-110	Less: Accumulated Depreciation and Amortization	F-6	<u>584,367</u>	<u>0</u>
	Net Plant		\$ <u>2,260,003</u>	\$ <u>0</u>
114-115	Utility Plant Acquisition Adjustments (Net)	F-5	(719,047)	0
	Other Plant Adj. (Specify)			\$
	Total Net Utility Plant		\$ <u>1,540,956</u>	\$ <u>0</u>
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-7	\$	\$
122	Less: Accumulated Depreciation and Amortization		<u></u>	<u></u>
	Net Nonutility Property		\$	\$
123	Investment In Associated Companies	F-8		
124	Utility Investments	F-8		
125	Other Investments	F-8		
127	Other Special Funds	F-8	<u></u>	<u></u>
	Total Other Property & Investments		\$ <u></u>	\$ <u></u>
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 0	\$ 0
132	Special Deposits	F-7	0	0
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-9	43,283	0
145	Accounts Receivable from Associated Companies	F-10		
146	Notes Receivable from Associated Companies	F-10		
151	Material and Supplies			
162	Prepayments	F-11	0	0
171	Accrued Interest and Dividends Receivable		0	0
174	Misc. Current and Accrued Assets		<u>0</u>	<u>0</u>
	Total Current and Accrued Assets		\$ <u>43,283</u>	\$ <u>0</u>

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-12	\$	\$
182	Extraordinary Property Losses	F-12		
186	Misc. Deferred Debits	F-11	1,533	0
190	Accumulated Deferred Income Taxes		0	0
	Total Deferred Debits		\$ 1,533	\$ 0
	TOTAL ASSETS AND OTHER DEBITS		\$ 1,585,772	\$ 0

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-14	\$ 1,000	\$ -
204	Preferred Stock Issued	F-14		
211	Other Paid-In Capital		819,000	-
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-15	13,724	-
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
	Total Equity Capital		\$ 833,724	\$ 0
LONG TERM DEBT				
221	Bonds	F-16	\$	\$
223	Advances from Associated Companies	F-16		
224	Other Long Term Debt	F-14		
	Total Long Term Debt		\$	\$
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		\$ 92,143	\$ -
232	Notes Payable	F-13		
233	Accounts Payable to Associated Co.	F-13	(28,942)	-
234	Notes Payable to Associated Co.	F-13		
235	Customer Deposits		420	-
236	Accrued Taxes	F-17	7,900	-
237	Accrued Interest	F-18	-	-
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-19		
	Total Current and Accrued Liabilities		\$ 71,521	\$ 0

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT DECEMBER 31, 1998
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COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-12	\$	\$
252	Advances for Construction	F-19		
253	Other Deferred Credits			
255	Accumulated Deferred Investment Tax Credits			
	Total Deferred Credits		\$ 0	\$ 0
OPERATING RESERVES				
261	Property Insurance Reserve		\$	\$
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
	Total Operating Reserves		\$	\$
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions In Aid of Construction	F-20	\$ 698,770	\$ 0
272	Accumulated Amortization of Contributions In Aid of Construction	F-21	26,153	0
	Total Net C.I.A.C.		\$ 672,617	\$ 0
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 4,362	\$ 0
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other		3,548	0
	Total Accum. Deferred Income Taxes		\$ 7,910	\$ 0
	TOTAL EQUITY CAPITAL AND LIABILITIES		\$ 1,585,772	\$ 0

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	\$ 0	F-3(b)	\$ 79,672
401	Operating Expenses	\$ 0	F-3(b)	\$ 41,324
403	Depreciation Expense	0	F-6	3,962
406	Amortization of Utility Plant			
	Acquisition Adjustment	0		0
407	Amortization Expense - of CIA	0		0
408.1	Taxes Other Than Income	0	F-17	10,025
409.1	Income Taxes	0	F-17	3,188
410.10	Deferred Income Taxes	0	F-17	6,091
411.10	Provision for Deferred Income Taxes Credit		F-17	
412.10	Investment Tax Credits Deferred to Future Periods		F-17	
412.11	Investment Tax Credits Restored to Operating Income	0	F-17	0
	Utility Operating Expenses	\$ 0		\$ 64,590
	Utility Operating Income	\$ 0		\$ 15,082
413	Income From Utility Plant Leased to Others			
414	Gains (Losses) From Disposition of Utility Property			
	Total Utility Operating Income [Enter here and on Page F-3(c)]	\$ 0		\$ 15,082

COMPARATIVE OPERATING STATEMENT (Cont'd)

REF. PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (i)	OTHER (j)
W-3	\$ 23,640	S-3	\$ 56,032	\$
W-2	\$ 17,274	S-2	\$ 24,050	\$
F-6	2,577	F-6	1,385	
F-5	-	F-5	-	
	-		-	
F-17	2,974	F-17	7,051	
F-17	177	F-17	3,011	
	338		5,753	
	-		-	
	\$ 23,340		\$ 41,250	\$ -
	\$ 300		\$ 14,782	\$ -
	\$ 300		\$ 14,782	\$ -



UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [From Page F-3(a)]	\$ -		\$ 15,082
	OTHER INCOME AND DEDUCTIONS			
415	Revenues From Merchandising, Jobbing and Contract Deductions	\$		\$
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income	-		-
420	Allowance for Funds Used During Construction	-		-
421	Nonutility Income	-		-
426	Miscellaneous Nonutility Expenses			
	Total Other Income and Deductions	\$ -		\$ -
	TAXES APPLICABLE TO OTHER INCOME			
408.20	Taxes Other Than Income	\$	F-17	\$
409.20	Income Taxes		F-17	
410.20	Provision for Deferred Income Taxes		F-17	
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net		F-17	
412.30	Investment Tax Credits Restored to Operating Income		F-17	
	Total Taxes Applicable To Other Income	\$		\$
	INTEREST EXPENSE			
427	Interest Expense	\$ -	F-18	\$ 1,358
428	Amortization of Debt Discount & Expens		F-12	
429	Amortization of Premium on Debt		F-12	
	Total Interest Expense	\$ -		\$ 1,358
	EXTRAORDINARY ITEMS			
433	Extraordinary Income	\$		\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items	\$		\$
	NET INCOME	\$ -		\$ 13,724

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	SEWER UTILITY (e)
101	Utility Plant In Service	F-5	\$ 1,120,883	1,723,487
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-6	199,135	384,672
110	Accumulated Amortization	F-6	451	109
271	Contributions In Aid of Construction	F-20	237,736	461,034
252	Advances for Construction	F-19		
	Subtotal		\$ 683,561	877,672
	Additions:			
272	Accumulated Amortization of Contributions In Aid of Construction	F-21	10,801	15,352
	Subtotal		\$ 694,362	893,024
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-5		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-5		
	Working Capital Allowance (3)		2,159	3,006
	Other (Specify):			
	RATE BASE		\$ 696,521	896,030
	UTILITY OPERATING INCOME		\$ 300	14,782
	ACHIEVED RATE OF RETURN		0.04%	1.65%

NOTES :

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculate using the Balance Sheet Method, beginning-year end average.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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UTILITY PLANT (ACCTS. 101 - 106)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
Plant Accounts:					
101	Utility Plant In Service	\$ 1,120,883	\$ 1,723,487	\$	\$ 2,844,370
102	Utility Plant Leased to Others	0	0	0	0
103	Property Held for Future Use	0	0	0	0
104	Utility Plant Purchased or Sold	0	0	0	0
105	Construction Work In Progress	0	0	0	0
	Total Utility Plant	\$ 1,120,883	\$ 1,723,487	\$	\$ 2,844,370

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):				
Beginning of year	\$ 0	0	\$ 0	\$ 0
Recording of Acquisition	(288,548)	(430,499)	0	(719,047)
Total Plant Acquisition Adjs.	\$ (288,548)	\$ (430,499)	\$ 0	\$ (719,047)
ACCUMULATED AMORTIZATION (115):				
Accruals charged during year	\$ 0	0	\$ 0	\$ 0
Total Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
Net Acquisition Adjustments	\$ (288,548)	\$ (430,499)	\$	\$ (719,047)

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ -	\$ -	\$ -	\$ -
Credit during year:				
Accruals charged to Account 108	\$ 2,502	\$ 1,367	\$ -	\$ 3,869
Accruals charged other accounts (specify)				
Correction from prior yr. (ACQ)	199,199	386,025		585,224
Adj per allocation of UIF plant				
Salvage				
Other credits (specify)				
Total credits	\$ 201,701	\$ 387,392	\$ 0	\$ 589,093
Debits during year:				
Book cost of plant retired	\$ 2,566	\$ 2,720	\$ -	\$ 5,286
Cost of removal	0	0		0
Other debits (specify)	0	0		0
Allocated from UIF				
Total debits	\$ 2,566	\$ 2,720	\$ 0	\$ 5,286
Balance end of year	\$ 199,135	\$ 384,672	\$ 0	\$ 583,807

ACCUMULATED AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ -	\$ -	\$ 0	\$ -
Credit during year:				
Accruals charged to Account 110	\$ 75	\$ 18	\$ 0	\$ 93
Other credits (specify)				
Change in asset status	0	0	0	0
Total credits	\$ 75	\$ 18	\$ 0	\$ 93
Debits during year:				
Book cost of plant retired	\$ 0	\$ 0	\$ 0	\$ 0
Other debits (specify)				
Total debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ 451	\$ 109	\$ 0	\$ 560



UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123 - 127)

Report hereunder all investments and special funds carried in Accounts 123 thru 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): <b>NONE</b>	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
Total Investment In Associated Companies	\$ -	\$ -
UTILITY INVESTMENTS (ACCT. 124): <b>NONE</b>	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
Total Utility Investments	\$ -	\$ -
OTHER INVESTMENTS (ACCT. 125): <b>NONE</b>	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
Total Other Investments	\$ -	\$ -
SPECIAL FUNDS (ACCT. 127): <b>NONE</b>	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -
_____	\$ -	\$ -

YEAR OF REPORT  
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UTILITY NAME: CYPRESS LAKES UTILITIES INC

ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
<b>ACCOUNTS RECEIVABLE:</b>	
Customer Accounts Receivable (Acct. 141):	
Water -----	\$ 21,654
Sewer -----	21,629
Other -----	
Total Customer Accounts Receivable	\$ 43,283
<b>OTHER ACCOUNTS RECEIVABLE (Acct. 142):</b>	
-----	\$
-----	
Total Other Accounts Receivable	0
<b>NOTES RECEIVABLE (Acct. 144):</b>	
-----	\$
-----	
Total Notes Receivable	0
Total Accounts and Notes Receivable	\$ 43,283
<b>ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Acct. 143):</b>	
Balance first of year	\$
Add: Provision for uncollectibles for current year	\$
Collections of accounts previously written off	
Utility accounts	
Others	
Total Additions	\$
Deduct accounts written off during year:	
Utility Accounts	\$
Others	
Total accounts written off	\$
Balance end of year	\$ 0
Total Accounts and Notes Receivable - Net	\$ 43,283

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 145)

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
-----	\$
NONE	
_____	
_____	
_____	
_____	
_____	
_____	
Total	\$ _____

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 146)

Report each note receivable from associated companies separately.

DESCRIPTION	INTEREST RATE (b)	TOTAL (c)
-----		\$
NONE		
_____		
_____		
_____		
_____		
_____		
_____		
_____		
Total		\$ _____



UTILITY NAME: CYPRESS LAKES UTILITIES INC

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PREPAYMENTS (ACCT. 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance _____ NONE	\$ -
Prepaid Rents _____	-
Prepaid Interest _____	-
Prepaid Taxes _____	-
Other Prepayments (Specify):	
Misc _____	0
_____	-
_____	-
Total Prepayments _____	\$ 0

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186)

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) _____	\$ -
Other Deferred Debits (Acct. 186.2) _____	1,533
Total Miscellaneous Deferred Debits _____	\$ 1,533

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS. 181 and 251)

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181):		
<b>NONE</b>	\$ - - - - -	\$ - - - - -
	- - - - -	- - - - -
	- - - - -	- - - - -
Total Unamortized Debt Discount and Expense	\$ - - - - -	\$ - - - - -
UNAMORTIZED PREMIUM ON DEBT (Acct. 251):		
	\$ - - - - -	\$ - - - - -
	- - - - -	- - - - -
	- - - - -	- - - - -
Total Unamortized Premium on Debt	\$ - - - - -	\$ - - - - -

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
<b>NONE</b>	\$ - - - - -
	- - - - -
	- - - - -
Total Extraordinary Property Losses	\$ - - - - -

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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NOTES PAYABLE (ACCTS. 232 and 234)

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE \$ (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					
<u>NONE</u>	---	---	\$	---	\$
_____	---	---	\$	---	
_____	---	---	\$	---	
_____	---	---	\$	---	
<b>Total Account 232</b> _____					\$ _____
ACCOUNT 234 - NOTES PAYABLE TO ASSOCIATED COMPANIES:					
<u>NONE</u>	---	---	\$	---	\$
_____	---	---	\$	---	
_____	---	---	\$	---	
_____	---	---	\$	---	
<b>Total Account 234</b> _____					\$ _____

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
WATER SERVICE CORP.	\$ (28,942)
_____	
_____	
_____	
_____	
_____	
<b>Total</b> _____	\$ (28,942) =====



UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock.  
Show amounts of dividends per share.  
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings:	
	Balance beginning of year	\$ 0
	Changes to account:	
439	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits:	\$
	Total Credits	\$
	Debits:	\$
	Total Debits	\$ 0
435	Balance Transferred from Income	\$ 13,724
436	Appropriations of Retained Earnings:	\$
	Total Appropriations of Retained Earnings	\$ 0
	Dividends Declared:	
437	Preferred Stock Dividends Declared	\$
438	Common Stock Dividends Declared	\$
	Total Dividends Declared	\$ 0
	Balance end of year	\$ 13,724
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	\$
	Total Appropriated Retained Earnings	\$ 0
	Total Retained Earnings	\$ 13,724

Notes to Statement of Retained Earnings:

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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BONDS (ACCT. 221)

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	RATE (b)	FREQUENCY OF PAYMENT (c)	
NONE			\$
Total			\$

ADVANCES FROM ASSOCIATED COMPANIES (ACCT. 223)

Report each advance seperately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$
Total	\$

UTILITY NAME: CYPRESS LAKES UTILITIES INC

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ACCRUED TAXES (ACCT. 236)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year	\$ 0	\$ 0	\$	\$ 0
408.10	Accruals Charged:				
408.11	Utility Regulatory				
408.12	Assessment Fees	\$ 0	\$ 0	\$	\$ 0
408.13	Property Taxes	2,340	5,547	\$	7,887
409.10	Payroll Taxes	634	1,504		2,138
409.11	Other Taxes & Licenses				0
410.10	Federal Income Taxes	177	3,011		3,188
	State Income Taxes	0	0		0
	Deferred FIT	336	5,720		6,056
	Deferred SIT	2	33		35
	ITC Restored	0	0		0
410.11	Taxes Applicable To Other Income (Accts. 408.2, 409.2, 409.3, 410.2)				0
	Total Taxes Accrued	\$ 3,489	\$ 15,815	\$ -	\$ 19,304
408.10	Taxes Paid During Year:				
408.11	Utility Regulatory				
408.12	Assessment Fees	\$ 0	\$ 0	\$	\$ 0
408.13	Property Taxes	(4)	(9)	\$	(13)
409.10	Payroll Taxes	634	1,504		2,138
409.11	Other Taxes & Licenses	0	0		0
	Federal Income Taxes	177	3,011		3,188
	State Income Taxes	0	0		0
	Deferred FIT	336	5,720		6,056
	Deferred SIT	2	33		35
	ITC Restored	0	0		0
	Taxes Applicable To Other Income (Accts. 408.2, 409.2, 409.3, 410.2)	0	0		0
	Total Taxes Paid	\$ 1,145	\$ 10,259	\$ -	\$ 11,404
	Balance End of Year	\$ 2,344	\$ 5,556	\$ 0	\$ 7,900

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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ACCRUED INTEREST (ACCT. 237)

DESCRIPTION OF DEBT (a)	INTEREST ACCRUED DURING YEAR			INTEREST PAID DURING YEAR (g)	BALANCE END OF YEAR (f)
	BALANCE BEGINNING OF YEAR (b)	ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - ACCRUED INTEREST ON LONG TERM DEBT:	\$ 0			\$ 0	0
UTILITIES, INC.	0				0
INTERCOMPANY INTEREST	0		1,358	1,358	0
	0				0
	0				0
Total Account No. 237.1	\$ 0		1,358	\$ 1,358	0
ACCOUNT NO. 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES: Misc Items	\$ 0		0	\$ 0	0
	0				0
	0				0
	0				0
	0				0
Total Account No. 237.2	\$ 0		-	\$ 0	0
Total Account No. 237	\$ -	\$ 1,358		\$ 1,358	0

REGULATORY COMMISSION EXPENSE - AMORTIZATION  
OF RATE CASE EXPENSE (ACCTS. 666 and 766)

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. (d)	AMOUNT (e)
NONE	\$			
Total	\$			-



UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (ACCT. 241)

DESCRIPTION (a)	BALANCE END OF YEAR (b)
<b>NONE</b>	\$
Total Miscellaneous Current And Accrued Liabilities	\$

ADVANCES FOR CONSTRUCTION (ACCT. 252)

NAME OF PAYOR (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS			CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)			
<b>NONE</b>	\$				\$	
Total	\$		\$	\$	\$	

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ -	-	-	-
Add credits during year:				
Contributions received from Capacity, Main Extension and Customer Connection Charges (Schedule "A")	\$ -	-	-	-
Contributions received from Developer or Contractor Agreements in cash or property (Schedule "B")	237,736	461,034	-	698,770
<b>Total Credits</b>	\$ 237,736	461,034	-	698,770
Less debits charged during the year (All debits charged during the year must be explained below)	\$ -	-	-	-
<b>Total Contributions In Aid of Construction</b>	\$ 237,736	461,034	-	698,770

Explain all debits charged to Account 271 below:

N/A


UTILITY NAME: CYPRESS LAKES UTILITIES INC

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SCHEDULE "A"  
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED  
EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED

DESCRIPTION OF CHARGES (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	WATER (d)	SEWER (e)
Sewer Connection Fees	0	\$ -	\$ -	\$ -
Water Connection Fees	0	-	-	-
				-
				-
				-
				-
				-
<b>Total Credits</b>		\$ -	\$ -	\$ -

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 272)

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 0	0	0	0
Dedits during year:				
Accruals charged to Account	\$ 0	0	0	0
Other debits (specify):				
Acquisition Entry	10,801	15,352	0	26,153
<b>Total debits</b>	\$ 10,801	15,352	0	26,153
Credits during year (specify)	\$			
<b>Total Credits</b>	\$ 0	0	0	0
<b>Balance end of year</b>	\$ 10,801	15,352	0	26,153



UTILITY NAME: CYPRESS LAKES UTILITIES INC

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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES  
(UTILITY OPERATIONS)

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.
2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF (b)	AMOUNT (c)
Net income for the year		\$ 13,724
Reconciling items for the year:		
Taxable income not reported on books:		
TAP FEES		0
Deductions recorded on books not deducted for return:		
Net Change - Deferred Maintenance		(648)
Net Change - Rate Case		0
Excess Tax Depreciation over Book Depreciation		(12,828)
Current FIT		3,188
Deferred FIT		6,056
Deferred SIT		35
Income recorded on books not included in return:		
Turnaround of Prior Year's - Deferred Maintenance		0
Interest During Construction		0
Turnaround of Prior Year's - Rate Case		0
Deduction on return not charged against book income:		
Organization Exp		(4,370)
Acquisition adjustment		4,219
Federal tax net income		\$ 9,376
Computation of tax:		
9,376		
34%		
3,188		

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

NONE CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ 0	#DIV/0! %	0.00 %	#DIV/0! %
Preferred Stock	0	#DIV/0! %	0.00 %	#DIV/0! %
Long Term Debt	0	#DIV/0! %	0.00 %	#DIV/0! %
Customer Deposits	0	#DIV/0! %	0.00 %	#DIV/0! %
Tax Credits - Zero Cost	0	#DIV/0! %	0.00 %	#DIV/0! %
Tax Credits - Weighted Co	0	#DIV/0! %	0.00 %	#DIV/0! %
Deferred Income Taxes	0	#DIV/0! %	0.00 %	#DIV/0! %
Other (Explain)	0	#DIV/0! %	0.00 %	#DIV/0! %
Total	\$ 0	#DIV/0! %		#DIV/0! %

- (1) Should equal amounts on Schedule B, Column (f), Page F-25.
- (2) 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>      NONE      </u> %
Commission order approving AFUDC rate:	<u>      NONE      </u> %

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

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT DECEMBER 31, 1998
-------------------------------------

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

NONE						
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	\$	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Preferred Stock		0	0	0	0	0
Long Term Debt		0	0	0	0	0
Customer Deposits		0	0	0	0	0
Tax Credits - Zero Cost		0	0	0	0	0
Tax Credits - Weighted		0	0	0	0	0
Cost of Capital		0	0	0	0	0
Deferred Income Taxes		0	0	0	0	0
Other (Explain)		0	0	0	0	0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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

NOT APPLICABLE

**WATER  
OPERATION  
SECTION**



UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization	\$	\$ 54,048	\$
302	Franchises		0	
303	Land and Land Rights		509	
304	Structures and Improvements		59,572	
305	Collecting and Impounding Reservoirs		0	
306	Lake, River and Other Intakes		0	
307	Wells and Springs		45,253	
308	Infiltration Galleries and Tunnels		0	
309	Supply Mains		0	
310	Power Generation Equipment		0	
311	Pumping Equipment		74,397	960
320	Water Treatment Equipment		7,685	579
330	Distribution Reservoirs and Standpipes		63,950	1,027
331	Transmission and Distribution Mains		442,638	
333	Services		175,735	
334	Meters and Meter Installations		95,369	
335	Hydrants		70,612	
339	Other Plant and Miscellaneous Equipment		0	
340	Office Furniture and Equip.		0	
341	Transportation Equipment		27,451	
342	Stores Equipment		0	
343	Tools, Shop and Garage Equip.		4,433	
344	Laboratory Equipment		1,797	
345	Power Operated Equipment		0	
346	Communication Equipment		0	
347	Miscellaneous Equipment		0	
348	Other Tangible Plant (from UIF)		0	
	Total Water Plant	\$ 0	\$ 1,123,449	\$ 2,566

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

The "Other Credits are the result of an allocation of UIF plant & acquisition entry

WATER UTILITY PLANT MATRIX

CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (h)	.3 WATER TREATMENT PLANT (i)	.4 TRANSMISSION AND DISTRIBUTION PLANT (j)	.5 GENERAL PLANT (k)
\$ 54,048	\$ 54,048	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	\$ XXXXXXXXXXXX
0	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
509	XXXXXXXXXXXX	509	0	0	0
59,572	XXXXXXXXXXXX	59,572	0	0	0
0	XXXXXXXXXXXX	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
0	XXXXXXXXXXXX	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
0	XXXXXXXXXXXX	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
45,253	XXXXXXXXXXXX	45,253	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
0	XXXXXXXXXXXX	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
0	XXXXXXXXXXXX	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
0	XXXXXXXXXXXX	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
0	XXXXXXXXXXXX	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
0	XXXXXXXXXXXX	0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
73,437	XXXXXXXXXXXX	73,437	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
7,106	XXXXXXXXXXXX	XXXXXXXXXXXX	7,106	XXXXXXXXXXXX	XXXXXXXXXXXX
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0	XXXXXXXXXXXX
62,923	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	62,923	XXXXXXXXXXXX
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0	XXXXXXXXXXXX
442,638	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	442,638	XXXXXXXXXXXX
175,735	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	175,735	XXXXXXXXXXXX
95,369	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	95,369	XXXXXXXXXXXX
70,612	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	70,612	XXXXXXXXXXXX
0	0	0	0	0	XXXXXXXXXXXX
0	0	0	0	0	XXXXXXXXXXXX
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0
27,451	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	27,451
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0
4,433	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	4,433
1,797	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	1,797
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0
0	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0
\$ 1,120,883	\$ 54,048	178,771	7,106	847,277	33,681

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT DECEMBER 31, 1998
-------------------------------------

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 13,740	3,023	824
603	Salaries and Wages - Officers, Directors and Majority Stockholders			
604	Employee Pensions and Benefits	1,353	298	81
610	Purchased Water			XXXXXXXXXXXX
615	Purchased Power	-	-	XXXXXXXXXXXX
616	Fuel for Power Purchased			XXXXXXXXXXXX
618	Chemicals	379		
620	Materials and Supplies	735	294	74
631	Contractual Services - Eng.	-		
632	Contractual Services - Acct.	-		
633	Contractual Services - Legal	-		
634	Contractual Services - Management Fees	129		
635	Contractual Services - Other	223		
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expenses	28	6	2
656	Insurance - Vehicle			
657	Insurance - General Liability			
658	Insurance - Workman's Compensation			
659	Insurance - Other	-	-	-
660	Advertising Expense		XXXXXXXXXXXX	XXXXXXXXXXXX
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	-	XXXXXXXXXXXX	XXXXXXXXXXXX
667	Regulatory Commission Expenses - Other	-	XXXXXXXXXXXX	XXXXXXXXXXXX
670	Bad Debt Expense	-	XXXXXXXXXXXX	XXXXXXXXXXXX
675	Miscellaneous Expenses	687		
	<b>Total Water Utility Expenses</b>	<b>\$ 17,274</b>	<b>\$ 3,621</b>	<b>\$ 981</b>

WATER EXPENSE ACCOUNT MATRIX

	.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
601	\$ 3,023	824	4,809	1,237		
603						
604	298	81	474	121		
610	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
615		XXXXXXXXXXXX		XXXXXXXXXXXX		
616		XXXXXXXXXXXX		XXXXXXXXXXXX		
618	379				XXXXXXXXXXXX	XXXXXXXXXXXX
620			308	59		
631			0			
632						0
633						0
634						
635					129	
641					112	111
642						
650	6	2	10	2		
656						
657						
658						
659	0	0	0			
660	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	
666	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	
	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	
	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	
667						0
670	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	0	XXXXXXXXXXXX
675					343	344
	\$ 3,706	\$ 907	\$ 5,601	\$ 1,419	\$ 584	\$ 455

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue			\$
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	0	944	\$ 23,640
461.2	Metered Sales to Commercial Customers			
461.3	Metered Sales to Industrial Customers			
461.4	Metered Sales to Public Authorities			
461.5	Metered Sales to Multiple Family Dwellings			
	Total Metered Sales	0	944	\$ 23,640
	Fire Protection Revenue:			
462.1	Public Fire Protection			\$
462.2	Private Fire Protection			
	Total Fire Protection Revenue			\$
464	Other Sales To Public Authorities			\$
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
	Totals	0	944	\$ 23,640
	Other Water Revenues:			
469	Guaranteed Revenues			\$
470	Forfeited Discounts			0
471	Miscellaneous Service Revenues			0
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 0
	Total Water Operating Revenues			\$ 23,640

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements			3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs			3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment			5.00%
320	Water Treatment Equipment			4.55%
330	Distribution Reservoirs and Standpipes			2.70%
331	Transmission and Distribution Mains			2.33%
333	Services			2.50%
334	Meters and Meter Installations			5.00%
335	Hydrants			2.22%
339	Other Plant and Miscellaneous Equipment			
340	Office Furniture and Equip.			6.67%
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equip.			6.25%
344	Laboratory Equipment			6.67%
345	Power Operated Equipment			
346	Communication Equipment			10.00%
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	Water Plant Composite Depreciation Rate *			

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
304	Structures and Improvements	\$	\$ 0	\$ 18,955	\$ 18,955
305	Collecting and Impounding Reservoirs		0	0	0
306	Lake, River and Other Intakes		0	0	0
307	Wells and Springs		0	13,828	13,828
308	Infiltration Galleries and Tunnels		0	0	0
309	Supply Mains		0	0	0
310	Power Generation Equipment		0	0	0
311	Pumping Equipment		7	34,700	34,707
320	Water Treatment Equipment		0	3,635	3,635
330	Distribution Reservoirs and Standpipes		2	10,243	10,245
331	Transmission and Distribution Mains		0	0	0
			1,367	63,875	65,242
333	Services		0	27,296	27,296
334	Meters and Meter Installations		0	3,115	3,115
335	Hydrants		0	9,956	9,956
339	Other Plant and Miscellaneous Equipment		0	0	0
340	Office Furniture and Equip.		0	0	0
341	Transportation Equipment		0	14,536	14,536
342	Stores Equipment		0	0	0
343	Tools, Shop and Garage Equip.		11	55	66
344	Laboratory Equipment		20	100	120
345	Power Operated Equipment		0	0	0
346	Communication Equipment		0	0	0
347	Miscellaneous Equipment		0	0	0
348	Other Tangible Plant		1,095	(1,095)	0
	<b>Total Depreciable Water Plant In Service</b>	<b>\$ 0</b>	<b>\$ 2,502</b>	<b>\$ 199,199</b>	<b>\$ 201,701</b>

\* Specify nature of transaction.  
Use ( ) to denote reversal entries.

The "Other Credits (e)" are the result of an allocation of UIF plant & acquisition entry





UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

YEAR OF REPORT DECEMBER 31, 1998
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SYSTEM NAME: CYPRESS LAKES

WATER SYSTEM INFORMATION

SOURCE OF SUPPLY

List for each source of supply:			
Gals. per day of source	950,400	1,008,000	-----
Type of source	WELL #1	WELL #2 - BACK-UP	-----
Auxiliary Power	SKW-DIRECT DRIVE	NONE	-----

WATER TREATMENT FACILITIES

List for each water treatment facility:			
Type	CHLORINATION	-----	-----
Make	REGAL	-----	-----
Gals. per day capacity	100 PPD	-----	-----
High service pumping	N/A	-----	-----
Gallons per minute	-----	-----	-----
Lime Treatment	N/A	-----	-----
Unit Rating	-----	-----	-----
Filtration	-----	-----	-----
Pressure Sq. Ft.	-----	-----	-----
Gravity GPD/Sq. Ft.	-----	-----	-----
Auxiliary Power	-----	-----	-----

RESERVOIRS

Description (steel, concrete or pneumatic)	PNEUMATIC	PNEUMATIC	-----
Capacity of Tank	10,000	10,000	-----
Ground or Elevated	GROUND	GROUND	-----

YEAR OF REPORT  
DECEMBER 31, 1998

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

SYSTEM NAME: CYPRESS LAKES

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) (b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	-----	4.697		-----	3.506
February	-----	4.183		-----	3.099
March	-----	5.103		-----	3.983
April	-----	7.535	.004	-----	5.178
May	-----	7.755		-----	5.802
June	-----	7.800	.065	-----	4.906
July	-----	8.979		-----	3.455
August	-----	10.906		-----	3.625
September	-----	9.318		-----	3.121
October	-----	8.080	.000	-----	5.481
November	-----	7.427	.000	-----	4.658
December	-----	7.023	.000	-----	4.805
Total for year	-----	88.806	.069	88.737	51.619

If water is purchased for resale, indicate the following:

Vendor NONE

Point of delivery \_\_\_\_\_

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

NONE

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

SYSTEM NAME: CYPRESS LAKES

OTHER 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 ERC's \* that system can efficiently serve. 857
2. Estimated annual increase in ERC's \* . 45
3. List fire fighting facilities and capacities. 100,000 GAL.  
HYDROPNEUMATIC STORAGE TANK, HYDRANTS AND HIGH SERVICE PUMPING.
4. List percent of certificated area where service connections are installed (total for each county). 100%
5. What is the current need for system upgrading and/or expansion? NONE
6. What are plans for future system upgrading and/or expansion? NONE
7. Have questions 6 and 7 been discussed with an engineer (if so, state name and address)? NO
8. Have questions 6 and 7 been discussed with appropriate state sanitary engineering office? NO

\* ERC = (Total Gallons Sold / 365 days) / 350 Gallons Per Day

MAINS

TYPE OF PIPE (Galvanized, Cast Iron, PVC, Etc.)	DIAMETER OF PIPE (in inches)	MAINS END OF YEAR (in feet)
P.V.C.	2"	675
P.V.C.	4"	3749
P.V.C.	6"	22363
P.V.C.	8"	18196
P.V.C.	12"	25
D.I.P.	6"	375
D.I.P.	8"	1203
-----		
Total feet of mains	-----	46586
	-----	-----

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

SYSTEM NAME: CYPRESS LAKES

YEAR OF REPORT  
DECEMBER 31, 1998

METERS AND CALCULATION OF METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER* (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS START OF YEAR (d)	NUMBER OF METERS END OF YEAR (e)	TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
5/8"	D	1.0	897	941	941
3/4"	D	1.5			
1"	D	2.5	2	2	5
1 1/2"	D, T	5.0	1	1	5
2"	D, C, T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
4"	D, C	25.0			
4"	T	30.0			
6"	D, C	50.0			
6"	T	62.5			
8"	C	80.0			
8"	T	90.0			
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
		TOTAL:	900	944	951

\* D = Displacement  
C = Compound  
T = Turbine

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$( 51.619 / 365 \text{ days} ) / 350 \text{ gpd} = 404$$

(total gallons sold)

**SEWER  
OPERATION  
SECTION**

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

SEWER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS* (d)	RETIREMENTS (e)
351	Organization _ _ _ _ _	\$	\$ 10,115	\$
352	Franchises _ _ _ _ _		5,303	
353	Land and Land Rights _ _ _ _ _		0	
354	Structures and Improvements _ _ _ _ _		0	
360	Collection Sewers - Force _ _ _ _ _		178,994	
361	Collection Sewers - Gravity _ _ _ _ _		591,642	
362	Special Collecting Structures _ _ _ _ _		0	
363	Services to Customers _ _ _ _ _		140,177	
364	Flow Measuring Devices _ _ _ _ _		0	
365	Flow Measuring Installations _ _ _ _ _		0	
370	Receiving Wells _ _ _ _ _		0	
371	Pumping Equipment _ _ _ _ _		70,571	
380	Treatment and Disposal Equip. _ _ _ _ _		0	
381	Plant Sewers _ _ _ _ _		412,319	2,720
382	Outfall Sewer Lines _ _ _ _ _		0	
389	Other Plant and Miscellaneous Equipment _ _ _ _ _		16,826	
390	Office Furniture and Equip. _ _ _ _ _		0	
391	Transportation Equipment _ _ _ _ _		0	
392	Stores Equipment _ _ _ _ _		0	
393	Tools, Shop and Garage Equip. _ _ _ _ _		3,445	
394	Laboratory Equipment _ _ _ _ _		3,940	
395	Power Operated Equipment _ _ _ _ _		0	
396	Communication Equipment _ _ _ _ _		2,875	
397	Miscellaneous Equipment _ _ _ _ _		0	
398	Other Tangible Plant _ _ _ _ _		0	
	Total Sewer Plant _ _ _ _ _	\$ 0	\$ 1,726,207	\$ 2,720

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

SEWER UTILITY PLANT MATRIX

CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 GENERAL PLANT (k)
\$ 10,115	\$ 10,115	\$ XXXXXXXXXXXXX	\$ XXXXXXXXXXXXX	\$ XXXXXXXXXXXXX	\$ XXXXXXXXXXXXX
5,303	5,303	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
0	XXXXXXXXXXXXXX	0	0	0	0
0	XXXXXXXXXXXXXX	0	0	0	0
178,994	XXXXXXXXXXXXXX	178,994	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
591,642	XXXXXXXXXXXXXX	591,642	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
0	XXXXXXXXXXXXXX	0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
140,177	XXXXXXXXXXXXXX	140,177	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
0	XXXXXXXXXXXXXX	0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
0	XXXXXXXXXXXXXX	0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
70,571	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	70,571	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0	XXXXXXXXXXXXXX
409,599	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	409,599	XXXXXXXXXXXXXX
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0	XXXXXXXXXXXXXX
0	0	0	0	0	XXXXXXXXXXXXXX
306,826	0	306,826	0	0	XXXXXXXXXXXXXX
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0
3,445	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	3,445
3,940	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	3,940
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0
2,875	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	2,875
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0
0	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	0
<u>\$ 1,723,487</u>	<u>\$ 15,418</u>	<u>\$ 1,217,639</u>	<u>\$ 70,571</u>	<u>\$ 409,599</u>	<u>\$ 10,260</u>

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1996

SEWER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees	\$ 11,616	\$ 348	\$ 1,394
703	Salaries and Wages - Officers, Directors and Majority Stockholders			
704	Employee Pensions and Benefits	3,208	96	225
710	Purchased Sewage Treatment			XXXXXXXXXXXX
711	Sludge Removal Expense	1,086		XXXXXXXXXXXX
715	Purchased Power	0		XXXXXXXXXXXX
716	Fuel for Power Purchased			
718	Chemicals	898		
720	Materials and Supplies	4,716	189	755
731	Contractual Services - Eng.	0		
732	Contractual Services - Acct.	0		
733	Contractual Services - Legal	0		
734	Contractual Services - Management Fees	306		
735	Contractual Services - Other	528		
742	Rental of Equipment Property			
750	Transportation Expenses	66	2	8
756	Insurance - Vehicle			
757	Insurance - General Liability			
758	Insurance - Workman's Compensation			
759	Insurance - Other	0		
760	Advertising Expense		XXXXXXXXXXXX	XXXXXXXXXXXX
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	0	XXXXXXXXXXXX	XXXXXXXXXXXX
767	Regulatory Commission Expenses - Other	0		
770	Bad Debt Expense	0	XXXXXXXXXXXX	XXXXXXXXXXXX
775	Miscellaneous Expenses	1,626		
	Total Sewer Utility Expenses	\$ 24,050	\$ 635	\$ 2,382



SEWER EXPENSE ACCOUNT MATRIX

.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT DISPOSAL EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ 2,323	\$ 581	\$ 5,576	\$ 1,394	\$	\$
385 XXXXXXXXXXXXX	160 XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX	962 XXXXXXXXXXXXX 1,086 -	385 XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX	995 XXXXXXXXXXXXX	XXXXXXXXXXXXX
-		898 1,886 -	471	XXXXXXXXXXXXX	XXXXXXXXXXXXX
1,132	283				- -
				306 264	264
13	3	32	8		
XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX	XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX	XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX	XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX	XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX XXXXXXXXXXXXX	- - - -
XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	- 813	XXXXXXXXXXXXX 813
\$ 3,853	\$ 1,027	\$ 10,440	\$ 2,258	\$ 2,378	\$ 1,077

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
DECEMBER 31, 1998

SEWER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues			\$
521.1	Residential Revenues	-	943	\$ 56,032
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
	Total Flat Rate Revenues	-	943	\$ 56,032
522.1	Residential Revenues			\$
522.2	Commercial Revenues			
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			\$
522.5	Multiple Family Dwelling Revenues			
	Total Measured Revenues			\$
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Totals	0	943	\$ 56,032
	Other Sewer Revenues:			
530	Guaranteed Revenues			\$
531	Sale Of Sludge			-
532	Forfeited Discounts			
534	Rents From Sewer Property			
535	Interdepartmental Rents			-
536	Other Sewer Revenues			
	Total Other Sewer Revenues			\$ -
	Total Sewer Operating Revenues			\$ 56,032

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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BASIS FOR SEWER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
354	Structures and Improvements		%	3.13%
360	Collection Sewers - Force		%	3.33%
361	Collection Sewers - Gravity		%	2.22%
362	Special collecting Structures		%	
363	Services to Customers		%	2.63%
364	Flow Measuring Devices		%	
365	Flow Measuring Installations		%	2.86%
370	Receiving Wells		%	4.00%
371	Pumping Equipment		%	
380	Treatment and Disposal Equip.		%	2.86%
381	Plant Sewers		%	
382	Outfall Sewer Lines		%	
389	Other Plant and Miscellaneous Equipment		%	6.67%
390	Office Equipment and Equip.		%	
391	Transportation Equipment		%	
392	Stores Equipment		%	6.25%
393	Tools, Shop and Garage Equip.		%	6.67%
394	Laboratory Equipment		%	
395	Power Operated Equipment		%	10.00%
396	Communication Equipment		%	
397	Miscellaneous Equipment		%	
398	Other Tangible Plant		%	
	Sewer Plant Composite Depreciation Rate *		%	

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: CYPRESS LAKES UTILITIES INC

YEAR OF REPORT  
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ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
354	Structures and Improvements	\$ 0	\$ 0	\$ 0	\$ 0
360	Collection Sewers - Force	0	0	31,568	31,568
361	Collection Sewers - Gravity	0	0	78,628	78,628
362	Special collecting Structures	0	0	0	0
363	Services to Customers	0	0	16,320	16,320
364	Flow Measuring Devices	0	0	0	0
365	Flow Measuring Installations	0	0	0	0
370	Receiving Wells	0	0	41,166	41,166
371	Pumping Equipment	0	0	0	0
380	Treatment and Disposal Equip.	0	1,367	154,564	155,931
381	Plant Sewers	0	0	62,036	62,036
382	Outfall Sewer Lines	0	0	0	0
389	Other Plant and Miscellaneous	0	0	0	0
331	Equipment	0	0	0	0
390	Office Equipment and Equip.	0	0	0	0
391	Transportation Equipment	0	0	0	0
392	Stores Equipment	0	0	0	0
393	Tools, Shop and Garage Equip.	0	0	1,743	1,743
394	Laboratory Equipment	0	0	0	0
395	Power Operated Equipment	0	0	0	0
396	Communication Equipment	0	0	0	0
397	Misc Equip (Org & Franchises)	0	0	0	0
398	Other Tangible Plant	0	0	0	0
Total Depreciable Sewer Plant In Service		\$ 0	\$ 1,367	\$ 386,025	\$ 387,392

\* Specify nature of transaction.  
Use ( ) to denote reversal entries.



UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

YEAR OF REPORT  
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SYSTEM NAME: CYPRESS LAKES

WASTEWATER SYSTEM INFORMATION

PUMPING EQUIPMENT

LIFT STATION NUMBER	MAKE OR TYPE	RATED CAPACITY *
#1 *	FLYGT - SUBMERSIBLE	50 GPM @ 12 TDH
#2	DAVCO - VACUUM LIFT	167 GPM @ 31 TDH
#3	FLYGT - SUBMERSIBLE	120 GPM @ 26 TDH
#4	HYDROMATIC - SUBMERSIBLE	135 GPM @ 21 TDH
#5	FLYGT - SUBMERSIBLE	

\* INDICATE WHICH STATION IS THE MASTER LIFT STATION

SERVICE CONNECTIONS

TYPE (PVC, VCP, ETC.)	SIZE (INCHES)	END OF YEAR # CONNECTIONS
P.V.C.	4" & 6"	944

UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

SYSTEM NAME: CYPRESS LAKES

YEAR OF REPORT  
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COLLECTING MAINS

COLLECTING MAINS:							
Size (inches)	---	6"	8"	10"	12"	---	---
Type of main	---	PVC	PVC	PVC	PVC	---	---
Length of main (nearest foot):	---						
End of year	---	483	39438	118	2963	---	---

FORCE MAINS

FORCE MAINS:							
Size (inches)	---	4"	6"	8"	---	---	---
Type of main	---	PVC	PVC	PVC	---	---	---
Length of main (nearest foot):	---						
End of year	---	2529	2505	1770	---	---	---

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UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

SYSTEM NAME: CYPRESS LAKES

TREATMENT PLANT

Manufacturer	WETHERELL TRMT, SYSTEMS	-	-
Type	EXTENDED AERATION (DEP TYPE II)	-	-
"Steel" or "Concrete"	TUBE STEEL	-	-
Total Capacity	.160 MGD	-	-
Average Daily Flow	.062 MGD	-	-
Effluent Disposal	TO GOLF COURSE (CLASS I RELIABILITY)	-	-
Total Gallons of Sewage Treated	22.726 MGD	-	-

OTHER WASTEWATER SYSTEM INFORMATION

1. Maximum number of ERC's \* which can be served. \_ 1571 \_ \_ \_ \_ \_
2. Estimated annual increase in ERC's \*. \_ 45 \_ \_ \_ \_ \_
3. List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation Not required \_ \_ \_ \_ \_
4. State any plans and estimated completion dates for any enlargements of this system. \_ NONE \_ \_ \_ \_ \_
5. If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
  - a. Evaluation of the present plant or plants in regard to meeting the DER's rules.
  - b. Plans for funding and construction of the required upgrading.
  - c. Have these plans been coordinated with the DER? \_ \_ \_ \_ \_
  - d. Do they concur? \_ \_ \_ \_ \_
  - e. When will construction begin? \_ \_ \_ \_ \_
6. In what percent of your certificated area have service connections been installed? 60%

\* ERC = (Total Gallons Treated / 365 days) / 275 Gallons Per Day

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment



UTILITY NAME: CYPRESS LAKES UTILITIES, INC.

SYSTEM NAME: CYPRESS LAKES

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METERS AND CALCULATION OF METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERED WASTEWATER CONNECTIONS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	897	941	941
3/4"	D	1.5	---	---	5
1"	D	2.5	2	2	5
1 1/2"	D, T	5.0	1	1	
2"	D, C, T	8.0	---	---	
3"	D	15.0	---	---	
3"	C	16.0	---	---	
3"	T	17.5	---	---	
4"	D, C	25.0	---	---	
4"	T	30.0	---	---	
6"	D, C	50.0	---	---	
6"	T	62.5	---	---	
8"	C	80.0	---	---	
8"	T	90.0	---	---	
10"	C	115.0	---	---	
10"	T	145.0	---	---	
12"	T	215.0	---	---	
TOTAL:			900	944	951

\* D = Displacement  
C = Compound  
T = Turbine

CALCULATIONS OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$( 22.726 / 365 \text{ days} ) / 275 \text{ gpd} = 226$$

(total gallons treated)