

CLASS "C"
WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of Less Than \$150,000 Each)

ANNUAL REPORT

WS390 03
Bayside Utilities, Inc.
6325 Big Daddy Drive
Panama City Beach, FL 32407-5506

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Florida Public Service Commission
Director of Water and Wastewater

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Submitted To The
STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1998

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**FINANCIAL
SECTION**

REPORT OF

BAYSIDE UTILITIES, INC

(EXACT NAME OF UTILITY)

6325 BIG DADDY DRIVE
PANAMA CITY BEACH, FL 32407
Mailing Address

6325 BIG DADDY DR
PANAMA CITY BEACH, BAY CO, FL
Street Address County

Telephone Number (850) 234-6668

Date Utility First Organized 1971

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: BAYSIDE UTILITIES, INC.
6325 BIG DADDY DR. PANAMA CITY BEACH, FL 32407 (850) 234-6668

Name of subdivisions where services are provided: BAYSIDE MOBILE HOME PARK

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>LEONARD JETER</u>	<u>GENERAL MANAGER</u>	<u>6325 Big Daddy Dr</u> <u>PANAMA CITY BEACH</u> <u>FL 32407</u>	
Person who prepared this report: <u>ROCK A D'ARIST</u>	<u>CPA</u>	<u>P.O. BOX 15547</u> <u>PANAMA CITY FL 32406</u>	
Officers and Managers: <u>DOROTHY BURTON</u>	<u>PRES/SECRETARY</u>	<u>COMPANY ADDRESS</u>	
			\$ NONE
			\$
			\$
			\$
			\$

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>BAYSIDE PARTNERSHIP</u>	<u>100%</u>	<u>6325 Big Daddy Dr</u> <u>PANAMA CITY BEACH</u> <u>FL 32407</u>	\$ NONE
			\$
			\$
			\$
			\$
			\$
			\$

REVISED 6/22/99

UTILITY NAME: BAYSIDE UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		\$ 55,251	\$ 63,017	\$ _____	\$ 118,268
Commercial		1,158	1,158	_____	2,316
Industrial		_____	_____	_____	_____
Multiple Family		_____	_____	_____	_____
Guaranteed Revenues		_____	_____	_____	_____
Other (Specify)		1,021	1,021	_____	2,042
Total Gross Revenue		\$ 57,430	\$ 65,196	\$ _____	\$ 122,626
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 51,989	\$ 55,993	\$ _____	\$ 107,982
Depreciation Expense	F-5	7,002	18,923	_____	25,925
CIAC Amortization Expense	F-8	(1,648)	(1,193)	_____	(2,841)
Taxes Other Than Income	F-7	4,602	3,853	_____	8,455
Income Taxes	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 61,945	\$ 77,576	\$ _____	\$ 139,521
Net Operating Income (Loss)		\$ (4,515)	\$ (12,380)	\$ _____	\$ (16,895)
Other Income:					
Nonutility Income		\$ _____	\$ _____	\$ _____	\$ _____
Other Deductions:					
Miscellaneous Nonutility Expenses		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense		487	1,351	_____	1,838
AMORTIZATION OF DEBT		_____	609	_____	609
Net Income (Loss)		\$ (5,002)	\$ (14,340)	\$ _____	\$ (19,342)

UTILITY NAME: BAYSIDE UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		\$ 56,780	\$ 63,017	\$	\$ 119,797
Commercial		1,158	1,158		2,316
Industrial					
Multiple Family					
Guaranteed Revenues					
Other (Specify)		1,021	1,021		2,042
Total Gross Revenue		\$ 58,959	\$ 65,196	\$	\$ 124,155
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 51,989	\$ 55,993	\$	\$ 107,982
Depreciation Expense	F-5	2,531	18,923		27,454
CIAC Amortization Expense	F-8	(1,648)	(1,193)		(2,841)
Taxes Other Than Income	F-7	4,102	3,853		8,455
Income Taxes	F-7				
Total Operating Expense		\$ 63,474	\$ 77,576	\$	\$ 141,050
Net Operating Income (Loss)		\$ (4,515)	\$ (12,380)	\$	\$ (16,895)
Other Income:					
Nonutility Income		\$	\$	\$	\$
Other Deductions:					
Miscellaneous Nonutility Expenses		\$	\$	\$	\$
Interest Expense		487	1,351		1,838
AMORTIZATION OF DEBT			609		609
Net Income (Loss)		\$ (5,002)	\$ (14,340)	\$	\$ (19,342)

UTILITY NAME: BAYSIDE UTILITIES, 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	\$ <u>530,874</u>	\$ <u>530,875</u>
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u><310,215></u>	<u><284,290></u>
Net Utility Plant -----		\$ <u>220,659</u>	\$ <u>246,585</u>
Cash -----		<u>2,765</u>	<u><5,089></u>
Customer Accounts Receivable (141) -----		<u>9,584</u>	<u>7,417</u>
Other Assets (Specify): -----		<u>20,000</u>	<u>20,000</u>
<u>NON-UTILITY PROPERTY</u>		<u>2,437</u>	<u>3,046</u>
<u>UNAMORTIZED LOAN COST</u>		<u>41,250</u>	<u>41,250</u>
<u>ABANDONED PLANT</u>			
Total Assets -----		\$ <u>296,695</u>	\$ <u>313,209</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	<u>500</u>	<u>500</u>
Preferred Stock Issued (204) -----	F-6	<u>168,865</u>	<u>168,865</u>
Other Paid in Capital (211) -----		<u><231,642></u>	<u><212,300></u>
Retained Earnings (215) -----	F-6		
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ <u><62,277></u>	\$ <u><42,935></u>
Long Term Debt (224) -----	F-6	\$ <u>313,643</u>	\$ <u>260,620</u>
Accounts Payable (231) -----		<u>7,003</u>	<u>8,230</u>
Notes Payable (232) -----			<u>24,242</u>
Customer Deposits (235) -----		<u>6,293</u>	<u>4,953</u>
Accrued Taxes (236) -----		<u>7,017</u>	<u>8,539</u>
Other Liabilities (Specify) -----			<u>21,700</u>
<u>UNEARNED INCOME</u>			<u>2</u>
<u>ADVANCES FROM RELATED PARTIES</u>			
<u>ROUNDING</u>			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>25,016</u>	<u>27,858</u>
Total Liabilities and Capital -----		\$ <u>296,695</u>	\$ <u>313,209</u>

UTILITY NAME: BAYSIDE UTILITIES, 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) _____	\$ <u>181,351</u>	\$ <u>349,523</u>	\$ _____	\$ <u>530,874</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>181,351</u>	\$ <u>349,523</u>	\$ _____	\$ <u>530,874</u>

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

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year _____	\$ <u>112,502</u>	\$ <u>171,788</u>	\$ _____	\$ <u>284,290</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ <u>7,002</u>	\$ <u>18,923</u>	\$ _____	\$ <u>25,925</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ <u>7,002</u>	\$ <u>18,923</u>	\$ _____	\$ <u>25,925</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ <u>119,504</u>	\$ <u>190,711</u>	\$ _____	\$ <u>310,215</u>

UTILITY NAME: BAYSIDE UTILITIES, INC

YEAR OF REPORT
DECEMBER 31, 1998

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	<u>1.00</u>	<u>NONE</u>
Shares authorized _____	<u>500</u>	<u>?</u>
Shares issued and outstanding _____	<u>500</u>	<u>?</u>
Total par value of stock issued _____	<u>500</u>	<u>?</u>
Dividends declared per share for year _____	<u>-0-</u>	<u>?</u>

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ <u>NONE</u>	\$ <u><212,300></u>
Changes during the year (Specify):	<u>?</u>	<u>(19,342)</u>
<u>1998 NET INCOME (LOSS)</u>	<u>?</u>	<u>(19,342)</u>
Balance end of year _____	\$ _____	\$ <u>(231,642)</u>

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ <u>N/A</u>
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	
<u>BAYSIDE PARTNERSHIP (NO REDEMPTION PROVISIONS)</u>			\$ <u>277,976</u>
<u>SBA LOAN</u>			<u>23,667</u>
<u>BAYSIDE REAL ESTATE</u>			<u>9,000</u>
<u>STOCKHOLDER LOAN</u>			<u>3,000</u>
Total _____			\$ <u>313,643</u>

UTILITY NAME: BAYSIDE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 1998

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ 2,377	\$ 2,576	\$	\$ 4,953
Add Accruals charged:				
State ad valorem tax	\$	\$	\$	\$
Local property tax				
Federal income tax				
State income tax				
Regulatory assessment fee	4,508	3,591		8,099
Other (Specify)				
PAYROLL TAX	535	535		1,070
2. Total Taxes Accrued	\$ 5,043	\$ 4,126	\$	\$ 9,169
Deduct Taxes Paid:				
State ad valorem tax	\$	\$	\$	\$
Local property tax				
Federal income tax				
State income tax				
Regulatory assessment fee	4,165	3,166		7,331
Other (Specify)				
PAYROLL TAX	249	249		498
3. Total Taxes Paid	\$ 4,414	\$ 3,415	\$	\$ 7,829
4. Balance end of year (1 + 2 - 3 = 4)	\$ 3,006	\$ 3,287	\$	\$ 6,293

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
WEATHERSDA, D'ARIST & HARRIS, P.A.	\$ 838	\$ 837	ACCOUNTING SERVICES
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

UTILITY NAME: BAYSIDE UTILITIES, 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 _____	\$ <u>52,911</u>	\$ <u>40,344</u>	\$ <u>93,255</u>
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	<u>52,911</u>	<u>40,344</u>	<u>93,255</u>
4) Deduct charges during the year _____	<u>52,911</u>	<u>40,344</u>	<u>93,255</u>
5) Balance end of year _____	<u>39,384</u>	<u>28,855</u>	<u>68,239</u>
6) Less Accumulated Amortization _____			
7) Net CIAC _____	\$ <u>13,527</u>	\$ <u>11,489</u>	\$ <u>25,016</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
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
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

	Water	Wastewater	Total
Balance First of Year _____	\$ <u>37,736</u>	\$ <u>27,662</u>	\$ <u>65,398</u>
Add Credits During Year: _____	<u>1,648</u>	<u>1,193</u>	<u>2,841</u>
Deduct Debits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ <u>39,384</u>	\$ <u>28,855</u>	\$ <u>68,239</u>

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

UTILITY NAME: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

SCHEDULE "A"

N/A

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

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

(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: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises	_____	_____	_____	_____
303	Land and Land Rights	_____	_____	_____	_____
304	Structures and Improvements	_____	_____	_____	_____
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____	_____	_____
307	Wells and Springs	_____	_____	_____	_____
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____
309	Supply Mains	4,904	_____	_____	4,904
310	Power Generation Equipment	_____	_____	_____	_____
311	Pumping Equipment	211	_____	_____	211
320	Water Treatment Equipment	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____
331	Transmission and Distribution Lines	105,848	_____	_____	105,848
333	Services	26,066	_____	_____	26,066
334	Meters and Meter Installations	34,144	_____	_____	34,144
335	Hydrants	1,828	_____	_____	1,828
339	Other Plant and Miscellaneous Equipment	_____	_____	_____	_____
340	Office Furniture and Equipment	1,388	_____	_____	1,388
341	Transportation Equipment	6,962	_____	_____	6,962
342	Stores Equipment	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____
344	Laboratory Equipment	_____	_____	_____	_____
345	Power Operated Equipment	_____	_____	_____	_____
346	Communication Equipment	_____	_____	_____	_____
347	Miscellaneous Equipment	_____	_____	_____	_____
348	Other Tangible Plant	_____	_____	_____	_____
	Total Water Plant	\$ 181,351	\$ _____	\$ _____	\$ 181,351

UTILITY NAME: BAYSIDE UTILITIES, INC.

YEAR OF REPORT
DECEMBER 31, 1998

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Accl. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage In Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements		%	%	\$	\$		\$
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs		%	%				
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains	32	3.13%		1,314		154	1,468
310	Power Generating Equipment		%	%				
311	Pumping Equipment	17	5.88%		102		12	114
320	Water Treatment Equipment		%	%				
330	Distribution Reservoirs & Standpipes	38	2.63%		66,763		2,784	69,547
331	Trans. & Dist. Mains	35	2.86%		15,647		745	16,392
333	Services	17	5.88%		19,127		2,008	21,135
334	Meter & Meter Installations	40	2.50%		1,313		46	1,359
335	Hydrants		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment		%	%				
341	Equipment	15	6.67%		1,274		93	1,367
342	Transportation Equipment	6	16.67%		6,962		1,161	8,123
343	Stores Equipment		%	%				
344	Tools, Shop and Garage Equipment		%	%				
345	Laboratory Equipment		%	%				
346	Power Operated Equipment		%	%				
347	Communication Equipment		%	%				
348	Miscellaneous Equipment		%	%				
	Other Tangible Plant		%	%				
	Totals				\$ 112,532	\$	\$ 7,003	\$ 119,505

* This amount should tie to Sheet F-5.

UTILITY NAME: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 7,563
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	
610	Purchased Water	31,117
615	Purchased Power	
616	Fuel for Power Production	
618	Chemicals	
620	Materials and Supplies	2,311
630	Contractual Services:	
	Operator and Management	
	Testing	
	Other	4,697
640	Rents	1,653
650	Transportation Expense	533
655	Insurance Expense	1,940
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	12
675	Miscellaneous Expenses	2,155
	Total Water Operation And Maintenance Expense	\$ 51,989

* 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	304		
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			304		

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: BAYSIDE UTILITIES INC
 SYSTEM NAME: BAYSIDE MOBILE HOME PARK

YEAR OF REPORT
 DECEMBER 31.

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	1,054,090	- 0 -	300,520	753,570	753,570
February	903,312	}	109,412	793,900	793,900
March	1,068,582		219,242	849,340	849,340
April	1,056,090		89,760	966,330	966,330
May	1,334,513		257,953	1,076,560	1,076,560
June	1,420,920		337,429	1,083,431	1,083,431
July	1,390,989		170,910	1,220,079	1,220,079
August	1,308,541		208,741	1,099,800	1,099,800
September	1,157,050		118,720	1,038,330	1,038,330
October	885,081		105,211	779,870	779,870
November	922,170		(219,570)	1,141,740	1,141,740
December	986,323		73,893	912,930	912,930
Total for Year	13,488,161		- 0 -	1,772,281	11,715,880

If water is purchased for resale, indicate the following:

Vendor CITY OF LANAMA CITY BEACH
 Point of delivery WILLOWOOD RD

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

N/A

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
CAST IRON	8"	4,825	- 0 -	- 0 -	4,825
PVC	6"	3,530			3,530
PVC	4"	8,840			8,840
PVC	2"	4,470			4,470
PVC	1"	4,700			4,700
PVC	3/4"	8,760			8,760

UTILITY NAME: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	N/A	_____	_____	_____
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) _____	N/A	_____	_____	_____
Capacity of Tank _____	?	_____	_____	_____
Ground or Elevated _____		_____	_____	_____

HIGH SERVICE PUMPING

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

UTILITY NAME: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

SOURCE OF SUPPLY

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

Gals. per day of source _____	<u>CALLS PER DAY PURCHASED</u>	<u>32,954</u>
Type of Source _____	<u>CITY OF PANAMA CITY BEACH</u>	<u>WATER SYSTEM</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 _____	_____	_____	_____
Ozone _____	_____	_____	_____
Other _____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Present ERCs * now being served 287
- Maximum ERCs ** that system can efficiently serve 500 - 1000
- Present system connection capacity (in ERC's) using existing lines 1000
- Future connection capacity (in ERC's) upon service area buildout 150-200
- Estimated annual increase in ERCs * -0-
- List fire fighting facilities and capacities (including number of fire hydrants) 7 FIRE HYDRANTS ON 6 MAINS
- List percent of certificated area where service connections are installed (total for each county) 81.429%
- What is the current need for system upgrading and/or expansion? ANTICIPATE TO BEGIN DEVELOPING 14 1/2 - 15 1/2 ACRES OF LAND INCLUDED IN OUR TERRITORY
- What are plans for future system upgrading and/or expansion? RESIZING PUMPS IF NEEDED TO HANDLE ADD'L DEVELOPMENT
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address) YES. GEORGE WALRAND. 1202 E. 3RD ST. PANAMA CITY FL 32401
- Has an application for a construction permit been filed with the DEP? (if so, explain) IN PROCESS OF APPLICATION FOR DEVELOPMENT ORDER
- Department of Environmental Protection ID # N/A
Water Management District ID # N/A

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

** Total Plant Capacity / 350 gallons

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises	_____	_____	_____	_____
353	Land and Land Rights	_____	_____	_____	12,200
354	Structures and Improvements	12,200	_____	_____	51,141
360	Collection Sewers - Force	51,141	_____	_____	75,263
361	Collection Sewers - Gravity	75,263	_____	_____	_____
362	Special Collecting Structures	_____	_____	_____	_____
363	Services to Customers	_____	_____	_____	_____
364	Flow Measuring Devices	_____	_____	_____	_____
365	Flow Measuring Installations	_____	_____	_____	_____
370	Receiving Wells	_____	_____	_____	6,010
371	Pumping Equipment	6,010	_____	_____	_____
380	Treatment and Disposal Equipment	_____	_____	_____	196,560
381	Plant Sewers	196,560	_____	_____	_____
382	Outfall Sewer Lines	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment	_____	_____	_____	_____
390	Office Furniture and Equipment	1,388	_____	_____	1,388
391	Transportation Equipment	6,962	_____	_____	6,962
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	\$ 349,524	\$ _____	\$ _____	\$ 349,524 *

* This amount should tie to sheet F-5.

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	27	%	%	\$ 452	\$	\$ 451	\$ 903
360	Collection Sewers - Force	27	%	%	33,000		1,892	34,892
361	Collection Sewers - Gravity	40	%	%	58,221		1,881	60,102
362	Special Collecting Structures		%	%				
363	Services to Customers		%	%				
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%				
371	Pumping Equipment	15	%	%	401		334	735
380	Treatment and Disposal Equipment	15	%	%	71,478		13,111	84,589
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%				
390	Office Furniture and Equipment	15	%	%	1,274		93	1,367
391	Transportation Equipment	7	%	%	6,962		1,161	8,123
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				\$ 171,788	\$	\$ 18,923	\$ 190,711 *

* This amount should tie to Sheet F-5.

UTILITY NAME: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 7,564
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	
710	Purchased Wastewater Treatment	23,296
711	Sludge Removal Expense	
715	Purchased Power	853
716	Fuel for Power Production	
718	Chemicals	
720	Materials and Supplies	11,504
730	Contractual Services:	
	Operator and Management	
	Testing	
	Other	5,561
740	Rents	1,176
750	Transportation Expense	664
755	Insurance Expense	1,947
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	
770	Bad Debt Expense	1,791
775	Miscellaneous Expenses	1,637
	Total Wastewater Operation And Maintenance Expense	\$ 55,993 *

* 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	287	287	287
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5			
Other (Specify):					
Unmetered Customers			-0-	-0-	-0-
Total			287	287	287

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

PUMPING EQUIPMENT

Lift Station Number	<u>TIK1</u>	<u>MIDDLE</u>	<u>EASTERN</u>			
Make or Type and nameplate data on pump	<u>2 MYERS</u>	<u>2 MYERS</u>	<u>2 MYERS</u>			
Year installed	<u>1994</u>	<u>1997</u>	<u>1997</u>			
Rated capacity						
Size						
Power:						
Electric						
Mechanical						
Nameplate data of motor						

SERVICE CONNECTIONS

Size (inches)	<u>4"</u>					
Type (PVC, VCP, etc.)	<u>PVC</u>					
Average length	<u>30'</u>					
Number of active service connections	<u>304</u>					
Beginning of year						
Added during year						
Retired during year						
End of year	<u>304</u>					
Give full particulars concerning inactive connections	<u>N/A</u>					

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
	4"	10"	4"		10"	4"		
Size (inches)	<u>4"</u>	<u>10"</u>	<u>4"</u>		<u>10"</u>	<u>4"</u>		
Type of main					<u>PVC</u>	<u>PVC</u>		
Length of main (nearest foot)	<u>17,250</u>	<u>5,000</u>	<u>1,430</u>		<u>3,670</u>	<u>2,640</u>		
Beginning of year	<u>17,250</u>	<u>5,000</u>	<u>1,430</u>		<u>3,670</u>	<u>2,640</u>		
Added during year	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>		<u>-0-</u>	<u>-0-</u>		
Retired during year	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>		<u>-0-</u>	<u>-0-</u>		
End of year	<u>17,250</u>	<u>5,000</u>	<u>1,430</u>		<u>3,670</u>	<u>2,640</u>		

MANHOLES

Size (inches)	<u>0'-6'</u>			
Type of Manhole				
Number of Manholes:				
Beginning of year	<u>15</u>			
Added during year	<u>-0-</u>			
Retired during year	<u>-0-</u>			
End of Year	<u>15</u>			

UTILITY NAME: BAYSIDE UTILITIES INC

SYSTEM NAME: BAYSIDE MOBILE HOME PARK

YEAR OF REPORT
DECEMBER 31,

TREATMENT PLANT

Manufacturer _____	<u>N/A</u>	_____	_____
Type _____	<u>?</u>	_____	_____
"Steel" or "Concrete" _____		_____	_____
Total Capacity _____		_____	_____
Average Daily Flow _____		_____	_____
Effluent Disposal _____		_____	_____
Total Gallons of _____		_____	_____
Wastewater treated _____		_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>N/A</u>	_____	_____	_____	_____	_____
Capacity (GPM's) _____	<u>?</u>	_____	_____	_____	_____	_____
Motor: _____		_____	_____	_____	_____	_____
Manufacturer _____		_____	_____	_____	_____	_____
Horsepower _____		_____	_____	_____	_____	_____
Power (Electric or _____		_____	_____	_____	_____	_____
Mechanical) _____	_____	_____	_____	_____	_____	

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: BAYSIDE UTILITIES INC

YEAR OF REPORT
DECEMBER 31, 1998

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.

Dorothy Burton
(signature of chief executive officer of the utility)

1. 2. 3. 4.

(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.