

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

C & H Utilities, Inc.

Exact Legal Name of Respondent

536-W 423-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



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APR - 1 1999

Florida Public Service Commission
Division of Water and Wastewater

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PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1998

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**FINANCIAL
SECTION**

REPORT OF

C & H Utilities, Inc.

(EXACT NAME OF UTILITY)

P.O. Box 1088 Sebring, FL 33871	3433 Herd Street 1527 VALIANT AVE Sebring, FL 33870	Highlands
Mailing Address	Street Address	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 33870

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 33871</u>	
Person who prepared this report: <u>The NCT Group CPA's, L.L.P.</u>	<u>CPA</u>	<u>435 South Commerce Ave</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.

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INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 6,546	12,198	\$ _____	\$ 18,744
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ 6,546	\$ 12,198	\$ _____	\$ 18,744
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 6,410	\$ 12,162	\$ _____	\$ 18,572
Depreciation Expense(Net) _____	F-5	304	833	_____	1,137
Amortization Expense _____	F-8	(16)	0	_____	(16)
Taxes Other Than Income _____	F-7	750	1,455	_____	2,205
Income Taxes _____	F-7	0	0	_____	0
Total Operating Expense		\$ 7,448	14,450	_____	\$ 21,899
Net Operating Income (Loss)		\$ (902)	\$ (2,252)	\$ _____	\$ (3,154)
Other Income:					
Nonutility Income _____		\$ 0	\$ 0	\$ _____	\$ 0
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (902)	\$ (2,252)	\$ _____	\$ (3,154)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 20,237	\$ 20,237
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u>12,048</u>	<u>10,911</u>
Net Utility Plant -----		\$ 8,189	\$ 9,326
Cash -----		747	4
Customer Accounts Receivable (141) -----		295	1,408
Other Assets (Specify): -----			
Deposits -----		195	195
N/R - Shareholder -----		4,728	0
Total Assets -----		\$ <u>14,154</u>	\$ <u>10,933</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	500	500
Preferred Stock Issued (204) -----	F-6	257	257
Other Paid in Capital (211) -----		(3,255)	978
Retained Earnings (215) -----	F-6		
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ (2,498)	\$ 1,735
Long Term Debt (224) -----	F-6	\$ 11,435	\$ 6,365
Accounts Payable (231) -----			
Notes Payable (232) -----			
Customer Deposits (235) -----			
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----		4,800	2,400
Accrual Wages -----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>417</u>	<u>433</u>
Total Liabilities and Capital -----		\$ <u>14,154</u>	\$ <u>10,933</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)_____	\$ 4,684	\$ 15,553	\$ _____	\$ 20,237
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 4,684	\$ 15,553	\$ _____	\$ 20,237

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

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year_____	\$ 3,343	\$ 7,568	\$ _____	\$ 10,911
Add Credits During Year:				
Accruals charged to depreciation account_____	\$ 304	\$ 833	\$ _____	\$ 1,137
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
Total Credits _____	\$ _____	\$ _____	\$ _____	\$ _____
Deduct Debits During Year:				
Book cost of plant retired_____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
Total Debits _____	\$ 0	\$ 0	\$ _____	\$ 0
Balance End of Year _____	\$ 3,647	\$ 8,401	\$ _____	\$ 12,048

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 _____	0.00	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ 978
Changes during the year (Specify):		
Net Income (Loss) for FYE 12-31-98 _____	_____	(3,154)
Non-Dividend Distributions to Shareholders _____	_____	(1,079)
_____	_____	_____
Balance end of year _____	\$ _____	\$ (3,255)

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

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	\$ 353	\$ 686	\$	\$ 1,039
Local property tax				
Federal income tax				
State income tax				912
Regulatory assessment fee	310	602		
Other (Specify)				14
Miscellaneous Taxes	5	9		240
Licenses	82	158		
2. Total Taxes Accrued	\$ 750	\$ 1,455	\$	\$ 2,205
Deduct Taxes Paid:				
State ad valorem tax	\$ 353	\$ 686	\$	\$ 1,039
Local property tax				
Federal income tax				
State income tax				912
Regulatory assessment fee	310	602		
Other (Specify)				14
Miscellaneous Taxes	5	9		240
Licenses	82	158		
3. Total Taxes Paid	\$ 750	\$ 1,455	\$	\$ 2,205
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 similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Short Utility Service	\$ 3,750	\$ 3,750	Operations and Maintenance
Highlands Professional Lawn	\$ 80	\$ 540	Maintenance
Short Environmental Lab	\$ 0	\$ 1,634	Testing
The NCT Group, CPA's, L.L.P.	\$ 553	\$ 1,086	Accounting and Consulting
Larry Howard	\$ 360	\$ 0	Operation and Maintenance
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

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>83</u>	_____	<u>83</u>
7) Net CIAC _____	\$ <u>417</u>	\$ _____	\$ <u>417</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
N/A	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Sub-total _____	_____	\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
_____	_____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ <u>67</u>	\$ _____	\$ <u>67</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>83</u>	\$ _____	\$ <u>83</u>

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

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 1998

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)	_____	_____ %	_____ %	_____ %
Total	\$ _____	100.00 %		_____ %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: _____ %
Commission Order Number approving AFUDC rate: _____

**WATER
OPERATING
SECTION**

UTILITY NAME: C & H 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)	Current Year (f)
301	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises_____	_____	_____	_____	_____
303	Land and Land Rights_____	820	_____	_____	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_____	_____	_____	_____	_____
311	Pumping Equipment_____	3,592	_____	_____	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_____	_____	_____	_____	_____
336	Backflow Prevention Devices_____	_____	_____	_____	_____
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_____	_____	_____	_____	_____
	Total Water Plant_____	\$ 4,684	\$ _____	\$ _____	\$ 4,684

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
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ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements		%	%	\$	\$	\$	
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 %	3,308		234	3,542
320	Water Treatment Equipment		%	%				
330	Distribution Reservoirs & Standpipes		%	%				
331	Trans. & Dist. Mains		%	%				
333	Services		%	%				
334	Meter & Meter Installations		%	%				
335	Hydrants		%	%				
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment							
341	Transportation Equipment	Various		Various %	35		70	105
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				\$ 3,343	\$	\$ 304	\$ 3,647

* 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	\$ 800
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	
610	Purchased Water	657
615	Purchased Power	
616	Fuel for Power Production	
618	Chemicals	
620	Materials and Supplies	
630	Contractual Services:	4,190
	Operator and Management	559
	Professional	
	Testing	
	Other	
640	Rents	
650	Transportation Expense	
655	Insurance Expense	
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	204
675	Miscellaneous Expenses Bank Charges, Office Expenses, Postage)	
	Total Water Operation And Maintenance Expense	\$ 6,410 *

* 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	47	47
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			Total	45	47
				47	47

UTILITY NAME: C & H Utilities, Inc.
 SYSTEM NAME: Hickory Ridge

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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		156		156	156
February		131		131	131
March		147		147	147
April		170		170	170
May		145		145	145
June		146		146	146
July		147		147	147
August		118		118	118
September		94		94	94
October		155		155	155
November		148		148	148
December		172		172	172
Total for Year	0	1,729	0	1,729	1,729

If water is purchased for resale, indicate the following:

Vendor _____

Point of delivery _____

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

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	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 _____	SHP	_____	_____	_____
Motor Type * _____	Centrifugal	_____	_____	_____
Yields of Wells in GPD _____	80000	_____	_____	_____
Auxiliary Power _____	No	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

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

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
Pumps				
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	6112		
Type of Source	Ground Water		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type	Liquid		
Make	Chem-Tech		
Gals. per day capacity	24		
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			

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 ERCs * now being served	14	(1,729,000 / 350 = 13.534)
2. Maximum ERCs ** that system can efficiently serve	22	(80,000 / 350 = 228.58)
3. Present system connection capacity (in ERC's) using existing lines		20
4. Future connection capacity (in ERC's) upon service area buildout		10
5. Estimated annual increase in ERCs *	1 - 2	
6. List fire fighting facilities and capacities (including number of fire hydrants)		
7. List percent of certificated area where service connections are installed (total for each county)	100%	
8. What is the current need for system upgrading and/or expansion?		None
9. What are plans for future system upgrading and/or expansion?		None
10. Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)	No	
11. Has an application for a construction permit been filed with the DEP? (If so, explain)		
12. 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

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	4,589	_____	_____	4,589
354	Structures and Improvements_____	2,000	_____	_____	2,000
355	Power Generation Equipment_____	2,000	_____	_____	2,000
360	Collection Sewers - Force_____	2,819	_____	_____	2,819
361	Collection Sewers - Gravity_____	_____	_____	_____	_____
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_____	3,600	_____	_____	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_____	\$ 15,553	\$ _____	\$ _____	\$ 15,553 *

* This amount should tie to sheet F-5.

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

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 %	\$ 2,002	\$	0	\$ 2,002
355	Power Generation Equipment	7	%	14.3 %	2,000		0	2,000
360	Collection Sewers - Force	15	%	67.0 %	1,974		188	2,162
361	Collection Sewers - Gravity		%					
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		%					
390	Office Furniture and Equipment	7	%	14.3 %	1,522		514	2,036
391	Transportation Equipment	Various	%	Various %	70		131	201
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				\$ 7,568	\$	\$ 833	\$ 8,401 *

* This amount should tie to Sheet F-5.

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	1,600
704	Employee Pensions and Benefits _____	_____
710	Purchased Wastewater Treatment _____	_____
711	Sludge Removal Expense _____	1,662
715	Purchased Power _____	1,420
716	Fuel for Power Production _____	_____
718	Chemicals _____	_____
720	Materials and Supplies _____	75
730	Contractual Services:	_____
	Operator and Management _____	4,290
	Professional _____	1,086
	Testing _____	1,634
	Other _____	_____
740	Rents _____	_____
750	Transportation Expense _____	_____
755	Insurance Expense _____	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
770	Bad Debt Expense _____	_____
775	Miscellaneous Expenses (Bank Charges, Office Expense, Postage) _____	395
	Total Wastewater Operation And Maintenance Expense _____	\$ 12,162 *

* 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): _____ _____	_____ _____	_____ _____	_____	_____	_____
Unmetered Customers			88	92	92
Total			88	92	92

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
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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	92					
Beginning of year	88					
Added during year	4					
Retired during year	0					
End of year	92					
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	1365	3531				

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 Utilites, Inc.

YEAR OF REPORT
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SYSTEM NAME: Valencia

TREATMENT PLANT

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

MASTER LIFT STATION PUMPS

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

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	208,000	_____	208,000
February _____	171,000	_____	171,000
March _____	175,000	_____	175,000
April _____	149,000	_____	149,000
May _____	110,000	_____	110,000
June _____	90,000	_____	90,000
July _____	97,000	_____	97,000
August _____	90,000	_____	90,000
September _____	83,000	_____	82,000
October _____	105,000	_____	105,000
November _____	132,000	_____	132,000
December _____	147,000	_____	147,000
Total for year _____	<u>1,557,000</u>	_____	<u>1,557,000</u>

If Wastewater Treatment is purchased, indicate the vendor: N/A

UTILITY NAME: C & H Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: Valencia

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 **15** $[(1,557,000 / 365) / 280 = 15.234]$
2. Maximum ERCs ** that system can efficiently serve **35** $(10,000 / 280 = 35.714)$
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**

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

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

** Total Plant Capacity / 280 gallons

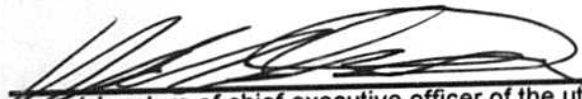
CERTIFICATION OF ANNUAL REPORT

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

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

Items Certified

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



(signature of chief executive officer of the utility)
Wendell L. Faircloth, President

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