

**CLASS "C"**

**WATER AND/OR WASTEWATER UTILITIES**

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

**ANNUAL REPORT**

SU526  
C & H Utilities, Inc.  
P. O. Box 1088  
Sebring, FL 33871-1088

28

536-W 423-5

Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**



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WATER AND SEWER  
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**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 1997**

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**FINANCIAL  
SECTION**

**REPORT OF**

C & H Utilities, Inc.  
(EXACT NAME OF UTILITY)

<u>P.O. Box 1088</u> <u>Sebring, FL 33871</u> Mailing Address	<u>3433 Herd Street</u> <u>Sebring, FL 33871</u> Street Address	<u>Highlands</u> County
---	---	----------------------------

Telephone Number (941)471-1400      Date Utility First Organized 5/11/87

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: 3433 Herd Street  
Sebring, FL 33871

Name of subdivisions where services are provided: Valencia and Hickory Ridge

**CONTACTS:**

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Wendell L. Faircloth</u>	<u>President</u>	<u>P.O. Box 1088</u> <u>Sebring, FL 33872</u> <u>435 South Commerce Ave.</u>	
Person who prepared this report: <u>The NCT Group CPA's, L.L.P.</u>	<u>CPA</u>	<u>Sebring, FL 33870</u>	
Officers and Managers: <u>Wendell L. Faircloth</u>	<u>President</u>	<u>Same</u>	\$ <u>-0-</u>
			\$ _____
			\$ _____
			\$ _____
			\$ _____

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
<u>Wendell L. Faircloth</u>	<u>50%</u>	<u>Same</u>	\$ <u>-0-</u>
<u>Mary Jane Faircloth</u>	<u>50%</u>	<u>Same</u>	\$ <u>2,400</u>
			\$ _____
			\$ _____
			\$ _____
			\$ _____

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
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INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		\$ 6,959	\$ 13,296	\$	\$ 20,255
Commercial					
Industrial					
Multiple Family					
Guaranteed Revenues					
Other (Specify)					
<b>Total Gross Revenue</b>		<b>\$ 6,959</b>	<b>\$ 13,296</b>	<b>\$</b>	<b>\$ 20,255</b>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 5,626	\$ 11,993	\$	\$ 17,619
Depreciation Expense	F-5	399	737		1,136
CIAC Amortization Expense	F-8	(16)	-0-		(16)
Taxes Other Than Income	F-7	713	1,340		2,053
Income Taxes	F-7	-0-	-0-		-0-
<b>Total Operating Expense</b>		<b>\$ 6,722</b>	<b>\$ 14,070</b>	<b>\$</b>	<b>\$ 20,792</b>
<b>Net Operating Income (Loss)</b>		<b>\$ 237</b>	<b>\$ (774)</b>	<b>\$</b>	<b>\$ (537)</b>
Other Income:					
Nonutility Income		\$ -0-	\$ -0-	\$	\$ -0-
Other Deductions:					
Miscellaneous Nonutility Expenses		\$	\$	\$	\$
Interest Expense					
<b>Net Income (Loss)</b>		<b>\$ 237</b>	<b>\$ (774)</b>	<b>\$</b>	<b>\$ (537)</b>

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
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COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 20,237	\$ 18,904
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u>10,911</u>	<u>10,569</u>
Net Utility Plant -----		\$ 9,326	\$ 8,335
Cash -----		<u>4</u>	<u>144</u>
Customer Accounts Receivable (141) -----		<u>1,408</u>	<u>100</u>
Other Assets (Specify): -----		<u>-195</u>	<u>195</u>
Deposits -----			
-----			
<b>Total Assets</b> -----		\$ <u>10,933</u>	\$ <u>8,774</u>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201) -----	F-6	<u>500</u>	<u>500</u>
Preferred Stock Issued (204) -----	F-6		<u>257</u>
Other Paid in Capital (211) -----		<u>257</u>	<u>7,323</u>
Retained Earnings (215) -----	F-6	<u>978</u>	
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ <u>1,735</u>	\$ <u>8,080</u>
Long Term Debt (224) -----	F-6		<u>245</u>
Accounts Payable (231) -----		<u>6,365</u>	
Notes Payable (232) -----			
Customer Deposits (235) -----			
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----		<u>2,400</u>	
Accrued Wages -----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>433</u>	<u>449</u>
<b>Total Liabilities and Capital</b> -----		\$ <u>10,933</u>	\$ <u>8,774</u>

UTILITY NAME: C & H Utilities, Inc.

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GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)_____	\$ <u>4,684</u>	\$ <u>15,553</u>	\$ _____	\$ <u>20,237</u>
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ <u>4,684</u>	\$ <u>15,553</u>	\$ _____	\$ <u>20,237</u>

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

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year_____	\$ <u>2,944</u>	\$ <u>7,625</u>	\$ _____	\$ <u>10,569</u>
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account_____	\$ <u>399</u>	\$ <u>737</u>	\$ _____	\$ <u>1,136</u>
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
Total Credits_____	\$ <u>399</u>	\$ <u>737</u>	\$ _____	\$ <u>1,136</u>
<b>Deduct Debits During Year:</b>				
Book cost of plant retired_____	\$ _____	\$ <u>794</u>	\$ _____	\$ <u>794</u>
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
Total Debits_____	\$ <u>-0-</u>	\$ <u>794</u>	\$ _____	\$ <u>794</u>
Balance End of Year_____	\$ <u>3,343</u>	\$ <u>7,568</u>	\$ _____	\$ <u>10,911</u>

UTILITY NAME: C & H Utilities, Inc

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CAPITAL STOCK ( 201 - 204 )

	Common Stock	Preferred Stock
Par or stated value per share _____	1.00	_____
Shares authorized _____	6,000	_____
Shares issued and outstanding _____	500	_____
Total par value of stock issued _____	500	_____
Dividends declared per share for year _____	-0-	_____

RETAINED EARNINGS ( 215 )

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ 7,323
Changes during the year (Specify):		
Net Income (Loss) for EYE 12/31/97 _____	_____	(537)
Non-dividend Distributions to Shareholders _____	_____	(5,808)
Balance end of year _____	\$ _____	\$ 978

PROPRIETARY CAPITAL ( 218 )

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

LONG TERM DEBT ( 224 )

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



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**TAXES ACCRUED ( 236 )**

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ -0-	\$ -0-	\$	\$ -0-
Add Accruals charged:				
State ad valorem tax	\$ 333	\$ 668	\$	\$ 1,001
Local property tax				
Federal income tax				
State income tax				783
Regulatory assessment fee	290	493		14
Other (Specify) Misc. Taxes	5	9		
Licenses	85	170		255
2. Total Taxes Accrued	\$ 713	\$ 1,340	\$	\$ 2,053
Deduct Taxes Paid:				
State ad valorem tax	\$ 333	\$ 668	\$	\$ 1,001
Local property tax				
Federal income tax				
State income tax				783
Regulatory assessment fee	290	493		14
Other (Specify) Misc. Taxes	5	9		
Licenses	85	170		255
3. Total Taxes Paid	\$ 713	\$ 1,340	\$	\$ 2,053
4. Balance end of year (1 + 2 - 3 = 4)	\$ -0-	\$ -0-	\$	\$ -0-

**PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES**

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Short Utility Service	\$ 2,896	\$ 3,854	Operation/Maintenance/Testing
Stokes Electric	\$ -0-	\$ 611	Maintenance
The NCT Group CPA's, L.L.P.	\$ 497	\$ 993	Accounting and Consulting
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

UTILITY NAME: C & H Utilities, Inc.

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**CONTRIBUTIONS IN AID OF CONSTRUCTION ( 271 )**

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ <u>500</u>	\$ <u>-0-</u>	\$ <u>500</u>
2) Add credits during year_____	\$ _____	\$ _____	\$ _____
3) Total_____	_____	_____	_____
4) Deduct charges during the year_____	_____	_____	_____
5) Balance end of year_____	<u>500</u>	<u>-0-</u>	<u>500</u>
6) Less Accumulated Amortization_____	<u>67</u>	_____	<u>67</u>
7) Net CIAC_____	\$ <u>433</u>	\$ _____	\$ <u>433</u>

**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>		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
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	Water	Wastewater
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ _____	\$ _____

**ACCUMULATED AMORTIZATION OF CIAC**

	Water	Wastewater	Total
Balance First of Year_____	\$ <u>51</u>	\$ _____	\$ <u>51</u>
Add Credits During Year_____	<u>16</u>	_____	<u>16</u>
Deduct Debits During Year:_____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ <u>67</u>	\$ _____	\$ <u>67</u>

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

UTILITY NAME: C. & H. Utilities, Inc.

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N/A

**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	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
<b>Total</b>	<b>\$ _____</b>	<b>100.00 %</b>		<b>_____ %</b>

(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 approving AFUDC rate:	_____ %



**WATER  
OPERATING  
SECTION**

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
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**WATER UTILITY PLANT ACCOUNTS**

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises	_____	_____	_____	820
303	Land and Land Rights	820	_____	_____	_____
304	Structures and Improvements	_____	_____	_____	_____
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____	_____	_____
307	Wells and Springs	_____	_____	_____	_____
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____
309	Supply Mains	_____	_____	_____	_____
310	Power Generation Equipment	_____	_____	_____	3,592
311	Pumping Equipment	3,592	_____	_____	_____
320	Water Treatment Equipment	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____
331	Transmission and Distribution Lines	_____	_____	_____	_____
333	Services	_____	_____	_____	_____
334	Meters and Meter Installations	_____	_____	_____	_____
335	Hydrants	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment	_____	_____	_____	_____
340	Office Furniture and Equipment	_____	272	_____	272
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	_____	_____	_____	_____
	<b>Total Water Plant</b>	<b>\$ 4,412</b>	<b>\$ 272</b>	<b>\$ -0-</b>	<b>\$ 4,684</b>

UTILITY NAME: C & H Utilities, Inc.

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ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements		%		\$	\$		\$
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs		%					
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%					
311	Pumping Equipment	7	%	14.3	2,944		364	3,308
320	Water Treatment Equipment		%					
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains		%					
333	Services		%					
334	Meter & Meter Installations		%					
335	Hydrants		%					
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment		%					
341	Transportation Equipment	Various	%	Various	-0-		35	35
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				\$ 2,944	\$ -0-	\$ 399	\$ 3,343

\* This amount should tie to Sheet F-5.

UTILITY NAME: C & H Utilities, Inc.

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**WATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	800
604	Employee Pensions and Benefits	_____
610	Purchased Water	642
615	Purchased Power	_____
616	Fuel for Power Production	572
618	Chemicals	_____
620	Materials and Supplies	_____
630	Contractual Services:	2,590
	Operator and Management	_____
	Testing	396
	Other	497
640	Rents	_____
650	Transportation Expense	_____
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
670	Bad Debt Expense	_____
675	Miscellaneous Expenses Bank Charges, Office Expenses & Postage	129
	<b>Total Water Operation And Maintenance Expense</b>	<b>\$ 5,626 *</b>

\* This amount should tie to Sheet F-3.

**WATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
5/8"	D	1.0	45	45	45
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	_____	_____	_____
4"	D,C	25.0	_____	_____	_____
4"	T	30.0	_____	_____	_____
6"	D,C	50.0	_____	_____	_____
6"	T	62.5	_____	_____	_____
Other (Specify):	_____	_____	_____	_____	_____
Unmetered Customers			_____	_____	_____
** D = Displacement C = Compound T = Turbine			<b>Total</b>	45	45



UTILITY NAME: C & H Utilities, Inc

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SYSTEM NAME: Hickory Ridge

**PUMPING AND PURCHASED WATER STATISTICS**

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [ (b)+(c)-(d) ]	(f) Water Sold To Customers (Omit 000's)
January		148		148	148
February		158		158	158
March		238		238	238
April		161		161	161
May		158		158	158
June		120		120	120
July		114		114	114
August		111		111	111
September		126		126	126
October		157		157	157
November		142		142	142
December		135		135	135
Total for Year	-0-	1,768	-0-	1,768	1,768

If water is purchased for resale, indicate the following:

Vendor N/A

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

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

N/A

**MAINS (FEET)**

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	2"	6,333	-0-	-0-	6,333
PVC	4"	945	-0-	-0-	945

UTILITY NAME: C & H Utilities, Inc.

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SYSTEM NAME: Hickory Ridge

**WELLS AND WELL PUMPS  
(If Available)**

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1988	_____	_____	_____
Types of Well Construction and Casing _____	Steel	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	800'	_____	_____	_____
Diameters of Wells _____	4"	_____	_____	_____
Pump - GPM _____	60 GPM	_____	_____	_____
Motor - HP _____	5 HP	_____	_____	_____
Motor Type * _____	Centrifugal	_____	_____	_____
Yields of Wells in GPD _____	80,000	_____	_____	_____
Auxiliary Power _____	No	_____	_____	_____
* Submersible, centrifugal, etc.				

**RESERVOIRS**

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Pneumatic	_____	_____	_____
Capacity of Tank _____	2,500	_____	_____	_____
Ground or Elevated _____	Ground	_____	_____	_____

**HIGH SERVICE PUMPING**

(a)	(b)	(c)	(d)	(e)
<b>Motors</b>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
<b>Pumps</b>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

UTILITY NAME: C & H Utilities, Inc.

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**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Gals. per day of source	<u>6,112</u>		
Type of Source	<u>Ground Water</u>		

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type	<u>Liquid</u>		
Make	<u>Chem - Tech</u>		
Gals. per day capacity	<u>24</u>		
High service pumping Gallons per minute			
Reverse Osmosis			
Lime Treatment Unit Rating			
Filtration Pressure Sq. Ft.			
Gravity GPD/Sq.Ft.			
Disinfection Chlorinator			
Ozone			
Other			
Auxiliary Power	<u>No</u>		

**OTHER WATER SYSTEM INFORMATION**

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

- Present ERCs \* now being served 14 (1)
- Maximum ERCs \*\* that system can efficiently serve 228 (2)
- Present system connection capacity (in ERC's) using existing lines 20
- Future connection capacity (in ERC's) upon service area buildout 10
- Estimated annual increase in ERCs \* 1 - 2
- List fire fighting facilities and capacities (including number of fire hydrants) \_\_\_\_\_
- List percent of certificated area where service connections are installed (total for each county)  
100%
- What is the current need for system upgrading and/or expansion? None
- What are plans for future system upgrading and/or expansion? None
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)  
No
- Has an application for a construction permit been filed with the DEP? (If so, explain) \_\_\_\_\_
- Department of Environmental Protection ID # D028155176  
Water Management District ID # N/A

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

(1)  $(1,768,000 \div 365) \div 350 = 13.84$

W-6

(2)  $80,000 \div 350 = 228.58$

**WASTEWATER  
OPERATING  
SECTION**

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 1997

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises	_____	_____	_____	4,589
353	Land and Land Rights	4,589	_____	_____	2,000
354	Structures and Improvements	2,000	_____	_____	2,000
360	Collection Sewers - Force	2,000	_____	_____	2,819
361	Collection Sewers - Gravity	2,819	_____	_____	_____
362	Special Collecting Structures	_____	_____	_____	_____
363	Services to Customers	_____	_____	_____	_____
364	Flow Measuring Devices	_____	_____	_____	_____
365	Flow Measuring Installations	_____	_____	_____	_____
370	Receiving Wells	_____	_____	_____	_____
371	Pumping Equipment	_____	_____	_____	_____
380	Treatment and Disposal Equipment	_____	_____	_____	_____
381	Plant Sewers	_____	_____	_____	_____
382	Outfall Sewer Lines	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment	3,084	1,310	794	3,600
390	Office Furniture and Equipment	_____	545	_____	545
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	_____	_____	_____	_____
	Total Wastewater Plant	\$ 14,492	\$ 1,855	\$ 794	\$ 15,553*

\* This amount should tie to sheet F-5.

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 1997

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	7	%	14.3%	\$ 2,000	\$ -0-	\$ -0-	\$ 2,000
360	Collection Sewers - Force	7	%	14.3%	2,000	-0-	-0-	2,000
361	Collection Sewers - Gravity	15	%	6.7%	1,786		188	1,974
362	Special Collecting Structures		%					
363	Services to Customers		%					
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells		%					
371	Pumping Equipment		%					
380	Treatment and Disposal Equipment		%					
381	Plant Sewers		%					
382	Outfall Sewer Lines		%					
389	Other Plant and Miscellaneous Equipment	7	%	14.3%	1,837	796	479	1,522
390	Office Furniture and Equipment	Various	%	Various		-0-	70	70
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		%					
	Totals				\$ 7,625	\$ 796	\$ 373	\$ 7,568 *

\* This amount should tie to Sheet F-5.

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 1997

**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 1,600
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	
710	Purchased Wastewater Treatment	1,513
711	Sludge Removal Expense	1,372
715	Purchased Power	
716	Fuel for Power Production	1,613
718	Chemicals	
720	Materials and Supplies	
730	Contractual Services:	3,291
	Operator and Management	1,354
	Testing	993
	Other	
740	Rents	
750	Transportation Expense	
755	Insurance Expense	
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	
770	Bad Debt Expense	257
775	Miscellaneous Expenses Bank Charges, Office Expense and Postage	
	<b>Total Wastewater Operation And Maintenance Expense</b>	<b>\$ 11,993</b>

\* This amount should tie to Sheet F-3.

**WASTEWATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5			
Other (Specify): _____ _____	_____ _____	_____ _____			
<b>Unmetered Customers</b>			<b>88</b>	<b>88</b>	<b>88</b>
<b>Total</b>			<b>88</b>	<b>88</b>	<b>88</b>

\*\* D = Displacement  
C = Compound  
T = Turbine

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 1997

**PUMPING EQUIPMENT**

Lift Station Number	1					
Make or Type and nameplate data on pump	Goulds					
Year installed	1993					
Rated capacity	50 GPM					
Size	1 HP					
Power:						
Electric	Electric					
Mechanical						
Nameplate data of motor	Goulds					

**SERVICE CONNECTIONS**

Size (inches)	4"					
Type (PVC, VCP, etc.)	PVC					
Average length	10'					
Number of active service connections	88					
Beginning of year	88					
Added during year	-0-					
Retired during year	-0-					
End of year	88					
Give full particulars concerning inactive connections	N/A					

**COLLECTING AND FORCE MAINS**

	Collecting Mains		Force Mains			
	6"	8"				
Size (inches)	6"	8"				
Type of main	PVC	PVC				
Length of main (nearest foot)	1,365	3,531				
Beginning of year	1,365	3,531				
Added during year	-0-	-0-				
Retired during year	-0-	-0-				
End of year	1,365	3,531				

**MANHOLES**

Size (inches)	70"			
Type of Manhole	Concrete			
Number of Manholes:				
Beginning of year	30			
Added during year	-0-			
Retired during year	-0-			
End of Year	30			



UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT  
DECEMBER 31, 1997

SYSTEM NAME: Valencia

**TREATMENT PLANT**

Manufacturer _____	<u>Triad-Tech</u>	_____	_____
Type _____	<u>Extended Air</u>	_____	_____
"Steel" or "Concrete" _____	<u>Concrete</u>	_____	_____
Total Capacity _____	<u>10,000 GPD</u>	_____	_____
Average Daily Flow _____	<u>3,600 GPD</u>	_____	_____
Effluent Disposal _____	<u>Perk Pond</u>	_____	_____
Total Gallons of Wastewater treated _____	_____	_____	_____

**MASTER LIFT STATION PUMPS**

Manufacturer _____	<u>Goulds</u>	<u>Goulds</u>	_____	_____	_____	_____
Capacity (GPM's) _____	<u>50 GPM</u>	<u>40 GPM</u>	_____	_____	_____	_____
Motor:						
Manufacturer _____	_____	_____	_____	_____	_____	_____
Horsepower _____	<u>1 HP</u>	<u>3/4 HP</u>	_____	_____	_____	_____
Power (Electric or Mechanical) _____	<u>Electric</u>	<u>Electric</u>	_____	_____	_____	_____

**PUMPING WASTEWATER STATISTICS**

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>201,000</u>	_____	<u>201,000</u>
February _____	<u>171,000</u>	_____	<u>171,000</u>
March _____	<u>191,000</u>	_____	<u>191,000</u>
April _____	<u>171,000</u>	_____	<u>171,000</u>
May _____	<u>115,000</u>	_____	<u>115,000</u>
June _____	<u>93,000</u>	_____	<u>93,000</u>
July _____	<u>106,000</u>	_____	<u>106,000</u>
August _____	<u>96,000</u>	_____	<u>96,000</u>
September _____	<u>94,000</u>	_____	<u>94,000</u>
October _____	<u>119,000</u>	_____	<u>119,000</u>
November _____	<u>143,000</u>	_____	<u>143,000</u>
December _____	<u>175,000</u>	_____	<u>175,000</u>
Total for year _____	<u>1,675,000</u>	<u>-0-</u>	<u>1,675,000</u>

If Wastewater Treatment is purchased, indicate the vendor: \_\_\_\_\_

UTILITY NAME: C & H Utilities, Inc.  
SYSTEM NAME: Valencia

YEAR OF REPORT  
DECEMBER 31, 1997

### OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present ERCs \* now being served 13 (1)
2. Maximum ERCs \*\* that system can efficiently serve 28 (2)
3. Present system connection capacity (in ERC's) using existing lines 20
4. Future connection capacity (in ERC's) upon service area buildout 35
5. Estimated annual increase in ERCs \* 1 - 2
6. State any plans and estimated completion dates for any enlargements of this system. None
  
7. List percent of certificated area where service connections are installed (total for each county)  
100%
  
8. If present systems do not meet the requirements of DEP Rule 62-4, Florida Administrative Code, submit the following: N/A
  - a. Evaluation of the present plant or plants in regard to meeting the DEP's rules.
  - b. Plans for funding and construction of the required upgrading.
  - c. Have these plans been coordinated with the DEP? \_\_\_\_\_
  - d. Do they concur? \_\_\_\_\_
  - e. When will construction begin? \_\_\_\_\_
9. Do you discharge effluent to surface waters? \_\_\_\_\_
10. Department of Environmental Protection ID # D028155176  
Water Management District ID # N/A

\*  $ERC = (Total\ Gallons\ Treated / 365\ days) / 280\ Gallons\ Per\ Day$

Note: Total Gallons Treated includes both Wastewater treated and Purchased Wastewater Treatment.

\*\* Total Plant Capacity / 280 gallons

(1)  $(1,675,000 - 365) - 350 = 13.12$

(2)  $10,000 - 350 = 28.58$

# CERTIFICATION OF ANNUAL REPORT

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

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

**Items Certified**

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



(signature of chief executive officer of the utility)

Wendell L. Faircloth, President

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

(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 officer. 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.