

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

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

# **ANNUAL REPORT**

OF

**Fairmount Utilities the 2nd, Inc.**  
Exact Legal Name of Respondent

**357-S**  
Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**



**RECEIVED**

MAR 31 1999

Florida Public Service Commission  
Division of Water and Wastewater

**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 1998**

**OFFICIAL COPY**  
**DIVISION OF**  
**WATER AND SEWER**  
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# **FINANCIAL SECTION**

**REPORT OF**

Fairmount Utilities the 2nd, Inc.

(EXACT NAME OF UTILITY)

P.O. Box 548 Sebring, FL 33871 <b>Mailing Address</b>	3625 Valerie Blvd. Sebring, FL 33870 <b>Street Address</b>	Highlands County  Date Utility First Organized 10-14-91
Telephone Number <u>(941)385-8542</u>		

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: 3625 Valerie Blvd.  
Sebring, FL 33870

Name of subdivisions where services are provided: Fairmount Mobile Estates

**CONTACTS:**

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Roger Miller</u>	<u>President</u>	<u>P.O. Box 548</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>Roger E. Miller</u>	<u>President</u>	<u>Same</u>	\$ 15,000
<u>Karen J. Berry</u>	<u>Manager</u>	<u>Same</u>	\$ 14,064
			\$
			\$
			\$

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>Roger E. Miller</u>	<u>58%</u>	<u>P.O. Box 548</u> <u>Sebring, FL 33871</u>	\$ 15,000
<u>Karen J. Berry</u>	<u>42%</u>	<u>P.O. Box 548</u> <u>Sebring, FL 33871</u>	\$ 14,064
			\$
			\$
			\$

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

YEAR OF REPORT  
DECEMBER 31, 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ _____	101,262	\$ _____	\$ 101,262
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ _____	\$ 101,262	\$ _____	\$ 101,262
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ _____	\$ 85,696	\$ _____	\$ 85,696
Depreciation Expense(Net) _____	F-5	_____	8,283	_____	8,283
Amortization Expense _____	F-8	_____	(91)	_____	(91)
Taxes Other Than Income _____	F-7	_____	12,211	_____	12,211
Income Taxes _____	F-7	_____	0	_____	0
Total Operating Expense		\$ _____	106,099	_____	\$ 106,099
Net Operating Income (Loss)		\$ _____	(4,837)	\$ _____	\$ (4,837)
Other Income:					
Nonutility Income - Rental		\$ _____	0	\$ _____	\$ 0
Gain/Loss on Sale of Asset		_____	(12,411)	_____	(12,411)
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	_____	\$ _____	\$ _____
Interest Expense _____		_____	17,255	_____	17,255
Rental Expenses _____		_____	216	_____	216
Charitable Donations _____		_____	25	_____	25
Net Income (Loss)		\$ _____	(34,744)	\$ _____	\$ (34,744)

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

YEAR OF REPORT  
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COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ 208,640	\$ 208,433
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-3	<u>(135,645)</u>	<u>(127,362)</u>
Net Utility Plant _____		\$ 72,995	\$ 81,071
Cash _____		787	1,097
Customer Accounts Receivable (141) _____		9,316	8,480
Other Assets (Specify): _____		1,500	400
Other Receivables _____		0	56,161
Non Utility Property Net _____			
Total Assets _____		\$ <u>84,598</u>	\$ <u>147,209</u>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201) _____	F-6	1,000	1,000
Preferred Stock Issued (204) _____	F-6	46,418	46,418
Other Paid in Capital (211) _____		(244,520)	(209,776)
Retained Earnings (215) _____	F-6		
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>(197,102)</u>	\$ <u>(162,358)</u>
Long Term Debt (224) _____	F-6	\$ 18,288	\$ 27,555
Accounts Payable (231) _____			
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____		853	924
Other Liabilities (Specify) _____			
Accrual Wages _____		186,971	213,748
Due to Shareholders _____		74,339	66,000
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>1,249</u>	<u>1,340</u>
Total Liabilities and Capital _____		\$ <u>84,598</u>	\$ <u>147,209</u>

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

YEAR OF REPORT  
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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)_____	\$ _____	\$ 208,640	\$ _____	\$ 208,640
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ _____	\$ 208,640	\$ _____	\$ 208,640

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_____	\$ _____	\$ 127,362	\$ _____	\$ 127,362
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account_____	\$ _____	\$ 8,283	\$ _____	\$ 8,283
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
Total Credits_____	\$ _____	\$ 8,283	\$ _____	\$ 8,283
<u>Deduct Debits During Year:</u>				
Book cost of plant retired_____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
Total Debits_____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year_____	\$ _____	\$ 135,645	\$ _____	\$ 135,645

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

<b>YEAR OF REPORT</b> <b>DECEMBER 31, 1998</b>
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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 _____	1000	
Total par value of stock issued _____	1,000	
Dividends declared per share for year _____	0.00	

RETAINED EARNINGS ( 215 )

	Appropriated	Un- Appropriated
Balance first of year _____	\$ _____	\$ (209,776)
Changes during the year (Specify):		
Net Income (Loss) for FYE 12-31-98 _____		(34,744)
_____		
_____		
Balance end of year _____	\$ _____	\$ (244,520)

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	
Note Payable to First Union National Bank _____	9.625	60	\$ 18,288
_____			
_____			
Total _____			\$ 18,288



UTILITY NAME: Fairmount Utilities the 2nd, Inc.

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**TAXES ACCRUED ( 236 )**

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ _____	\$ <u>924</u>	\$ _____	\$ <u>924</u>
Add Accruals charged:				
State ad valorem tax	\$ _____	\$ _____	\$ _____	\$ _____
Local property tax	_____	<u>2,137</u>	_____	<u>2,137</u>
Federal income tax	_____	_____	_____	_____
State income tax	_____	_____	_____	_____
Regulatory assessment fee	_____	<u>4,702</u>	_____	<u>4,702</u>
Other (Specify) Fla. Int.	_____	<u>1,691</u>	_____	<u>1,691</u>
Licenses and Taxes	_____	<u>240</u>	_____	<u>240</u>
Payroll Taxes	_____	<u>3,441</u>	_____	<u>3,441</u>
2. Total Taxes Accrued	\$ _____	\$ <u>12,211</u>	\$ _____	\$ <u>12,211</u>
Deduct Taxes Paid:				
State ad valorem tax	\$ _____	\$ _____	\$ _____	\$ _____
Local property tax	_____	<u>2,137</u>	_____	<u>2,137</u>
Federal income tax	_____	_____	_____	_____
State income tax	_____	_____	_____	_____
Regulatory assessment fee	_____	<u>4,702</u>	_____	<u>4,702</u>
Other (Specify) Fla. Int.	_____	<u>1,691</u>	_____	<u>1,691</u>
Licenses and Taxes	_____	<u>240</u>	_____	<u>240</u>
Payroll Taxes	_____	<u>3,512</u>	_____	<u>3,512</u>
3. Total Taxes Paid	\$ _____	\$ <u>12,282</u>	\$ _____	\$ <u>12,282</u>
4. Balance end of year ( 1 + 2 - 3 = 4 )	\$ _____	\$ <u>853</u>	\$ _____	\$ <u>853</u>

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

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

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
The NCT Group CPA's, L.L.P.	\$ _____	\$ <u>3,625</u>	Accounting
Short Environmental	\$ _____	\$ <u>2,014</u>	Testing
Thomas Devane	\$ _____	\$ <u>3,600</u>	Operations and Management
Roto Rooter	\$ _____	\$ <u>151</u>	Maintenance
William Berry	\$ _____	\$ <u>300</u>	Operations and Management
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

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

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ _____	\$ <u>2463</u>	\$ <u>2463</u>
2) Add credits during year_____	\$ _____	\$ _____	\$ _____
3) Total_____	_____	_____	_____
4) Deduct charges during the year_____	_____	_____	_____
5) Balance end of year_____	_____	<u>1214</u>	<u>1214</u>
6) Less Accumulated Amortization_____	_____	_____	_____
7) Net CIAC_____	\$ _____	\$ <u>1249</u>	\$ <u>1249</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>1123</u>	\$ <u>1123</u>
Add Credits During Year:_____	_____	<u>91</u>	<u>91</u>
Deduct Debits During Year:_____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ _____	\$ <u>1214</u>	\$ <u>1214</u>

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

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

YEAR OF REPORT DECEMBER 31, 1998
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N/A

**SCHEDULE "A"**

**SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)**

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [ c x d ] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
<b>Total</b>	<b>\$ _____</b>	<b>100.00 %</b>		<b>_____ %</b>

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

**APPROVED AFUDC RATE**

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



**WATER**

**OPERATING**

**SECTION**

**Note:** This utility is a wastewater only service; therefore, Pages W-1 through W-6 have been omitted from this report.

**WASTEWATER  
OPERATING  
SECTION**

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

YEAR OF REPORT  
DECEMBER 31, 1998

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (-)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	1,750	_____	_____	1,750
354	Structures and Improvements_____	28,891	_____	_____	28,891
355	Power Generation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	1,478	_____	_____	1,478
361	Collection Sewers - Gravity_____	54,339	_____	_____	54,339
362	Special Collecting Structures_____	24,260	_____	_____	24,260
363	Services to Customers_____	20,251	_____	_____	20,251
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____	_____
371	Pumping Equipment_____	_____	_____	_____	_____
380	Treatment and Disposal Equipment_____	74,286	207	_____	74,493
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
390	Office Furniture and Equipment_____	3,178	_____	_____	3,178
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_____	\$ 208,433	\$ 207	\$ _____	\$ 208,640 *

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

UTILITY NAME: Fairmount Utilities the 2nd, 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 (i-g+h=i) (i)
354	Structures and Improvements	Various	%	Various %	\$ 28,095	\$	\$ 146	\$ 28,241
355	Power Generation Equipment	27	%	3.7 %	1,155		55	1,210
360	Collection Sewers - Force	40	%	2.5 %	33,485		1,358	34,843
361	Collection Sewers - Gravity	27	%	3.7 %	17,846		898	18,744
362	Special Collecting Structures	35	%	2.9 %	13,649		579	14,228
363	Services to Customers		%					
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells		%					
371	Pumping Equipment		%					
380	Treatment and Disposal Equipment	Various	%	Various %	32,425		4,873	37,298
381	Plant Sewers		%					
382	Outfall Sewer Lines		%					
389	Other Plant and Miscellaneous Equipment		%					
390	Office Furniture and Equipment		%					
391	Transportation Equipment	Various	%	16.7 %	707		374	1,081
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				\$ 127,362	\$	\$ 8,283	\$ 135,645

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



**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 35,730
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	15,000
704	Employee Pensions and Benefits	
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	2,030
715	Purchased Power	5,015
716	Fuel for Power Production	
718	Chemicals	620
720	Materials and Supplies	
730	Contractual Services:	
	Operator and Management	4,051
	Testing	2,014
	Other	3,625
740	Rents	1,391
750	Transportation Expense	1,110
755	Insurance Expense	1,943
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	
770	Bad Debt Expense	
775	Misc. Expenses (Plant Maintenance, Repairs and Office Exp)	13,167
	<b>Total Wastewater Operation And Maintenance Expense</b>	<b>\$ 85,696 *</b>

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

**WASTEWATER CUSTOMERS**

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
5/8"	D	1.0	426	426	426
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):					
Comm 5/8 x 3/4			1	1	1
Comm 1"			1	1	1
Unmetered Customers					
Total			428	428	428

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

UTILITY NAME:

Fairmount Utilities the 2nd, Inc.

YEAR OF REPORT  
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**PUMPING EQUIPMENT**

Lift Station Number _____	Main St.	_____	_____	_____	_____	_____
Make or Type and nameplate data on pump _____		_____	_____	_____	_____	_____
Gorman Rupp 13a 25 _____	2	_____	_____	_____	_____	_____
Year installed _____	1969	_____	_____	_____	_____	_____
Rated capacity _____	200GPM	_____	_____	_____	_____	_____
Size _____	3"	_____	_____	_____	_____	_____
Power:						
Electric _____	3HP	_____	_____	_____	_____	_____
Mechanical _____		_____	_____	_____	_____	_____
Nameplate data of motor - U.S. Electric _____	3HP	_____	_____	_____	_____	_____

**SERVICE CONNECTIONS**

Size (inches) _____	4"	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	VCP	_____	_____	_____	_____	_____
Average length _____	50'	_____	_____	_____	_____	_____
Number of active service connections _____	428	_____	_____	_____	_____	_____
Beginning of year _____	428	_____	_____	_____	_____	_____
Added during year _____	0	_____	_____	_____	_____	_____
Retired during year _____	0	_____	_____	_____	_____	_____
End of year _____	428	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	N/A	_____	_____	_____	_____	_____

**COLLECTING AND FORCE MAINS**

	Collecting Mains			Force Mains			
	8"	6"	4"				
Size (inches) _____	8"	6"	4"	_____	_____	_____	_____
Type of main _____	_____	_____	PVC	_____	_____	_____	_____
Length of main (nearest foot) _____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	610	3,200	1200	_____	_____	_____	_____
Added during year _____	0	0	0	_____	_____	_____	_____
Retired during year _____	0	0	0	_____	_____	_____	_____
End of year _____	610	3200	1200	_____	_____	_____	_____

**MANHOLES**

Size (inches) _____	8"	_____	_____	_____
Type of Manhole _____	Brick	_____	_____	_____
Number of Manholes:				
Beginning of year _____	46	_____	_____	_____
Added during year _____	0	_____	_____	_____
Retired during year _____	0	_____	_____	_____
End of Year _____	46	_____	_____	_____

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

<b>YEAR OF REPORT</b> <b>DECEMBER 31, 1998</b>
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SYSTEM NAME: \_\_\_\_\_

**TREATMENT PLANT**

Manufacturer _____ Type _____ "Steel" or "Concrete" _____ Total Capacity _____ Average Daily Flow _____ Effluent Disposal _____ Total Gallons of Wastewater treated _____	<u>Extended Air</u> _____ <u>Concrete</u> <u>40,000 GPD</u> <u>22,000 GPD</u> <u>Evaporation &amp; Perk Pond</u> <u>261,000</u>		
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**MASTER LIFT STATION PUMPS**

Manufacturer _____ Capacity (GPM's) _____ Motor: Manufacturer _____ Horsepower _____ Power (Electric or Mechanical) _____	<u>Gorman/Rupp</u> <u>200GPM</u>  <u>US Elec</u> <u>3 HP</u>  <u>Electric</u>					
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**PUMPING WASTEWATER STATISTICS**

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	992,000		992,000
February _____	924,000		924,000
March _____	837,000		837,000
April _____	600,000		600,000
May _____	465,000		465,000
June _____	570,000		570,000
July _____	465,000		465,000
August _____	465,000		465,000
September _____	540,000		540,000
October _____	558,000		558,000
November _____	570,000		570,000
December _____	930,000		930,000
<b>Total for year _____</b>	<b>7,916,000</b>		<b>7,916,000</b>

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

UTILITY NAME: Fairmount Utilities the 2nd, Inc.

YEAR OF REPORT  
DECEMBER 31, 1998

SYSTEM NAME: N/A

### 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 **77** [(7,916,000 / 365) / 280 = 77]
2. Maximum ERCs \*\* that system can efficiently serve **143** (40,000 / 280 = 143)
3. Present system connection capacity (in ERC's) using existing lines **143** (40,000 / 280 = 143)
4. Future connection capacity (in ERC's) upon service area buildout **No additional service**
5. Estimated annual increase in ERCs \* **None**
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? **No**
10. Department of Environmental Protection ID # **D028187065**  
Water Management District ID # **N/A**

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

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

\*\* Total Plant Capacity / 280 gallons


# CERTIFICATION OF ANNUAL REPORT

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

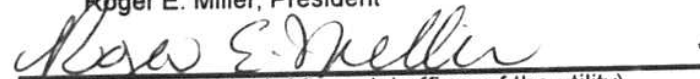
- |  |                                |    |  |
|--|--------------------------------|----|--|
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission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

**Items Certified**

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

  
 \_\_\_\_\_  
 (signature of chief executive officer of the utility)  
 Roger E. Miller, President

- |                                |                                |                                |                                |
|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| 1.<br><input type="checkbox"/> | 2.<br><input type="checkbox"/> | 3.<br><input type="checkbox"/> | 4.<br><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 officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.