

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

EAST MARION SANITARY SYSTEMS, INC
2320 N E 2ND STREET, STE 3-B
DEALA, FL 34470

WU-536

SU 535

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



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DIVISION OF
REGULATORY AND MARKET
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PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1997

**FINANCIAL
SECTION**

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REPORT OF

EAST MARION SANITARY SYSTEMS, INC.
(EXACT NAME OF UTILITY)

P.O. Box 1972 SILVER SPRING, FL
Mailing Address 34489-1972

2320 NE 2ND ST, STE 3B
Street Address County

Telephone Number 352-351-1338

Date Utility First Organized 6-24-86
(PER ARTICLES OF INCORP.)

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: ENVIRO-MASTERS WATER & WASTEWATER SERVICES, INC. P.O. Box 1972 SILVER SPRING, FL 34489-1972
352-351-1338

Name of subdivisions where services are provided: LAKEVIEW WOODS / TRAILS EAST

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>LINDA TABOR</u>	<u>TREASURER</u>	<u>SEE ABOVE</u>	<u>0</u>
Person who prepared this report: <u>JOSEPH E. BRANNON, CPA</u>		<u>106 NE 14TH AVE</u> <u>DEWLA, FL 34470</u>	<u>0</u>
Officers and Managers: <u>HERBERT HEIN</u>	<u>PRESIDENT</u>	<u>64225 B4 MILLER RD</u> <u>STE 190</u> <u>FLINT, MI 48507</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>HERBERT HEIN</u>	<u>100%</u>	<u>SEE ABOVE</u>	\$ <u>0</u> \$ \$ \$ \$ \$

EAST MARION SANITARY
SYSTEMS, INC.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 1997

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 2,712	\$ 3,066	\$ _____	\$ 5,778
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) <u>CONNECTED</u> <u>TRANSFER FEES</u>		285	75	_____	360
Total Gross Revenue _____		\$ 2,997	\$ 3,141	\$ _____	\$ 6,138
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 6,244	\$ 4,576	\$ _____	\$ 10,820
Depreciation Expense _____	F-5	2,623	6,660	_____	9,283
CIAC Amortization Expense _____	F-8	(197)	(286)	_____	(483)
Taxes Other Than Income _____	F-7	389	1,154	_____	1,543
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 9,059	\$ 12,104	\$ _____	\$ 21,163
Net Operating Income (Loss)		\$ (6,062)	\$ (8,963)	\$ _____	\$ (15,025)
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (6,062)	\$ (8,963)	\$ _____	\$ (15,025)

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ <u>363,836</u>	\$ <u>363,461</u>
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u>(60,165)</u>	<u>50,882</u>
Net Utility Plant -----		\$ <u>303,671</u>	\$ <u>312,579</u>
Cash -----		<u>3,127</u>	<u>2,730</u>
Customer Accounts Receivable (141) -----		<u>601</u>	<u>646</u>
Other Assets (Specify): -----			

Total Assets -----		\$ <u>307,399</u>	\$ <u>315,965</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	<u>1,000</u>	<u>1,000</u>
Preferred Stock Issued (204) -----	F-6	<u>313,018</u>	<u>313,018</u>
Other Paid in Capital (211) -----	F-6	<u>(21,887)</u>	<u>(16,862)</u>
Retained Earnings (215) -----			
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ <u>282,121</u>	\$ <u>297,156</u>
Long Term Debt (224) -----	F-6	\$ -----	\$ -----
Accounts Payable (231) -----			
Notes Payable (232) -----			
Customer Deposits (235) -----		<u>1,557</u>	<u>160</u>
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----		<u>2,805</u>	<u>1,600</u>
APPLIED EXP'D GIS -----		<u>1,990</u>	<u>4,375</u>
LOAN ~ HOMEOWNERS ASSN -----		<u>1,085</u>	<u>~</u>
LOAN ~ H. HEIN -----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>17,831</u>	<u>12,664</u>
Total Liabilities and Capital -----		\$ <u>307,399</u>	\$ <u>315,965</u>

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC

YEAR OF REPORT
DECEMBER 31, 1997

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	\$ <u>122,574</u>	\$ <u>241,262</u>	\$ _____	\$ <u>363,836</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>122,574</u>	\$ <u>241,262</u>	\$ _____	\$ <u>363,836</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>17,264</u>	\$ <u>36,628</u>	\$ _____	\$ <u>53,892</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ <u>2,623</u>	\$ <u>6,660</u>	\$ _____	\$ <u>9,283</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ <u>2,623</u>	\$ <u>6,660</u>	\$ _____	\$ <u>9,283</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ <u>16,877</u>	\$ <u>43,288</u>	\$ _____	\$ <u>60,165</u>

UTILITY NAME: _____

EAST MARION SANITARY
SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$ 1	_____
Shares authorized _____	1,000	_____
Shares issued and outstanding _____	1,000	_____
Total par value of stock issued _____	1,000	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ < 16,862 >
Changes during the year (Specify): OPERATING LOSS	_____	< 15,025 >
_____	_____	_____
Balance end of year _____	\$ _____	\$ < 31,887 >

PROPRIETARY CAPITAL (218)

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

UTILITY NAME: EAST MARIETTA SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ 75	\$ 85	\$	\$ 160
Add Accruals charged:				
State ad valorem tax	\$ 196	\$ 1,006	\$	\$ 1,202
Local property tax				
Federal income tax				
State income tax		138		260
Regulatory assessment fee	122			
Other (Specify)		10		10
INTEREST - LATE PNT	71			71
'95 PSC RATE				
2. Total Taxes Accrued	\$ 389	\$ 1,154	\$	\$ 1,543
Deduct Taxes Paid:				
State ad valorem tax				
Local property tax				
Federal income tax				
State income tax				75
Regulatory assessment fee	75			
Other (Specify)	71			71
'96 PSC RATE				
3. Total Taxes Paid	\$ 146	\$	\$	\$ 146
4. Balance end of year (1 + 2 - 3 = 4)	\$ 318	\$ 1,239	\$	\$ 1,557

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
ENVIRO-MIXTERS, INC	\$ 1,080	\$ 1,200	OPERATOR FEES
"	\$ 450	\$ 450	MANAGEMENT FEES
"	\$ 689	\$ 400	ACCTG + MISC SERVICES
JOSEPH E. BRANNON CPA	\$ 500	\$ 500	PSC REPORTS, TAX RETURNS, ACCTG

UTILITY NAME: EAST MARLBOROUGH SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$ 4,615	\$ 9,100	\$ 13,715
2) Add credits during year	\$ 2,150	\$ 3,500	\$ 5,650
3) Total	6,765	12,600	19,365
4) Deduct charges during the year	6,765	12,600	19,365
5) Balance end of year	0	0	0
6) Less Accumulated Amortization	6,143	11,678	17,821
7) Net CIAC			

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
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 CONNECTIONS	5	\$ 355	\$ 1,775
SEWER CONNECTIONS	5	700	3,500
WATER METERS (CONTRACTOR)	5	75	375
Total Credits During Year (Must agree with line # 2 above.)		\$ 2,150	\$ 3,500

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year	\$ 415	\$ 636	\$ 1,051
Add Credits During Year	197	286	483
Deduct Debits During Year			
Balance End of Year (Must agree with line #6 above.)	\$ 612	\$ 922	\$ 1,534

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

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

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	\$ _____	<u>100.00 %</u>		<u>_____ %</u>

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

APPROVED AFUDC RATE

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

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

UTILITY NAME: EAST MARION SANITARY
SYSTEMS, INC

YEAR OF REPORT
DECEMBER 31, 1997

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

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

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

**WATER
OPERATING
SECTION**

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC

YEAR OF REPORT
DECEMBER 31, 1997

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 950	\$	\$	\$ 950
302	Franchises				35,000
303	Land and Land Rights	35,000			4,900
304	Structures and Improvements	4,900			
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				8,100
307	Wells and Springs	8,100			
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				14,200
311	Pumping Equipment	14,200			2,600
320	Water Treatment Equipment	2,600			
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Lines	46,378			46,378
333	Services	8,622			8,622
334	Meters and Meter Installations	975	375		1,350
335	Hydrants				
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				474
347	Miscellaneous Equipment	474			
348	Other Tangible Plant				
	Total Water Plant	\$ 122,199	\$ 375	\$	\$ 122,574

YEAR OF REPORT
DECEMBER 31, 1997

UTILITY NAME: EAST MARION SANITARY
SYSTEMS, INC.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (i-g+h=i)
301	REGANIZATI ^{ON}	40	%	2.5	133		24	157
304	Structures and Improvements	33	%	3.03	815		148	963
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs	30	%	3.33	1,485		270	1,755
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%					
311	Pumping Equipment	20	%	5.0	3,905		710	4,615
320	Water Treatment Equipment	22	%	4.55	649		118	767
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains	43	%	2.33	5,933		1,079	7,012
333	Services	40	%	2.5	1,187		216	1,403
334	Meter & Meter Installations	20	%	5.0	147		58	205
335	Hydrants		%					
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment		%					
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment		%					
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 14,254	\$	\$ 2,623	\$ 16,877

* This amount should tie to Sheet F-5.

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
604	Employee Pensions and Benefits	_____
610	Purchased Water	797
615	Purchased Power	_____
616	Fuel for Power Production	215
618	Chemicals	65
620	Materials and Supplies	_____
630	Contractual Services:	1,530
	Operator and Management	_____
	Testing	2,944
	Other	_____
640	Rents	_____
650	Transportation Expense	_____
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
670	Bad Debt Expense	693
675	Miscellaneous Expenses	_____
	Total Water Operation And Maintenance Expense	\$ 6,244

* 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	11	15	15
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			8	8	8
Total			11	15	15

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January		72.0	26.9	45.1	45.1
February		44.0	7.2	36.8	36.8
March		70.0	15.8	54.2	54.2
April				112.2	112.2
May				160.5	160.5
June		120.0	48.4	71.6	71.6
July		238.0	172.0	116.0	116.0
August		463.0	384.6	68.6	68.6
September		262.0	141.4	120.1	120.1
October		294.0	213.0	81.0	81.0
November		199.0	146.4	146.4	146.4
December		710.0	637.1	72.9	72.9
Total for Year	<u>N/A</u>			<u>992.5</u>	<u>992.5</u>

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	6"	200	0	0	200
PVC	4"	8,450	0	0	8,450
PVC	2"	1,675	0	0	1,675
PVC	1 1/2"	375	0	0	375

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1991

SYSTEM NAME: _____

WELLS AND WELL PUMPS
(If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1986</u>	_____	_____	_____
Types of Well Construction and Casing _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	<u>6"</u>	_____	_____	_____
Diameters of Wells _____	<u>250</u>	_____	_____	_____
Pump - GPM _____	<u>20</u>	_____	_____	_____
Motor - HP _____	<u>SUBMERSIBLE</u>	_____	_____	_____
Motor Type * _____	<u>360,000</u>	_____	_____	_____
Yields of Wells in GPD _____	<u>N/A</u>	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>STEEL</u>	_____	_____	_____
Capacity of Tank _____	<u>60,000</u>	_____	_____	_____
Ground or Elevated _____	<u>GROUND</u>	_____	_____	_____

HIGH SERVICE PUMPING

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

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)

Gals. per day of source	<u>360,000</u>		
Type of Source	<u>GROUND</u>		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

Type	<u>N/A</u>		
Make			
Gals. per day capacity			
High service pumping Gallons per minute			
Reverse Osmosis			
Lime Treatment			
Unit Rating			
Filtration			
Pressure Sq. Ft.			
Gravity GPD/Sq.Ft.			
Disinfection			
Chlorinator	<u>CHLORINATOR 30 GPD</u>		
Ozone	<u>N/A</u>		
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.

- Present ERCs * now being served 16
- Maximum ERCs ** that system can efficiently serve _____
- Present system connection capacity (in ERC's) using existing lines _____
- Future connection capacity (in ERC's) upon service area buildout _____
- Estimated annual increase in ERCs * _____
- List fire fighting facilities and capacities (including number of fire hydrants) N/A
- List percent of certificated area where service connections are installed (total for each county) 10%
- What is the current need for system upgrading and/or expansion? NONE
- What are plans for future system upgrading and/or expansion? AT 150 CONNECTIONS/BACKUP WELL AND AUXILIARY POWER MUST BE IN SERVICE.
- 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) NO
- Department of Environmental Protection ID # 3424789
Water Management District ID # 2-083-0042 WFM

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

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
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WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
		\$ 950	\$ _____	\$ _____	\$ 950
351	Organization _____				
352	Franchises _____	50,000			50,000
353	Land and Land Rights _____				
354	Structures and Improvements _____	37,363			37,363
360	Collection Sewers - Force _____	80,831			80,831
361	Collection Sewers - Gravity _____				
362	Special Collecting Structures _____	14,118			14,118
363	Services to Customers _____				
364	Flow Measuring Devices _____				
365	Flow Measuring Installations _____				
370	Receiving Wells _____				
371	Pumping Equipment _____				
380	Treatment and Disposal Equipment _____	58,000			58,000
381	Plant Sewers _____				
382	Outfall Sewer Lines _____				
389	Other Plant and Miscellaneous Equipment _____				
390	Office Furniture and Equipment _____				
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 _____	\$ 241,262	\$ _____	\$ _____	\$ 241,262*

* This amount should tie to sheet F-5.

YEAR OF REPORT
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UTILITY NAME: ERST MAIN SANITARY SYSTEMS, INC.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (c)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i)
351	ORGANIZATION	40		2.5	133		25	158
354	Structures and Improvements							
360	Collection Sewers - Force	30		3.33	6,849		1,245	8,094
361	Collection Sewers - Gravidy	45		2.22	9,879		1,796	11,675
362	Special Collecting Structures							
363	Services to Customers	38		2.63	2,045		372	2,417
364	Flow Measuring Devices							
365	Flow Measuring Installations							
370	Receiving Wells							
371	Pumping Equipment							
380	Treatment and Disposal Equipment	18		5.56	17,722		3,222	20,944
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant and Miscellaneous Equipment							
390	Office Furniture and Equipment							
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				\$ 36,628	\$	\$ 6,660	\$ 43,288

* This amount should tie to Sheet F-5.

UTILITY NAME: PART MARION SANITARY SYSTEMS, INC

YEAR OF REPORT
DECEMBER 31, 1997

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
704	Employee Pensions and Benefits	_____
710	Purchased Wastewater Treatment	_____
711	Sludge Removal Expense	797
715	Purchased Power	_____
716	Fuel for Power Production	_____
718	Chemicals	_____
720	Materials and Supplies	_____
730	Contractual Services:	1,650
	Operator and Management	_____
	Testing	1,433
	Other	_____
740	Rents	_____
750	Transportation Expense	_____
755	Insurance Expense	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	696
775	Miscellaneous Expenses	_____
	Total Wastewater Operation And Maintenance Expense	\$ 4,576

* 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	11	15	15
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			0	0	0
Total			11	15	15

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1991

PUMPING EQUIPMENT

Lift Station Number _____	_____	_____	_____	_____	_____	_____
Make or Type and nameplate data on pump _____	_____	_____	_____	_____	_____	_____
Year installed _____	<u>1985</u>	_____	_____	_____	_____	_____
Rated capacity _____	_____	_____	_____	_____	_____	_____
Size _____	_____	_____	_____	_____	_____	_____
Power:	_____	_____	_____	_____	_____	_____
Electric _____	_____	_____	_____	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	<u>3"</u>	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	<u>PVC</u>	_____	_____	_____	_____	_____
Average length _____	<u>40'</u>	_____	_____	_____	_____	_____
Number of active service connections _____	<u>14</u>	_____	_____	_____	_____	_____
Beginning of year _____	<u>11</u>	_____	_____	_____	_____	_____
Added during year _____	<u>5</u>	_____	_____	_____	_____	_____
Retired during year _____	<u>1</u>	_____	_____	_____	_____	_____
End of year _____	<u>15</u>	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches) _____	<u>8"</u>	_____	_____	_____	<u>3"</u>	<u>4"</u>	_____	_____
Type of main _____	<u>PVC</u>	_____	_____	_____	<u>PVC</u>	<u>PVC</u>	_____	_____
Length of main (nearest foot) _____	<u>9,650</u>	_____	_____	_____	<u>825</u>	<u>950</u>	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	<u>9,650</u>	_____	_____	_____	<u>825</u>	<u>950</u>	_____	_____

MANHOLES

Size (inches) _____	<u>48"</u>	_____	_____	_____
Type of Manhole _____	<u>CONCR</u>	_____	_____	_____
Number of Manholes:	_____	_____	_____	_____
Beginning of year _____	<u>35</u>	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of Year _____	<u>35</u>	_____	_____	_____

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>MAROFI</u>	_____	_____
Type _____	<u>EXTENDED AIR</u>	_____	_____
"Steel" or "Concrete" _____	<u>CONCRETE</u>	_____	_____
Total Capacity _____	<u>50,000 GPD</u>	_____	_____
Average Daily Flow _____	<u>500 GPD</u>	_____	_____
Effluent Disposal _____	<u>EVAP / PERK POUNDS</u>	_____	_____
Total Gallons of Wastewater treated _____	<u>500 GPD</u>	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>DELZOTTO</u>	<u>DELZOTTO</u>	_____	_____	_____	_____
Capacity (GPM's) _____	<u>100</u>	<u>175</u>	_____	_____	_____	_____
Motor: _____	<u>HYDRO-MATIC</u>	<u>HYDRO-MATIC</u>	_____	_____	_____	_____
Manufacturer _____	<u>3</u>	<u>5</u>	_____	_____	_____	_____
Horsepower _____	<u>3</u>	<u>5</u>	_____	_____	_____	_____
Power (Electric or Mechanical) _____	<u>ELEC</u>	<u>ELEC</u>	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	_____	<u>N/A</u>	_____
February _____	_____	_____	_____
March _____	_____	_____	_____
April _____	_____	_____	_____
May _____	_____	_____	_____
June _____	_____	_____	_____
July _____	_____	_____	_____
August _____	_____	_____	_____
September _____	_____	_____	_____
October _____	_____	_____	_____
November _____	_____	_____	_____
December _____	_____	_____	_____
Total for year _____	_____	_____	_____

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: EP&S MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME: _____

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
2. Maximum ERCs ** that system can efficiently serve 179
3. Present system connection capacity (in ERC's) using existing lines 15
4. Future connection capacity (in ERC's) upon service area buildout 164
5. Estimated annual increase in ERCs * _____
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:
 - 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? N/A
 - d. Do they concur? _____
 - e. When will construction begin? _____
9. Do you discharge effluent to surface waters? NO
10. Department of Environmental Protection ID # FLA 010709
Water Management District ID # _____

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

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

Items Certified

1. 2. 3. 4.

(signature of chief executive officer of the utility)

1. 2. 3. 4.

Linda Labor, Treasurer

(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.