

CLASS "B"

WATER and/or SEWER UTILITIES

(Gross Revenue of \$150,000 or More but Less Than \$750,000 Each)

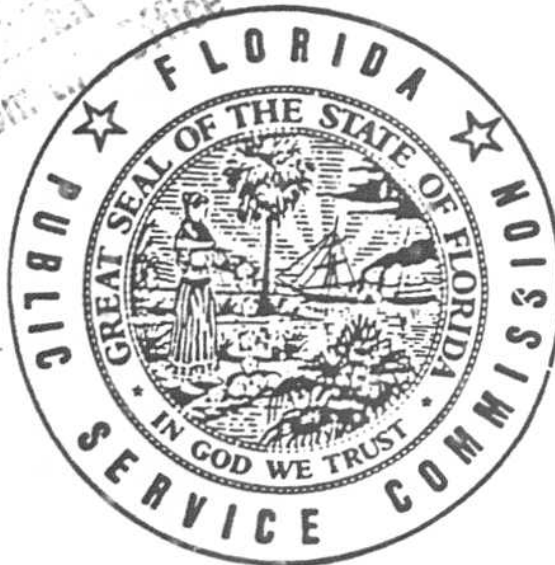
ANNUAL REPORT

OF

WS236 19
Water Management Services, Inc.
3848 Killlearn Court
Tallahassee, FL 32308-3428

302-~~3~~ W
Certificate Number(s)

OFFICIAL COPY
DIVISION OF
WATER AND SEWER
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gc

FOR THE
YEAR ENDED DECEMBER 31, 19 92

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.

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

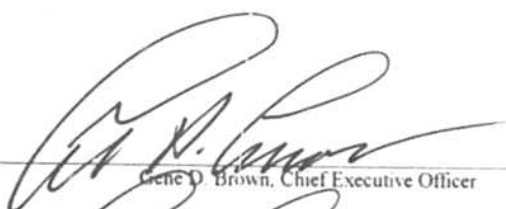
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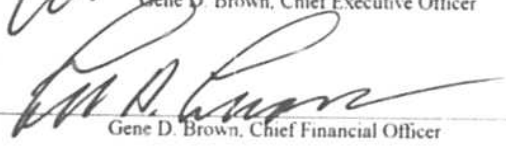
4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified

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

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


Gene D. Brown, Chief Executive Officer


Gene D. Brown, Chief Financial Officer

* 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.

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 1997

WATER MANAGEMENT SERVICES, INC.
(Exact Name of Utility)

County: Franklin

List below the exact mailing address of the utility for which normal correspondence should be sent.

3848 Killeam Court
Tallahassee, FL 32308

Telephone: 850 668 0440

Name and address of person to whom correspondence concerning this report should be addressed.

Gene D. Brown
3848 Killeam Court
Tallahassee, FL 32308

Telephone: 850 668 0440

List below the address of where the utility's books and records are located:

3848 Killeam Court
Tallahassee, FL 32308

Telephone: 850 668 0440

List below any groups auditing or reviewing the records and operations:

NONE

Date of original organization of the utility: March 31, 1978

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

- Individual Partnership
 Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	St. George Island Utility Co., Ltd.	85%
2.	Sandra M. Chase	10%
3.	T. E. Bronson	5%
4.		
5.		
6.		
7.		
8.		
9.		
10.		

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT

December 31, 1997

THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1) & (2)	TITLE OR POSITION (1) & (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Gene D. Brown	President	General Manager	General Business Matters, Legal
Sandra M. Chase		Assistant General Manager	General Business Matters
M. Jacqueline Watson 2931 Kerry Forest Parkway Tallahassee, FL 32308	CPA	Independent Contractor M. Jackie Watson, CPA	Accounting
Barbara S. Withers 2931 Kerry Forest Parkway Tallahassee, FL 32308	CPA	Independent Contractor Barbara S. Withers, CPA	Accounting and Tax
Frank Seidman Management & Regulatory Consultants, Inc. P. O. Box 13427 Tallahassee, FL 32317	Regulatory Consultant	Independent Contractor M & R Consulting	Regulatory Matters
Les Thomas, P.E. 4049 McLeod Drive Tallahassee, FL 32302	Engineer	Independent Contractor Les Thomas Engineering	Engineering Matters

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
December 31, 1997

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

St. George Island Utility Company, Ltd. was certificated on March 31, 1978 to provide water service to St. George Island, which is a barrier island located in the Gulf of Mexico near Apalachicola, Florida. The island is connected to the mainland at Eastpoint, Florida by a 4.6 mile bridge and causeway. The company's three existing wells are located on the mainland and the water is piped over the bridge to the storage and treatment facility located at the center of the island. The island is eighteen (18) miles long resulting in long distribution mains running perpendicular to the supply main and storage and treatment facility.

The island population fluctuates widely because it is primarily a vacation home location, resulting in high peak demands for water during the summer holiday season and at other peak periods, with lower demand for the remainder of the year.

The company has been continuing to expand and improve the water storage and production capacities to insure ample supply during the peak periods as well as a dependable and continuous supply of water year round.

Growth is anticipated at the rate of approximately 60 new customers per year. The goal of the company is to have sufficient capacity in place to meet all current and future demand for potable water on St. George Island. The company has acquired a site for and is planning the construction of a fourth well.

St. George Island Utility Company, Ltd. was reorganized into Water Management Services, Inc., a Florida corporation, on May 1, 1997. All of the operating assets were transferred as of that date and Water Management Services, Inc. has continued to provide the same service with the same personnel as before the reorganization.

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
December 31, 1997

PARENT/AFFILIATE ORGANIZATION CHART

Current as of December 31, 1997

Complete below an organizational chart that show all parents and subsidiaries of of the utility
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

St. George Island Utility Company, Ltd.
Stockholder

Gene D. Brown, P.A.
Legal Counsel

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
December 31, 1997

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS COMPENSATION (d)
Gene D. Brown	President	95%	\$ 61,153

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
N/A	N/A	N/A	N/A

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
December 31, 1997

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

OFFICER DIRECTOR OR AFFILIATE (a)	NAME OF IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Gene D. Brown	Legal Services	\$ 19,300	Gene D. Brown, P.A. 3848 Killeam Ct. Tallahassee, Fl. 32308

Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997
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AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Gene D. Brown	Officer/Director	Legal Services	Gene D. Brown, P.A.
Gene D. Brown	Managing Officer of General Partner	Shareholder	St. George Island Utility Co., Ltd.
Gene D. Brown	Officer/Director	General Partner of Shareholder	Leisure Properties, Ltd.
Gene D. Brown	Officer/Director	General Partner of Shareholder	St. George's Plantation Inc. and Leisure Dev. Inc. All above located at: 3848 Killeam Court Tallahassee, FL 32308

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997

**BUSINESSES WHICH ARE A BY PRODUCT, COPRODUCT OR JOINT PRODUCT RESULT
OF PROVIDING WATER OR WASTEWATER SERVICE**

Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and/or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
NONE	\$ N/A	N/A	\$ N/A	N/A	\$ N/A	N/A

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6, identifying the parties, amounts, dates and product, and asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

- Enter in this part all transactions involving services and products received or provided.
- Below are some types of transactions to include:
 - management, legal and accounting services
 - computer services
 - engineering & construction services
 - repairing and servicing of equipment
 - material and supplies furnished
 - leasing of structures, land, and equipment
 - rental transactions
 - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			CONTRACT OR (S)old (d)	
Gene D. Brown, P.A.	Legal Services	January 1, 1997 through December 31, 1997	P	\$ 19,300

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

Enter in this part all transactions relating to the purchase, sale, or transfer of assets

3 The columnar instructions follow

Below are examples of some types of transactions to include:

- purchase, sale or transfer of equipment
- purchase, sale or transfer of land and structures
- purchase, sale or transfer of securities
- noncash transfers of assets
- noncash dividends other than stock dividends
- writeoff of bad debts or loans

- (a) Enter name of related party or company
- (b) Describe briefly the type of assets purchased, sold or transferred
- (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S"
- (d) Enter the net book value for each item reported
- (e) Enter the net profit or loss for each item reported (column (c) - column(d))
- (f) Enter the fair market value for each item reported
In space below or in a supplemental schedule, describe the basis used to calculate fair market value

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS VALUE (e)	FAIR MARKET VALUE (f)
NONE	N/A	\$ N/A	\$	\$	\$

E-10(b)

UTILITY NAME: **WATER MANAGEMENT SERVICES, INC.**

YEAR OF REPORT
December 31, 1997

**COMPOSITE STATISTICS FOR ALL PRIVATELY OWNED
WATER AND WASTEWATER UTILITIES UNDER AGENCY JURISDICTION**

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)
PLANT (Intrastate Only) (000's Omitted):		
Plant in Service _____	\$ 3,492	\$ _____
Construction Work In Progress _____	17	_____
Plant Acquisition Adjustment _____	_____	_____
Plant Held For Future Use _____	_____	_____
Materials and Supplies _____	_____	_____
Less:		
Accumulated Depreciation and Accumulated Amortization _____	1,243	_____
Contributions In Aid of Construction _____	2,101	_____
Net Book Cost _____	\$ 165	\$ _____
REVENUES AND EXPENSES (Intrastate Only) (000's Omitted):		
Operating Revenues _____	\$ 675	\$ _____
Depreciation and Amortization Expense _____	\$ 56	\$ _____
Income Tax Expense _____	_____	_____
Taxes Other Than Income _____	64	_____
Other Operation Expenses _____	501	_____
Total Operating Expenses _____	\$ 621	\$ _____
Net Operating Income _____	\$ 54	\$ _____
Other Income _____	\$ 1	\$ _____
Other Income Deductions _____	129	_____
Net Income _____	\$ (74)	\$ _____
CUSTOMERS (Intrastate Only):		
Residential - Yearly Average _____	1,647	_____
Commercial - Yearly Average _____	_____	_____
Industrial - Yearly Average _____	_____	_____
Others - Yearly Average _____	_____	_____
Total _____	1,647	_____
OTHER STATISTICS (Intrastate Only):		
Average Annual Residential Use Per 1,000 Gallons _____	72	_____
Average Annual Residential Cost Per 1,000 Gallons _____	\$ 5	\$ _____
Average Residential Monthly Bill _____	\$ 34	\$ _____
Gross Plant Investment Per Customer _____	\$ 2,120	\$ _____

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. (a)	ACCOUNT NAME NO. (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	UTILITY PLANT			
101-106	Utility Plant	F-5	\$ 3,510,305	\$ 3,344,211
108-110	Less: Accumulated Depreciation and Amortization	F-6	1,243,384	1,134,901
	Net Plant		\$ 2,266,921	\$ 2,209,310
114-115	Utility Plant Acquisition adjustment (Net)	F-5		
116	Other Utility Plant Adj.			
	Total Net Utility Plant		\$ 2,266,921	\$ 2,209,310
	OTHER PROPERTY AND INVESTMENTS			
121	Nonutility Property	F-7	\$ 477,400	\$ 477,400
122	Less: Accumulated Depreciation and Amortization		47,155	47,155
	Net Nonutility Property		\$ 430,245	\$ 430,245
123	Investment In Associated Companies	F-8		
124	Utility Investments	F-8		
125	Other Investments	F-8		
126-127	Special Funds	F-8		
	Total Other Property & Investments		\$ 430,245	\$ 430,245
	CURRENT AND ACCRUED ASSETS			
131	Cash		\$ (932)	\$ 9,847
132	Special Deposits	F-7		
133	Other Special Deposits	F-7		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-9	48,491	40,455
145	Accounts Receivable from Associated Companies	F-10	72,429	51,182
146	Notes Receivable from Associated Companies	F-10		
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments	F-11	8,036	3,954
171	Accrued Interest and Dividends Receivable			
172	Rents Receivable			
173	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets			
	Total Current and Accrued Assets		\$ 128,024	\$ 105,438

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

<p>YEAR OF REPORT December 31, 1997</p>

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. (a)	ACCOUNT NAME NO. (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense _____	F-12	\$ _____	\$ _____
182	Extraordinary Property Losses _____	F-12	_____	_____
186	Misc. Deferred Debits _____	F-11	72,983	122,640
190	Accumulated Deferred Income Taxes _____		_____	_____
	Total Deferred Debits _____		\$ 72,983	\$ 122,640
	TOTAL ASSETS AND OTHER DEBITS _____		\$ 2,898,173	\$ 2,867,633

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. (a)	ACCOUNT NAME NO. (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-14	\$ 10,000	\$
204	Preferred Stock Issued	F-14		
211	Other Paid - In Capital		(488,548)	
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-15	(38,837)	
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship Current Period Loss		*(34,817)	(5,243,252)
	Total Equity Capital		\$ (552,202)	\$ (5,243,252)
LONG TERM DEBT				
221	Bonds	F-16		
223	Advances from Associated Companies	F-16	32,950	2,812,604
224	Other Long Term Debt	F-14	882,201	345,087
	Total Long Term Debt		\$ 915,151	\$ 3,157,691
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		158,795	160,546
232	Notes Payable	F-13	475,005	893,745
233	Accounts Payable to Associated Companies	F-13		
234	Notes Payable to Associated Companies	F-13		
235	Customer Deposits		13,727	13,569
236	Accrued Taxes	F-17	90,900	93,945
237	Accrued Interest	F-18	62,812	2,095,003
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-19		
	Total Current & Accrued Liabilities		\$ 801,239	\$ 3,256,808

*First four months of activity under partnership structure.

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. (a)	ACCOUNT NAME NO. (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-12	\$	\$
252	Advances For Construction	F-19	48,850	50,050
253	Other Deferred Credits			
255	Accumulated Deferred Investment Tax Credits			
	Total Deferred Credits		\$ 48,850	\$ 50,050
OPERATING RESERVES				
261	Property Insurance Reserve		\$	\$
262	Injuries & Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
	Total Operating Reserves		\$	\$
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-20	\$ 2,101,556	\$ 2,000,604
272	Accumulated Amortization of Contributions in Aid of Construction	F-21	(416,421)	(354,268)
	Total Net C.I.A.C.		\$ 1,685,135	\$ 1,646,336
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$	\$
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
	Total Accumulated Deferred Income Tax		\$	\$
	TOTAL EQUITY CAPITAL AND LIABILITIES		\$ 2,898,173	\$ 2,867,633

COMPARATIVE OPERATING STATEMENT

NO. (a)	ACCT. ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues _____	\$ 642,794	F-3(b)	\$ 675,244
401	Operating Expenses _____	\$ 475,639	F-3(b)	\$ 500,978
403	Depreciation Expense _____	44,376	F-6	46,331
406	Amortization of Utility Plant Acquisition Adjustment _____			
407	Amortization Expense _____	10,415		10,415
408.1	Taxes Other Than Income _____	57,372	F-17	63,608
409.1	Income Taxes _____		F-17	
410.10	Deferred Income Taxes _____			
411.10	Provision for Deferred Income Taxes - Credit _____			
412.10	Investment Tax Credits Deferred to Future Periods _____			
412.11	Investment Tax Credits Restored to Operating Income _____			
	Utility Operating Expenses _____	\$ 587,802		\$ 621,332
	Utility Operating Income _____	\$ 54,992		\$ 53,912
413	Income From Utility Plant Leased to others _____			
414	Gains (losses) From Disposition of Utility Property _____			
	Total Utility Operating Income [Enter here and on Page F-3(c)] _____	\$ 54,992		\$ 53,912

COMPARATIVE OPERATING STATEMENT (Cont'd)

PAGE (f)	REF. WATER (g)	PAGE (h)	REF. WASTEWATER (i)	OTHER (j)
W-3	\$ 675,244	S-3	\$ _____	\$ _____
W-2	\$ 500,978	S-2	\$ _____	\$ _____
F-6	46,331	F-6	_____	_____
	_____		_____	_____
F-6	10,415	F-6	_____	_____
F-17	63,608	F-17	_____	_____
F-17	_____	F-17	_____	_____
	_____		_____	_____
	_____		_____	_____
	_____		_____	_____
	\$ 621,332		\$ _____	\$ _____
	\$ 53,912		\$ _____	\$ _____
	_____		_____	_____
	_____		_____	_____
	\$ 53,912		\$ _____	\$ _____

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. (a)	ACCOUNT NAME NO. (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [from page F-3(a)]	\$ 54,992		\$ 53,912
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions	\$		\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income	252		61
420	Allowance for Funds Used During Construction			
421	Nonutility Income	13,643		1,129
426	Miscellaneous Nonutility Expenses			10,897
	Total Other Income and Deductions	\$ 13,895		\$ (9,707)
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income	\$	F-17	\$
409.20	Income Taxes		F-17	
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
	Total Taxes Applicable To Other Income	\$		\$
INTEREST EXPENSE				
427	Interest Expense	\$ 98,431	F-18	\$ 117,859
428	Amortization of Debt Discount & Expense		F-12	
429	Amortization of Premium on Debt		F-12	
	Total Interest Expense	\$ 98,431		\$ 117,859
EXTRAORDINARY ITEMS				
433	Extraordinary Income	\$		\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items	\$		\$
	NET INCOME	\$ (29,544)		\$ (73,654)

SCHEDULE OF YEAR END RATE BASE

ACCT. (a)	ACCOUNT NAME NO. (b)	REF. PAGE (c)	WATER UTILITY (d)	SEWER UTILITY (e)
101	Utility Plant In Service	F-5	\$ 3,492,856	\$ N/A
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-6	1,243,384	
110.1	Accumulated Amortization	F-6		
271	Contributions In Aid of Construction	F-20	2,101,556	
252	Advances for Construction	F-19	48,850	
	Subtotal		\$ 99,066	\$
	Additions:			
272	Accumulated Amortization of Contribution in Aid of Construction	F-21	416,421	
	Subtotal		\$ 515,487	\$
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-5		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-5		
	Working Capital Allowance (3)		62,622	
	Other (Specify):			
	RATE BASE		\$ 578,109	\$
	UTILITY OPERATING INCOME		\$ 53,912	\$
	ACHIEVED RATE OF RETURN		9.3%	

NOTES:

- (1) Estimate if not Known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculate using the Balance Sheet Method, beginning-year end average.

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
December 31, 1997

UTILITY PLANT (ACCTS. 101-106)

ACCT. (a)	DESCRIPTION (b)	WATER NO. (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts:				
101	Utility Plant In Service	\$ 3,492,856	\$	\$	\$ 3,492,856
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	17,449			17,449
	Total Utility Plant	\$ 3,510,305	\$	\$	\$ 3,510,305

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition approved by the Commission, include the Order Number.

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):				
	\$	\$	\$	\$
Total Plant Acquisition Adjs.	\$	\$	\$	\$
ACCUMULATED AMORTIZATION (115):				
	\$	\$	\$	\$
Total Accumulated Amortization	\$	\$	\$	\$
Net Acquisition Adjustments	\$	\$	\$	\$

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
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ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER NO. (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ 1,134,901	\$	\$	\$ 1,134,901
Credit during year:				
Accruals charged to Account 108	\$ 108,483	\$	\$	\$ 108,483
Other Accounts (specify)				
Salvage				
Other Credits (Specify)				
Total Credits	\$ 108,483	\$	\$	\$ 108,483
Debits during year:				
Book cost of plant retired				
Cost of removal				
Other Debits (specify)				
Total Debits	\$	\$	\$	\$
Balance end of year	\$ 1,243,384	\$	\$	\$ 1,243,384

ACCUMULATED AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER NO. (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$	\$	\$	\$
Credit during year:				
Accruals charged to Account 110	\$	\$	\$	\$
Other Accounts (specify)				
Total Credits	\$	\$	\$	\$
Debits during year:				
Book cost of plant retired				
Other Debits (specify)				
Total Debits	\$	\$	\$	\$
Balance end of year	\$	\$	\$	\$

NONUTILITY PROPERTY (ACCT. 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121. Other items may be grouped by classes of property.				
DESCRIPTION (a)	BEGINING YEAR (b)	ADDITIONS BALANCE (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
Dissalowed Investment in Plant Cost	\$ 477,400	\$	\$	\$ 477,400
Total Nonutility Property	\$ 477,400	\$	\$	\$ 477,400

SPECIAL DEPOSITS (ACCT. 132)

Report hereunder all special deposits carried in Accounts 132.	
DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (ACCT. 132):	
	\$
Total Special Deposits	\$

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
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INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123-127)

Report hereunder all investments and special funds carried in Accounts 123 thru 127.		
DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): _____ N/A _____ _____ _____ _____ Total Investment in Associated Companies _____	\$ _____ _____ _____ _____ _____ \$ _____	\$ _____ _____ _____ _____ _____ \$ _____
UTILITY INVESTMENTS (ACCT. 124): _____ N/A _____ _____ _____ _____ Total Utility Investment _____	\$ _____ _____ _____ _____ _____ \$ _____	\$ _____ _____ _____ _____ _____ \$ _____
OTHER INVESTMENTS (ACCT. 125): _____ N/A _____ _____ _____ _____ Total Other Investment _____	\$ _____ _____ _____ _____ _____ \$ _____	\$ _____ _____ _____ _____ _____ \$ _____
SPECIAL FUNDS (ACCT. 127): _____ _____ N/A _____ _____ _____ Total Special Funds _____	_____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ \$ _____

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
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ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141):	
Water	\$ 57,016
Wastewater	
Other	
Total Customer Accounts Receivable	\$ 57,016
OTHER ACCOUNTS RECEIVABLE (Acct. 142):	
Miscellaneous customer credits	\$ 50
Miscellaneous closed accounts	101
Total Other Accounts Receivable	\$ 151
NOTES RECEIVABLE (Acct. 144):	
Miscellaneous Note	\$ 474
Total Notes Receivable	\$ 474
Total Accounts and Notes Receivable	\$ 57,641
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Acct. 143)	
Balance first of year	\$ 9,150
Add: Provision for uncollectibles for current year	\$
Collection of accounts previously written off	
Utility Accounts	
Others	
Total Additions	\$
Deduct accounts written off during year:	
Utility Accounts	
Others	
Total accounts written off	\$
Balance end of year	\$ 9,150
Total Accounts and Notes Receivable - Net	\$ 48,491

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997
--

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 145)

Report each account receivable from associated companies separately.	
DESCRIPTION (a)	TOTAL (b)
Intercompany Receivable Gene Brown & Related Companies	\$ 72,429
Total _____	\$ 72,429

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 146)

Report each account receivable from associated companies separately.		
DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
		\$
Total _____		\$

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997
--

PREPAYMENTS (ACCT. 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance -----	\$ 2,936
Prepaid Rents -----	
Prepaid Interest -----	
Prepaid Taxes -----	
Other Prepayments (Specify): <u>Loan Application Fee</u>	5,100

Total Prepayment\$ -----	\$ 8,036

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186)

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) -----	\$ 39,242
Other Deferred Debits (Acct. 186.2) -----	33,741
Total Miscellaneous Deferred Debits -----	\$ 72,983

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

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--

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
(ACCTS. 181 & 251)**

Report the net discount and expense or premium separately for each security issue.		
DESCRIPTION (a)	AMOUNT	
	WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (ACCT. 181): N/A	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense _____	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (ACCT. 251) N/A	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt _____	\$ _____	\$ _____

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.	
DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (ACCT. 182): N/A	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses _____	\$ _____

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997
--

NOTES PAYABLE (ACCTS. 232 & 234)

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					
Regional Land	05/29/92	06/01/93	10%	Monthly	\$ 203,279
SCM Partners	03/01/96	03/01/97	12%	Quarterly	250,000
Pelham Profit Trust	06/16/97	12/16/97	12%	Demand	18,000
Premium Assignment Corp.	07/31/97	03/31/98	10%	Monthly	3,726
Total Account 232					\$ 475,005
ACCOUNT 234 - NOTES PAYABLE TO ASSOC. COMPANIES:					\$
Total Account 234					\$

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.	
DESCRIPTION (a)	TOTAL (b)
	\$
Total	\$

CAPITAL STOCK (ACCTS. 201 & 204)

DESCRIPTION (a)	COMMON STOCK (b)	PREFERRED STOCK (c)
Par or stated value per share _____	\$ 0 10	\$ _____
Shares authorized _____	100,000	_____
Shares issued and outstanding _____	100,000	_____
Total par value of stock issued _____	\$ 10,000	\$ _____
Dividends declared per share for year _____	\$ _____	\$ _____

LONG TERM DEBT (ACCT. 224)

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	RATE (b)	FREQUENCY OF PAYMENT (c)	
Capital City Bank	10%	Monthly	\$ 573,204
Sandra Chase	10%	Monthly	15,876
Ford Motor Credi.	8%	Monthly	16,583
Kenneth Shiver		Demand	3,417
Capital City Bank	7.9%	Monthly	29,373
Gulf State Bank	8.9%	Monthly	24,784
GMAC	8%	Monthly	23,105
Gulf State Bank	18%	Monthly	10,717
Gulf State Bank	10.25%	Monthly	50,000
Block Children Trust	8%	Monthly	63,786
Tonque & Associates	10%	Monthly	71,356
_____	%		
_____	%		
_____	%		
_____	%		
_____	%		
Total _____			\$ 882,201

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
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STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

NO. (a)	ACCT. DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings:	
	Balance Beginning of Year	\$ _____
	Changes to Account:	
439	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits: _____	\$ _____
	Total Credits: _____	\$ _____
	Debits: _____	\$ _____
	Total Debits: _____	\$ _____
435	Balance Transferred from Income	\$ (38,837)
436	Appropriations of Retained Earnings:	

	Total Appropriations of Retained Earnings	\$ _____
	Dividends Declared:	
437	Preferred Stock Dividends Declared _____	
438	Common Stock Dividends Declared _____	
	Total Dividends Declared	\$ _____
	Year end Balance	\$ (38,837)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	

	Total Appropriated Retained Earnings	\$ _____
	Total Retained Earnings	\$ (38,837)

Notes to Statement of Retained Earnings:

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997
--

BONDS (ACCT. 221)

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	RATE (b)	FREQUENCY OF PAYMENT (c)	
N/A	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

ADVANCES FROM ASSOCIATED COMPANIES (ACCT. 223)

Report each advance separately.	
DESCRIPTION (a)	TOTAL (b)
Estate of Alice B. Melton	\$ 32,950
Total	\$ 32,950

ACCRUED TAXES (ACCT. 236)

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER NO. (d)	OTHER (e)	TOTAL (f)
	Balance First of Year	\$ 93,945	\$	\$	\$ 93,945
408.10	Accruals Charged Utility Regulatory Assessment Fees	\$ 30,471	\$	\$	\$ 30,471
408.11	Property Taxes	12,242			12,242
408.12	Payroll Taxes	16,403			16,403
408.13	Other Taxes & Licenses	4,492			4,492
409.10	Federal Income Taxes				
409.11	State Income Taxes				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2)				
	Total Taxes Accrued	\$ 63,608	\$	\$	\$ 63,608
	Taxes Paid During Year:				
408.10	Utility Regulatory Assessment Fees	\$ 28,926	\$	\$	\$ 28,926
408.11	Property Taxes	24,831			24,831
408.12	Payroll Taxes	8,404			8,404
408.13	Other Taxes & Licenses	4,492			4,492
409.10	Federal Income Taxes				
409.11	State Income Taxes				
	Taxes Applicable to other Income (Accts. 408.2, 409.2, 409.3, 410.2)				
	Total Taxes Paid	\$ 66,653	\$	\$	\$ 66,653
	Balance End of Year	\$ 90,900	\$	\$	\$ 90,900

ACCRUED INTEREST (ACCT. 237)

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	ACCRUED DURING YEAR		INTEREST *PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		RECLASS DEBIT (c)	ACCT. AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt:					
Chase			238	138	100
Block Children Trust	\$ _____		\$ 5,862	\$ 3,743	\$ 2,119
Tonque & Associates	_____		7,289	7,289	
Capital City Bank	_____	2540	58,570	58,597	2,513
Gulf State Bank	_____		2,008	1,192	816
Capital City Bank	_____		1,305	1,205	100
Total Account No. 237.1	\$ _____	2540	\$ 75,272	\$ 72,164	\$ 5,648
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities:					
Est. Alice Melton	\$ 102,890		\$ _____	\$ 102,890	\$ _____
Leisure Prop. Ltd.	1,901,882			1,901,882	
SCM Partners	1,418		30,334	7,500	24,252
Regional Land Co.	55,902			55,902	
Capital City	2,540	-2540			
Pelham Profit Trust			1,168		1,168
Other	30,371		11,085	9,712	31,744
Total Account No. 237.2	\$ 2,095,003	-2540	\$ 42,587	\$ 2,077,886	\$ 57,164
Total Account No. 237	\$ 2,095,003	-0-	\$ 117,859	\$ 2,150,050	\$ 62,812

*Or retained by predecessor entity during reorganization.

REGULATORY COMMISSION EXPENSE - AMORTIZATION
OF RATE CASE EXPENSE (ACCTS. 666 & 766)

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCOUNT NO. ACCT. (d)	AMOUNT (e)
Docket No. 940109-WU Order PSC 94-1383-FOF-WU	\$ _____	\$ _____	186	\$ 39,241
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	186	\$ 39,241

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (ACCT. 241)

DESCRIPTION (a)	BALANCE END OF YEAR (b)
N/A	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities _____	\$ _____

ADVANCES FOR CONSTRUCTION (ACCT. 252)

NAME OF PAYOR (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS AMOUNT (e)	BALANCE END OF YEAR (f)
		DEBIT (c)	ACCT. (d)		
Fla. Dept. of Environmental Protection	\$ 47,737		\$ 1,200	\$ _____	\$ 46,537
Carl Hoffman, Inc	2,313			_____	2,313
_____	_____			_____	_____
_____	_____			_____	_____
_____	_____			_____	_____
_____	_____			_____	_____
_____	_____			_____	_____
_____	_____			_____	_____
_____	_____			_____	_____
_____	_____			_____	_____
Total _____	\$ 50,050		\$ 1,200	\$ _____	\$ 48,850

*Class B Annual Report

SCHEDULE "A"
**ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR**

DESCRIPTION OF CHARGES (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER (c)	WATER CONNECTION (d)	WASTEWATER (e)
Plant Capacity		\$	\$ 51,996	\$
Main Extension			34,356	
Meter Installation			8,600	
Hydrant Installation			6,000	
Total Credits			\$ 100,952	\$

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 272)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	W & WW THAN SYSTEM REPORTING (d)	OTHER TOTAL (e)
Balance first of year	\$ 354,268	\$	\$	\$ 354,268
Debits during year:				
Accruals charged to:				
Account 272	\$	\$	\$	\$
Other debits (specify):				
Total debits	\$ 62,153	\$	\$	\$ 62,153
Credits during year:				
Total Credits	\$	\$	\$	\$
Balance end of year	\$ 416,421	\$	\$	\$ 416,421

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT

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SCHEDULE "B"

REDUCTION RECEIVED FROM ALL DEVELOPERS OR
OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	"CASH" OR (b)	INDICATE WATER "PROPERTY" (c)	WASTEWATER (d)
NONE		\$ _____	\$ _____
Total Credits _____		\$ _____	\$ _____

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES
(UTILITY OPERATIONS)

- The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year -----		\$ (73,654)
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
Four Months of Operation Under Partnership Structure		34,817
Fine and Penalties-nondeductible		10,796
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income -----		\$ (28,041)
Computation of tax : NO TAX DUE		

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

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997

SCHEDULE "A"
SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (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) Should equal amounts on Schedule B, Column (f), Page F-25.
- (2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Approved AFUDC rate:	_____ %
proving AFUDC rate:	_____ %

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

UTILITY NAME: WATER MANAGEMENT SERVICES, 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 COC)	_____	_____	_____	_____	_____
Deferred Inc. Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

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

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.YEAR OF REPORT
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WATER UTILITY PLANT ACCOUNTS

NO.	ACCT. ACCOUNT NAME	PREVIOUS YEAR	ADDITIONS	RETIREMENTS
(a)	(b)	(c)	(d)	(e)
301	Organization	\$	\$	\$
302	Franchises			
303	Land and Land Rights	104,069		14,639
304	Structures and Improvements	149,701		
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	185,004	10,850	
308	Infiltration Galleries and Tunnels			
309	Supply Mains	240,364		
310	Power Generation Equipment	68,984		
311	Pumping Equipment	150,169		
320	Water Treatment Equipment	36,668	430	
330	Distribution Reservoirs and Standpipes	343,443	266	
331	Transmission and Distribution Mains	1,559,015	115	
333	Services	183,368	2,992	
334	Meters and Meter Installations	144,375	3,465	
335	Hydrants	108,911	5,753	
339	Other Plant and Miscellaneous Equipment	193	13,790	
340	Office Furniture and Equipment	41,739	2,781	
341	Transportation Equipment		122,828	
342	Stores Equipment			
343	Tools, Shop and Garage Equip.	8,913	322	
344	Laboratory Equipment			
345	Power Operated Equipment		16,500	
346	Communication Equipment			
347	Miscellaneous Equipment	2,484		
348	Other Tangible Plant			
	Total Water Plant	\$ 3327400	\$ 180092	\$ 14639

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

WATER UTILITY PLANT MATRIX

CURRENT YEAR (f)	1. INTANGIBLE PLANT (g)	2. OF SUPPLY AND PUMPING PLANT (h)	SOURCE 3. WATER TREATMENT PLANT (i)	4. TRANSMISSION AND DISTRIBUTION PLANT (j)	5. GENERAL PLANT (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
89,430		89,430			
149,701		59,926			89,775
195,854		195,854			
240,364		240,364			
68,983		68,983			
150,169		150,169			
37,098			37,098		
343,709				343,709	
1,559,130				1,559,130	
186,360				186,360	
147,841				147,841	
114,665				114,665	
13,984				13,984	
44,520					44,520
122,828					122,828
9,235					9,235
16,500					16,500
2,484					2,484
\$ 3,492,855	\$ _____	\$ 804,726	\$ 37,098	\$ 2,365,689	\$ 285,342

W-1(b)

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT

December 31, 1997

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	1. SOURCE OF SUPPLY AND EXPENSES - OPERATIONS	2. SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE
(a)	(b)	(c)	(d)	(e)
601	Salaries and Wages - Employees	\$ 137,921	\$ 68,961	\$ 68,960
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	61,153	30,577	30,576
604	Employee Pensions and Benefits	28,497	14,249	14,248
610	Purchased Water			
615	Purchased Power	32,176	15,473	
616	Fuel for Power Purchased	596	596	
618	Chemicals	5,441		
620	Materials and Supplies	14,956		6,678
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	43,076		
633	Contractual Services - Legal	21,201		
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Other	29,443		
641	Rental of Building/Real Property	1,019		
642	Rental of Equipment	12,278		
650	Transportation Expenses	23,640		
656	Insurance - Vehicle			
657	Insurance - General Liability	13,731		
658	Insurance - Workman's Comp.	5,604	1,642	1,641
659	Insurance - Other	(222)		
660	Advertising Expense	278		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	39,241		
667	Regulatory Commission Expenses -Other			
670	Bad Debt Expense			
675	Miscellaneous Expenses	30,947		
	Total Water Utility Expenses	\$ 500,977	\$ 131,496	\$ 122,103

WATER EXPENSE ACCOUNT MATRIX

3. WATER TREATMENT EXPENSES - OPERATIONS (f)	4. WATER TREATMENT EXPENSES - MAINTENANCE (g)	5. TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	6. & DISTRIBUTION EXPENSES - MAINTENANCE (i)	7. TRANSMISSION CUSTOMER ACCOUNTS EXPENSE (j)	8. ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	15,473	_____	_____	1,230
_____	_____	_____	_____	_____	_____
5,441	_____	6,678	_____	_____	1,600
_____	_____	_____	_____	_____	43,076
_____	_____	_____	_____	_____	21,201
_____	_____	_____	_____	_____	_____
_____	_____	13,237	13,237	_____	2,969
_____	_____	10,969	_____	_____	1,019
_____	_____	19,856	_____	_____	1,309
_____	_____	_____	_____	_____	3,784
_____	_____	_____	_____	_____	_____
_____	_____	1,642	_____	_____	13,731
_____	_____	_____	_____	_____	679
_____	_____	_____	_____	_____	(222)
_____	_____	_____	_____	_____	278
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	39,241
_____	_____	_____	_____	_____	_____
_____	_____	14,078	_____	_____	16,869
\$ 5,441	\$ _____	\$ 81,933	\$ 13,237	\$ _____	\$ 146,764

W-2(b)

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT December 31, 1997
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WATER OPERATING REVENUE

NO.	ACCT. DESCRIPTION	BEGINNING YEAR NO. CUSTOMERS	YEAR END NUMBER OF CUSTOMERS	AMOUNT
(a)	(b)	(c)	(d)	(e)
	Operating Revenues:			
460	Unmetered Water Revenue			\$
	Metered Water Revenue:			
461.1	Sales to Residential Customers	1,377	1,409	590,590
461.2	Sales to Commercial Customers	53	53	45,756
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	1	1	34,195
461.5	Sales Multiple Family Dwellings			
	Total Metered Sales	1,431	1,463	\$ 670,541
	Fire Protection Revenue:			
462.1	Public Fire Protection	N/A		
462.2	Private Fire Protection	N/A		
	Total Fire Protection Revenue	N/A		\$
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
	Totals	1,431	1,463	\$ 670,541
	Other Water Revenues:			
469	Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,988
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			1,715
	Total Other Water Revenues			\$ 4,703
	Total Water Operating Revenues			\$ 675,244

UTILITY NAME:

WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT

December 31, 1997

BASIS FOR WATER DEPRECIATION CHARGES

NO. (a)	ACCT. ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	26		3.85%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	27		3.70%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	32		3.13%
310	Power Generation Equipment	17		5.88%
311	Pumping Equipment	17		5.88%
320	Water Treatment Equipment	17		5.88%
330	Distribution Reservoirs and Standpipes	33		3.03%
331	Transmission and Distribution Mains	38		2.63%
333	Services	35		2.86%
334	Meters and Meter Installations	17		
335	Hydrants	40		2.50%
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equip.	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equip.	10		10.00%
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	15		6.67%
348	Other Tangible Plant			
	Water Plant Composite Depreciation Rate *			

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

NO.	ACCT. ACCOUNT NAME	BALANCE AT BEGINNING	ACCRUALS OF YEAR	OTHER CREDITS *	TOTAL CREDITS (d + e)
(a)	(b)	(c)	(d)	(e)	(f)
304	Structures and Improvements	\$ 20,886	\$ 5,758	\$	\$ 5,758
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	48,701	7,091		7,091
308	Infiltration Galleries and Tunnels				
309	Supply Mains	102,708	7,511		7,511
310	Power Generation Equipment	17,524	4,058		4,058
311	Pumping Equipment	40,131	8,834		8,834
320	Water Treatment Equipment	13,422	2,174		2,174
330	Distribution Reservoirs and Standpipes	109,162	10,414		10,414
331	Transmission and Distribution Mains	611,614	41,026		41,026
333	Services	70,311	5,289		5,289
334	Meters and Meter Installations	58,606	8,586		8,586
335	Hydrants	33,315	2,738		2,738
339	Other Plant and Miscellaneous Equipment	0	37		37
340	Office Furniture and Equipment	5,949	2,762		2,762
341	Transportation Equipment	0	996		996
342	Stores Equipment				
343	Tools, Shop and Garage Equip.	1,460	909		909
344	Laboratory Equipment				
345	Power Operated Equipment	0	138		138
346	Communication Equipment				
347	Miscellaneous Equipment	1,112	165		165
348	Other Tangible Plant				
	Total Depreciable Water Plant In Service	\$ 1,134,901	\$ 108,483	\$	\$ 108,483

* Specify nature of transaction
Use () to denote reversal entries.

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (Cont'd)

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	ASSOCIATED OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 26,644
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	55,792
_____	_____	_____	_____	_____	110,219
_____	_____	_____	_____	_____	21,582
_____	_____	_____	_____	_____	48,965
_____	_____	_____	_____	_____	15,596
_____	_____	_____	_____	_____	119,575
_____	_____	_____	_____	_____	652,640
_____	_____	_____	_____	_____	75,600
_____	_____	_____	_____	_____	67,192
_____	_____	_____	_____	_____	36,053
_____	_____	_____	_____	_____	37
_____	_____	_____	_____	_____	8,711
_____	_____	_____	_____	_____	996
_____	_____	_____	_____	_____	2,369
_____	_____	_____	_____	_____	137
_____	_____	_____	_____	_____	1,277
_____	_____	_____	_____	_____	_____
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 1,243,384

W-5(b)

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.
 UTILITY SYSTEM WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
 December 31, 1997

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES ETC. (d)	TOTAL PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	0	7851	234	7,617	7,214
February	0	6385	120	6,265	5,359
March	0	10524	350	10,174	6,967
April	0	12637	120	12,517	12,118
May	0	13,868	303	13,565	10,453
June	0	16,062	175	15,887	13,599
July	0	18,300	306	17,994	15,286
August	0	16,289	338	15,951	12,037
September	0	13,711	276	13,435	12,440
October	0	13,475	455	13,020	9,397
November	0	10,199	370	9,829	6,712
December	0	8,217	353	7,864	6,377
Total for year	0	147518	3400	144118	117959

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:

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.
 UTILITY SYSTEM: WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
 December 31, 1997

WATER TREATMENT PLANT INFORMATION

Type of treatment (reverse osmosis, etc.): _____
 Methods used (sedimentation, chemical, aerated, etc.): Aeration and Chlorination

LIME TREATMENT

Unit rating (GPM): N/A Manufacturer: _____

FILTRATION

Type and area:

Pressure ---> Square Feet: N/A

Gravity ---> GPM/Square Feet: N/A

MAINS

TYPE OF PIPE (Galvanized, Cast Iron, PVC, Etc.)	DIAMETER OF PIPE (in inches)	OF YEAR	MAINS		MAINS END OF YEAR (in feet)
			BEGINNING ADDITIONS (in feet)	RETIREMENTS	
PVC	8"	130,208			130208
PVC	6"	89,606	650		90256
DIP	8" & 12"	13,368			13368
PVC	4"	12,226			12226
PVC	2"	36,195			36195
PVC	3"	740			740
GAL	2"	210			210
GAL	3/4"	290			290
POLY (BlueMax)	1"	12,875	2,500		15375
Total feet of mains		295718	3,150		298868

SERVICES AND METERS

METERS IN SERVICE	BEGINNING	METERS ADDITIONS	RETIREMENTS	METERS END OF YEAR
5/8" - 3/4"	1,241	31		1,272
1"	29	1		30
2"	2			2
3"	3			3
4"	1			1
6"	1			1
8"				
Other (Specify): 1 1/2"	1			1
Total meters in service	1,278	32		1,310
Total meters in stock				
Number of services in use	1,431	32		1,463

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.
 UTILITY SYSTEM: NONA

YEAR OF REPORT
 December 31, 1997

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed	1976	1985	1993	
Types of Well Construction and Casing	8" cased	8" cased	12" cased	
Depth of Wells	175'	150'	185'	
Diameters of Wells	8"	8"	12"	
Pump - GPM	325	350	500	
Motor - HP	30	30	50	
Yields of Wells in GPD	468,000 est	504,000 est	720,000 est	
Auxiliary Power			Kohler 60 KW	

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete or pneumatic)	Concrete	Steel		
Capacity of Tank	292,000 gal.	150,000 gal		
Ground or Elevated	Ground	Elevated		

HIGH SERVICE PUMPING

(a)	(b)	MOTORS		
		(c)	(d)	(e)
Manufacturer	Marathon	Toshiba		U.S. Electric
Type	Series E HE	Premium EfTR	Turbine	R
Rated Horsepower	50	50	20	50
PUMPS				
Manufacturer	Avora Pumps	Peerless	Peerless	
Type	Centrifugal	Cent. 50	Cent. 20	
Capacity in GPM	500 @ 185 HF	650	250	
Average Number of Hours Operated Per Day				
Auxiliary Power	Cat 150 KW	Cat. 150 KW	Cat. 150 KW	

UTILITY NAME: WATER MANAGEMENT SERVICES, INC.
 UTILITY SYSTEM: NONA

YEAR OF REPORT
 December 31, 1997

SOURCE OF SUPPLY

List for each source of supply:				
Gallons per day of source _____	468,000	504,000	720,000	_____
Type of source _____	Well No. 1	Well No. 2	Well No. 3	_____

WATER TREATMENT FACILITIES

List for each water treatment facility:				
Type _____	Aeration	Chlorination	_____	_____
Make _____	_____	Penn Walt	_____	_____
Gallons per day Capacity _____	809,000	809,000	_____	_____
Method of measurement _____	_____	lbs.	_____	_____

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 ERC's * the system can efficiently serve. 1853
- Estimated annual increase in ERC's * . 60
- List fire fighting facilities and capacities.
 Capacity exists to provide fire flow to most parts of the system. Utility continues to increase fire hydrant installations. (See Fire Protection Study dated 5/8/95)
- List percent of certificated areas where service connections are installed (total for each county).
 Approximately 65%
- What is the current need for system upgrading and/or expansion?
 Utility needs a 4th well, a larger pump for well no. 1 and new lines as recommended by the engineering report dated 5/8/95 and filed with the PSC and DEP.
- What are plans for future system upgrading and/or expansion?
 Utility plans to replace the well no. 1 pump and install new lines within 6 months. Utility plans to install 4th well within eighteen months.
- Have questions 5 and 6 been discussed with an engineer? (if so, state name and address)
 Yes. Les Thomas, P.E., 4049 McLeod Drive, Tallahassee, FL 32303
- Have questions 5 and 6 been discussed with the appropriate state sanitary engineering office?
 Yes

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

UTILITY NAME:
SYSTEM NAME:

WATER MANAGEMENT SERVICES, INC.
WATER MANAGEMENT SERVICES, INC.

YEAR OF REPORT
December 31, 1997

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
5/8"	Displacement	1.0	1,427	1,427
3/4"	Displacement	1.5		
1"	Displacement	2.5	30	75
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	2	16
3"	Displacement	15.0	1	15
3"	Compound	16.0	1	16
3"	Turbine	17.5	1	18
4"	Displacement or Compound	25.0		
4"	Turbine	30.0	1	30
6"	Displacement or Compound	50.0		
6"	Turbine	62.5	1	63
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents _____				1,664

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{117,959,000}{\text{(total gallons sold)}} \div 365 \text{ days} \right) \div 350 \text{ gpd} = 923$$