

CLASS "C"
WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

SU535 42
East Marion Sanitary Systems, Inc.
P. O. Box 245
Silver Springs, FL 34489-0245

490-W 425-5

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

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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

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

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

2320 N E 2ND ST, STE 3B
Street Address County

Telephone Number 352-361-1338

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> \$ \$ \$ \$ \$

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 4,547	\$ 4,561	\$ _____	\$ 9,108
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		626	175	_____	801
Total Gross Revenue _____		\$ 5,173	\$ 4,736	\$ _____	\$ 9,909
Operation Expense (Must tie to pages W-3 and S-3)	W-3				
	S-3	\$ 9,328	\$ 4,435	\$ _____	\$ 15,763
Depreciation Expense _____	F-5	2,681	6,659	_____	9,340
CIAC Amortization Expense _____	F-8	(242)	(396)	_____	(638)
Taxes Other Than Income _____	F-7	451	391	_____	842
Income Taxes _____	F-7	0	0	_____	0
Total Operating Expense _____		\$ 12,118	\$ 13,089	\$ _____	\$ 25,267
Net Operating Income (Loss) _____		\$ (7,005)	\$ (8,353)	\$ _____	\$ (15,358)
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss) _____		\$ (7,005)	\$ (8,353)	\$ _____	\$ (15,358)

East Marion Sanitary Systems, Inc.

Page F-3, Other Income

December 31, 1998

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Income			
Returned check revenue	45	44	89
Misc revenue	26	26	52
Connection fees	105	105	210
Disconnect fees	60	-	60
Transfer fees	390	-	390
Total Income	<u>626</u>	<u>175</u>	<u>801</u>

UTILITY NAME: East Marion Sanitary
Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 364,836	\$ 363,836
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	(69,505)	(60,165)
Net Utility Plant -----		\$ 295,331	\$ 303,671
Cash -----		521	3,127
Customer Accounts Receivable (141) -----		988	401
Other Assets (Specify): -----			

Total Assets -----		\$ 296,840	\$ 307,399
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	1,000	1,000
Preferred Stock Issued (204) -----	F-6	313,018	313,018
Other Paid in Capital (211) -----		(47,245)	(31,887)
Retained Earnings (215) -----	F-6		
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ 266,773	\$ 282,131
Long Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----			
Notes Payable (232) -----			
Customer Deposits (235) -----		410	1,557
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----		2,070	2,805
ACCRUED EXPENSES -----		3,050	3,075
LOANS -----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	24,537	17,831
Total Liabilities and Capital -----		\$ 296,840	\$ 307,399

UTILITY NAME: East Marion Sanitary
Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	\$ 122,574	\$ 241,262	\$ _____	\$ 363,836
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
METERS _____	795	_____	_____	795
CHLORINATION _____	205	_____	_____	205
Total Utility Plant _____	\$ 123,574	\$ 241,262	\$ _____	\$ 364,836

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 _____	\$ 16,677	\$ 43,286	\$ _____	\$ 60,165
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ 2,661	\$ 6,659	\$ _____	\$ 9,340
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ 2,661	\$ 6,659	\$ _____	\$ 9,340
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 19,558	\$ 49,947	\$ _____	\$ 69,505

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1994

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$ 1.00	N/A
Shares authorized _____	1,000	
Shares issued and outstanding _____	1,000	
Total par value of stock issued _____	1,000	
Dividends declared per share for year _____		

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ (31,887)
Changes during the year (Specify): OPERATING LOSS		(15,358)
Balance end of year _____	\$ _____	\$ (47,245)

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 Marion Sanitary Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ 318	\$ 1,239	\$	\$ 1,557
Add Accruals charged:				
State ad valorem tax	\$	\$	\$	\$ 242
Local property tax	121	121		
Federal income tax				
State income tax				350
Regulatory assessment fee	205	145		150
Other (Specify) DEPT OF ST.	75	75		
MARION COUNTY	50	50		100
2. Total Taxes Accrued	\$ 451	\$ 391	\$	\$ 842
Deduct Taxes Paid:				
State ad valorem tax	\$	\$	\$	\$ 1,444
Local property tax	317	1,127		
Federal income tax				
State income tax				295
Regulatory assessment fee	122	173		150
Other (Specify) DEPT OF STATE	75	75		
MARION COUNTY	50	50		100
3. Total Taxes Paid	\$ 564	\$ 1,425	\$	\$ 1,989
4. Balance end of year (1 + 2 - 3 = 4)	\$ 205	\$ 205	\$	\$ 410

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
AQUASURE	\$ 1,580	\$	KEEPING
COLLEGE PARK	\$ 325	\$ 325	REPAIRS + MAINT.
SONNA CONGDEN	\$ 416	\$ 410	MAINTENANCE
JOSEPH E. BRANNON	\$ 900	\$ 900	TSC REPORTS, ACCING, TAX TREP
ACHLED TINK	\$ 625	\$ 624	MAINT / MOWING
ENVIROMASTERS	\$ 1,200	\$ 1,380	OPERATIONS
"	\$ 495	\$ 495	MANAGEMENT
"	\$ 539	\$	REPAIRS + MAINT.
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$ 6,765	\$ 12,600	\$ 19,365
2) A-Id credits during year	\$ 2,485	\$ 4,900	\$ 7,385
3) Total	9,250	17,500	26,750
4) Deduct charges during the year	9,250	17,500	26,750
5) Balance end of year	(894)	(1,318)	(2,212)
6) Less Accumulated Amortization			
7) Net CIAC	\$ 4,356	\$ 16,182	\$ 24,538

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	7	\$ 355	\$ 2,485
SEWER CONNECTIONS	7	700	\$ 4,900
Total Credits During Year (Must agree with line # 2 above.)		\$ 2,485	\$ 4,900

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year	\$ 612	\$ 922	\$ 1,534
Add Credits During Year	282	396	678
Deduct Debits During Year			
Balance End of Year (Must agree with line #6 above.)	\$ 894	\$ 1,318	\$ 2,212

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

UTILITY NAME: East Marion Sanitary
Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

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 approving AFUDC rate:	_____

**WATER
OPERATING
SECTION**

UTILITY NAME: East Marion Sanitary
Systems, 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	\$ 950	\$	\$	\$ 950
302	Franchises				35,000
303	Land and Land Rights	55,000			4,900
304	Structures and Improvements	4,900			
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				4,100
307	Wells and Springs	4,100			
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				14,200
311	Pumping Equipment	14,200			2,805
320	Water Treatment Equipment	2,600	205		
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Lines	46,376			46,376
333	Services	4,622			4,622
334	Meters and Meter Installations	1,350	795		2,145
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	\$ 122,574	\$	\$	\$ 123,574

UTILITY NAME: East Marion Sanitary
Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

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	DRINKING WATER	40	%	2.50	151		24	175
305	Structures and Improvements	55	%	3.33	963		148	1,111
	Collecting and Impounding							
	Reservoirs							
306	Lake, River and Other Intakes		%					
307	Wells and Springs	30	%	3.33	1,755		270	2,025
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%					
311	Pumping Equipment	20	%	5.00	4,015		710	5,325
320	Water Treatment Equipment	20	%	5.00	707		128	895
330	Distribution Reservoirs & Standpipes		%					
331	Trans. & Dist. Mains	13	%	2.33	7,012		1,079	8,091
333	Services	40	%	2.50	1,403		216	1,619
334	Meter & Meter Installations	20	%	5.00	205		100	311
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				\$ 16,817	\$	\$ 2,681	\$ 19,556

* This amount should tie to Sheet F-5.

UTILITY NAME: East Marion Sanitary Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

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	1,133
615	Purchased Power	_____
616	Fuel for Power Production	78
618	Chemicals	305
620	Materials and Supplies	_____
630	Contractual Services:	2,275
	Operator and Management	1,795
	Testing	240
	Other	_____
640	Rents	_____
650	Transportation Expense	_____
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	76
670	Bad Debt Expense	3,426
675	Miscellaneous Expenses	_____
	Total Water Operation And Maintenance Expense	\$ 9,328

* 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	15	24	24
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			_____	_____	_____
Total			15	24	24

** D = Displacement
C = Compound
T = Turbine

East Marion Sanitary Systems, Inc.

Pages W-3 and S-3, Miscellaneous Expenses

December 31, 1998

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Charges for disconnect	60	-	60
Bank charges	75	74	149
Office supplies	48	48	96
Professional fees	900	900	1,800
Repairs & maint	2,343	1,804	4,147
	<u>3,426</u>	<u>2,826</u>	<u>6,252</u>

UTILITY NAME: East Marion Sanitary Systems, Inc. _____
 SYSTEM NAME: _____

YEAR OF REPORT
 DECEMBER 31, 1998

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		173	115	58	58
February		227	149	78	78
March		113	-	113	113
April		186	-	186	186
May		570	306	264	264
June		631	108	523	523
July		232	37	195	195
August		95	-	95	95
September		129	-	129	129
October		179	-	179	179
November		151	-	151	151
December		140	-	140	140
Total for Year		2832	115	2,117	2,117

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	6"	200	-	-	200
PVC	4"	8450	-	-	8450
PVC	2"	1,675	-	-	1,675
PVC	1 1/2"	375	-	-	375

UTILITY NAME: East Marion Sanitary
Systems, Inc. _____

YEAR OF REPORT
DECEMBER 31, 1996

SYSTEM NAME: _____

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	_____	_____	_____	_____
Types of Well Construction and Casing _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	_____	_____	_____	_____
Diameters of Wells _____	_____	_____	_____	_____
Pump - GPM _____	_____	_____	_____	_____
Motor - HP _____	_____	_____	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

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

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: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1998

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 _____	_____	_____	_____	_____
Diameters of Wells _____	<u>6"</u>	_____	_____	_____
Pump - GPM _____	<u>250</u>	_____	_____	_____
Motor - HP _____	<u>20</u>	_____	_____	_____
Motor Type * _____	<u>SUBMERSIBLE</u>	_____	_____	_____
Yields of Wells in GPD _____	<u>360,000</u>	_____	_____	_____
Auxiliary Power _____	<u>N/A</u>	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>STEEL</u>	_____	_____	_____
Capacity of Tank _____	<u>6,000</u>	_____	_____	_____
Ground or Elevated _____	<u>GROUND</u>	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	<u>N/A</u>	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
Pumps				
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
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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 24
- Maximum ERCs ** that system can efficiently serve 1,260
- Present system connection capacity (in ERC's) using existing lines 24
- Future connection capacity (in ERC's) upon service area buildout 1,260
- 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
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	\$ 950	\$	\$	\$ 950
352	Franchises				50,000
353	Land and Land Rights	50,000			
354	Structures and Improvements				37,363
360	Collection Sewers - Force	37,363			80,881
361	Collection Sewers - Gravity	80,881			
362	Special Collecting Structures				14,118
363	Services to Customers	14,118			
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.

UTILITY NAME: East Marion Sanitary
Systems, Inc.

YEAR OF REPORT
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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	40	%	2.50	156	\$	24	182
360	Collection Sewers - Force	30	%	3.33	894		1245	9539
361	Collection Sewers - Gravity	45	%	2.22	11675		1796	13471
362	Special Collecting Structures		%					
363	Services to Customers	38	%	2.63	2417		372	2789
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells		%					
371	Pumping Equipment		%					
380	Treatment and Disposal Equipment	18	%	5.56	20944		3222	24166
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				132568	\$	4659	\$ 49917

* This amount should tie to Sheet F-5.

UTILITY NAME: East Marion Sanitary
Systems, Inc.

YEAR OF REPORT
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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	1,133
715	Purchased Power	_____
716	Fuel for Power Production	_____
718	Chemicals	305
720	Materials and Supplies	_____
730	Contractual Services:	2,095
	Operator and Management	_____
	Testing	_____
	Other	_____
740	Rents	_____
750	Transportation Expense	_____
755	Insurance Expense	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	76
770	Bad Debt Expense	2,826
775	Miscellaneous Expenses	_____
	Total Wastewater Operation And Maintenance Expense	\$ 6,435 *

* 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	15	23	23
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	15	23
				23	23

East Marion Sanitary Systems, Inc.

Pages W-3 and S-3, Miscellaneous Expenses

December 31, 1998

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Charges for disconnect	60	-	60
Bank charges	75	74	149
Office supplies	48	48	96
Professional fees	900	900	1,800
Repairs & maint	2,343	1,804	4,147
	<u>3,426</u>	<u>2,826</u>	<u>6,252</u>

UTILITY NAME: EAST MARION SANITARY
SYSTEMS, INC.

YEAR OF REPORT
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PUMPING EQUIPMENT

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

SERVICE CONNECTIONS

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

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches) _____	8"	_____	_____	_____	3"	4"	_____	_____
Type of main _____	PVC	_____	_____	_____	PVC	PVC	_____	_____
Length of main (nearest foot) _____	9,680	_____	_____	_____	825	950	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	9,680	_____	_____	_____	825	950	_____	_____

MANHOLES

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

UTILITY NAME: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>MARFI</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 PONDS</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-</u>	<u>HYDRO-</u>	_____	_____	_____	_____
Manufacturer _____	<u>MATIC</u>	<u>MATIC</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: EAST MARION SANITARY SYSTEMS, INC.

YEAR OF REPORT
DECEMBER 31, 1998

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 23
2. Maximum ERCs ** that system can efficiently serve 179
3. Present system connection capacity (in ERC's) using existing lines 23
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 # _____

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

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

** Total Plant Capacity / 280 gallons

UTILITY NAME: East Marion Sanitary
Systems, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

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 F. 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.