

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS551 28
Damon Utilities, Inc.
47 Lake Damon Drive
Avon Park, FL 33825-8902

499W/433S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



WS551-00-AR

DAMON UTILITIES, INC.

ED
SERVICES
13:47
PLATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 00

FINANCIAL SECTION

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REPORT OF

DAMON UTILITIES, INC.

(EXACT NAME OF UTILITY)

47 LAKE DAMON DRIVE AVON PARK, FLORIDA 33825-8902		47 LAKE DAMON DRIVE AVON PARK, FLORIDA 33825-8902	
Mailing Address		Street Address	County
Telephone Number	(863) 453-0773	Date Utility First Organized	01/23/86
Fax Number	(863) 453-7269	E-mail Address	rivgns@strato.net
Sunshine State One-Call of Florida, Inc Member No.	DU1055		

Check the business entity or 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: Same As Above

Name of subdivisions where services are provided: River Greens Golf Course Area and Casa Del Lago Condominiums

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Judy Fusani</u>	<u>Bookkeeper</u>	<u>47 Lake Damon Drive Avon Park, FL 33825</u>	<u>\$ 0</u>
Person who prepared this report: <u>Judy Fusani</u>	<u>Bookkeeper</u>	<u>47 Lake Damon Drive Avon Park, FL 33825</u>	<u>\$ 0</u>
Officers and Managers: <u>J. A. Harstine</u>	<u>President</u>	<u>47 Lake Damon Drive</u>	<u>\$ 0</u>
<u>Rodney A. Davis</u>	<u>Secretary/Treasurer</u>	<u>47 Lake Damon Drive</u>	<u>\$ 0</u>
<u>George Davis</u>	<u>Vice President</u>	<u>47 Lake Damon Drive</u>	<u>\$ 0</u>
_____	_____	_____	<u>\$ _____</u>
_____	_____	_____	<u>\$ _____</u>

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
<u>J. A. Harstine</u>	<u>33 1/3</u>	<u>47 Lake Damon Drive</u>	<u>\$ 0</u>
<u>Rodney A. Davis</u>	<u>33 1/3</u>	<u>47 Lake Damon Drive</u>	<u>\$ 0</u>
<u>George Davis</u>	<u>33 1/3</u>	<u>47 Lake Damon Drive</u>	<u>\$ 0</u>
_____	_____	_____	<u>\$ _____</u>
_____	_____	_____	<u>\$ _____</u>
_____	_____	_____	<u>\$ _____</u>

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 39,984	\$ 27,651	\$ _____	\$ 67,635
Commercial_____		612	2,040	_____	2,652
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____		_____	_____	_____	_____
Reconnection Fees_____		278	38	_____	316
Total Gross Revenue_____		\$ 40,874	\$ 29,729	\$ _____	\$ 70,603
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 30,217	\$ 20,352	\$ _____	\$ 50,569
Depreciation Expense_____	F-5	5,202	7,528	_____	12,730
CIAC Amortization Expense_____	F-8	(2,200)	(2,155)	_____	(4,355)
Taxes Other Than Income_____	F-7	1,839	1,338	_____	3,177
Income Taxes_____	F-7	0	0	_____	0
Total Operating Expense		\$ 35,058	\$ 27,063	\$ _____	\$ 62,121
Net Operating Income (Loss)		\$ 5,816	\$ 2,666	\$ _____	\$ 8,482
Other Income:					
Nonutility Income_____		\$ 0	\$ 0	\$ _____	\$ 0
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ 0	\$ 0	\$ _____	\$ 0
Interest Expense_____		_____	_____	_____	_____
Bank Loan		6,970	774	_____	7,744
		_____	_____	_____	0
Net Income (Loss)		\$ (1,154)	\$ 1,892	\$ _____	\$ 738

RECEIVED
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DIVISION OF
ECONOMIC REGULATION

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 2000

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>342,546</u>	\$ <u>341,359</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-3	<u>178,999</u>	<u>166,268</u>
Net Utility Plant _____		\$ <u>163,547</u>	\$ <u>175,091</u>
Cash _____		<u>1,925</u>	<u>2,165</u>
Customer Accounts Receivable (141) _____		<u>5,437</u>	<u>5,951</u>
Other Assets (Specify): _____			
Security Deposit _____		<u>100</u>	<u>100</u>
Total Assets _____		\$ <u>171,009</u>	\$ <u>183,307</u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	<u>600</u>	<u>600</u>
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____		<u>14,400</u>	<u>14,400</u>
Retained Earnings (215) _____	F-6	<u>(15,947)</u>	<u>(9,821)</u>
Proprietary Capital (Proprietary and partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>(947)</u>	\$ <u>5,179</u>
Long Term Debt (224) _____	F-6	\$ <u>85,934</u>	\$ <u>67,791</u>
Accounts Payable (231) _____		<u>1,683</u>	
Notes Payable (232) _____			
Customer Deposits (235) _____			
Accrued Taxes (236) _____		<u>3,177</u>	<u>2,796</u>
Other Liabilities (Specify) _____			
Loans From Stockholders _____		<u>6,200</u>	<u>29,000</u>
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>74,962</u>	<u>78,541</u>
Total Liabilities and Capital _____		\$ <u>171,009</u>	\$ <u>183,307</u>

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2000

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)_____	\$ <u>126,257</u>	\$ <u>216,289</u>	\$ <u>0</u>	\$ <u>342,546</u>
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ <u>126,257</u>	\$ <u>216,289</u>	\$ <u>0</u>	\$ <u>342,546</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>47,764</u>	\$ <u>118,505</u>	\$ _____	\$ <u>166,269</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account___	\$ <u>5,202</u>	\$ <u>7,528</u>	\$ _____	\$ <u>12,730</u>
Salvage_____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits_____	\$ <u>5,202</u>	\$ <u>7,528</u>	\$ _____	\$ <u>12,730</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>52,966</u>	\$ <u>126,033</u>	\$ _____	\$ <u>178,999</u>

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2000

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$1.00	N/A
Shares authorized _____	600	_____
Shares issued and outstanding _____	600	_____
Total par value of stock issued _____	\$600.00	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ (9,821)
Changes during the year (Specify):		
Adjustments _____	_____	(6,126)
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ (15,947)

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____ N/A _____	\$ _____	\$ _____
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	
Highlands Independent Bank (Variable Rate)	9.75	108	\$ 85,933
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ 85,933

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2000

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	_____	_____	_____
State income tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	_____	_____	_____	_____
Regulatory assessment fee _____	1,839	1,338	_____	3,177
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Taxes Accrued _____	\$ 1,839	\$ 1,338	\$ 0	\$ 3,177

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 responent 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
NONE	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Damon Utilities, Inc

YEAR OF REPORT DECEMBER 31, 2000

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ <u>52,855</u>	\$ <u>61,936</u>	\$ <u>114,791</u>
2) Add credits during year_____	<u>775</u>	<u>0</u>	<u>775</u>
3) Total_____	\$ <u>53,630</u>	\$ <u>61,936</u>	\$ <u>115,566</u>
4) Deduct charges during the year_____			
5) Balance end of year_____	<u>53,630</u>	<u>61,936</u>	<u>115,566</u>
6) Less Accumulated Amortization_____	<u>22,627</u>	<u>17,977</u>	<u>40,604</u>
7) Net CIAC_____	\$ <u>31,003</u>	\$ <u>43,959</u>	\$ <u>74,962</u>

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

Report below all developers or contractors agreement's from which cash or property was received during the year		Indicate "Cash" or "Property"	Water	Wastewater
<u>N/A</u>				

Sub-total_____			\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year			Water	Wastewater
Description of Charge	Number of Connections	Charge per Connection		
Meter Installation	<u>5</u>	\$ <u>155</u>	\$ <u>775</u>	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above)_____			\$ <u>775</u>	\$ <u>0</u>

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year_____	\$ <u>20,427</u>	\$ <u>15,822</u>	\$ <u>36,249</u>
Add Credits During Year:_____	<u>2,200</u>	<u>2,155</u>	<u>4,355</u>
Deduct Debits During Year:_____			
Balance End of Year (Must agree with line #6 above)	\$ <u>22,627</u>	\$ <u>17,977</u>	\$ <u>40,604</u>

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

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2000

SCHEDULE "A"

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

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	<u>100 00</u> %		<u>N/A</u> %

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

APPROVED AFUDC RATE

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

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

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2000

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

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

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

WATER
OPERATING
SECTION

WATER UTILITY PLANT ACCOUNTS

Acct No (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ 5,658	\$ _____	\$ _____	\$ 5,658
302	Franchises_____	_____	_____	_____	_____
303	Land and Land Rights_____	_____	_____	_____	_____
304	Structures and Improvements_____	4,248	_____	_____	4,248
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	6,285	_____	_____	6,285
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	1,126	_____	_____	1,126
310	Power Generation Equipment_____	10,703	_____	_____	10,703
311	Pumping Equipment_____	8,032	_____	_____	8,032
320	Water Treatment Equipment_____	10,105	_____	_____	10,105
330	Distribution Reservoirs and Standpipes_____	_____	_____	_____	_____
331	Transmission and Distribution Lines_____	54,286	_____	_____	54,286
333	Services_____	_____	_____	_____	_____
334	Meters and Meter Installations_____	21,117	1,187	_____	22,304
335	Hydrants_____	_____	_____	_____	_____
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
340	Office Furniture and Equipment_____	850	_____	_____	850
341	Transportation Equipment_____	_____	_____	_____	_____
342	Stores Equipment_____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment_____	2,660	_____	_____	2,660
344	Laboratory Equipment_____	_____	_____	_____	_____
345	Power Operated Equipment_____	_____	_____	_____	_____
346	Communication Equipment_____	_____	_____	_____	_____
347	Miscellaneous Equipment_____	_____	_____	_____	_____
348	Other Tangible Plant_____	_____	_____	_____	_____
	Total Water Plant_____	\$ 125,070	\$ 1,187	\$ _____	\$ 126,257

UTILITY NAME: Damon Utilities, Inc

YEAR OF REPORT
DECEMBER 31, 2000

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct No (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr Balance End of Year (f+g+h=i) (i)
301	Organization	40	%	2,500 %	\$ 2,116		142	\$ 2,258
304	Structures and Improvements	27	%	3,704 %	1,543		157	1,700
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	3,704 %	2,841		233	3,074
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains	32	%	3,125 %	215		35	250
310	Power Generating Equipment	17	%	5,882 %	1,198		630	1,828
311	Pumping Equipment	17	%	5,882 %	5,277		472	5,749
320	Water Treatment Equipment	17	%	5,882 %	6,022		594	6,616
330	Distribution Reservoirs & Standpipes		%					
331	Trans & Dist Mains	38	%	2,632 %	17,388		1,429	18,817
333	Services		%					
334	Meter & Meter Installations	17	%	5,882 %	10,376		1,277	11,653
335	Hydrants		%					
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment	15	%	6,667 %	128		57	185
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment	15	%	6,667 %	659		177	836
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 47,763	\$ 0	\$ 5,203	\$ 52,966 *

* This amount should tie to Sheet F-5

WATER OPERATION AND MAINTENANCE EXPENSE

Acct No	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ 9,816
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	
604	Employee Pensions and Benefits_____	
610	Purchased Water_____	
615	Purchased Power_____	2,043
616	Fuel for Power Production_____	19
618	Chemicals_____	514
620	Materials and Supplies_____	2,862
630	Contractual Services:	
	Billing_____ #630	2,400
	Professional_ #631	437
	Testing_ ____ #635	3,030
	Other_ ____ #636 Contract Labor	1,566
640	Rents_____	3,841
650	Transportation Expense_____	905
655	Insurance Expense_____	592
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	296
670	Bad Debt Expense_____	
675	Miscellaneous Expenses_____	1,896
	Total Water Operation And Maintenance Expense_____	\$ 30,217 *

* 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	10	233	238	238
3/4"	D	15			
1"	D	25			
1 1/2"	D,T	50			
2"	D,C,T	80			
3"	D	150			
3"	C	160			
3"	T	175			
4"	D,C	250			
4"	T	300			
6"	D,C	500			
6"	T	625			
Other (Specify): _____ _____	_____ _____	_____ _____	_____ _____	_____ _____	_____ _____
Unmetered Customers					
** D = Displacement C = Compound T = Turbine			Total		
			233	238	238

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b)	(c)	(d)	(e)	(f)
	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	Water Sold To Customers (Omit 000's)
January_-----	_____	1,175	67	1,108	1,108
February_-----	_____	1,114	131	983	983
March_-----	_____	1,259	153	1,106	1,106
April_-----	_____	1,289	41	1,248	1,248
May_-----	_____	1,096	92	1,004	1,004
June_-----	_____	936	70	866	866
July_-----	_____	900	134	766	766
August_-----	_____	927	142	785	785
September_-----	_____	844	108	736	736
October_-----	_____	996	127	869	869
November_-----	_____	1,044	83	961	961
December_-----	_____	1,053	115	938	938
Total for Year_-----	_____	12,633	1,263	11,370	11,370

If water is purchased for resale, indicate the following: _____ N/A

Point of delivery _____

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

_____ N/A

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6 IN	825 LF	-	-	825 LF
PVC	4 IN	7,782 LF	-	-	7,782 LF
PVC	2 IN	3,410 LF	-	-	3,410 LF
PVC	1 IN	160 LF	-	-	160 LF
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 2000

SYSTEM NAME: _____

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1986</u>	<u>1987</u>	_____	_____
Types of Well Construction and Casing _____	<u>Steel & Concrete</u>	<u>Steel & Concrete</u>	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	<u>500 FT</u>	<u>500 FT</u>	_____	_____
Diameters of Wells _____	<u>4 IN</u>	<u>4 IN</u>	_____	_____
Pump - GPM _____	<u>100</u>	<u>100</u>	_____	_____
Motor - HP _____	<u>5 HP</u>	<u>5 HP</u>	_____	_____
Motor Type * _____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Yields of Wells in GPD _____	<u>130,000</u>	<u>130,000</u>	_____	_____
Auxiliary Power _____	<u>N/A</u>	<u>N/A</u>	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>Steel</u>	<u>Steel</u>	_____	_____
Capacity of Tank _____	<u>2,000</u>	<u>2,000</u>	_____	_____
Ground or Elevated _____	<u>Ground</u>	<u>Ground</u>	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	<u>Sta-Rite</u>	<u>Sta-Rite</u>	_____	_____
Type _____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Rated Horsepower _____	<u>5 HP</u>	<u>5 HP</u>	_____	_____
Pumps				
Manufacturer _____	<u>Sta-Rite</u>	<u>Sta-Rite</u>	_____	_____
Type _____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Capacity in GPM _____	<u>100</u>	<u>100</u>	_____	_____
Average Number of Hours Operated Per Day _____	<u>2 1/2</u>	<u>2 1/2</u>	_____	_____
Auxiliary Power _____	<u>N/A</u>	<u>N/A</u>	_____	_____

UTILITY NAME: _____ Damon Utilities, Inc _____

YEAR OF REPORT DECEMBER 31, 2000

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source_ _ _	14,560 Each	_____	_____
Type of Source_ _ _ _ _	2 Deep Wells	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_ _ _ _ _	Wallace & Tierman	_____	_____
Make_ _ _ _ _	V-100	_____	_____
Gals. per day capacity_ _ _	130,000	_____	_____
High service pumping	N/A	_____	_____
Gallons per minute_ _ _	N/A	_____	_____
Reverse Osmosis_ _ _ _ _	N/A	_____	_____
Lime Treatment		_____	_____
Unit Rating_ _ _ _ _	N/A	_____	_____
Filtration		_____	_____
Pressure Sq Ft_ _ _ _ _	N/A	_____	_____
Gravity GPD/Sq.Ft_ _ _	N/A	_____	_____
Disinfection		_____	_____
Chlorinator_ _ _ _ _	Gas	_____	_____
Ozone_ _ _ _ _	N/A	_____	_____
Other_ _ _ _ _	N/A	_____	_____
Auxiliary Power_ _ _ _ _	Generator (Portable)	_____	_____

GENERAL WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERCs * now being served 89 00
2. Maximum ERCs ** that system can efficiently serve 371
3. Present system connection capacity (in ERC's) using existing lines _____
4. Future connection capacity (in ERC's) upon service area buildout _____
5. Estimated annual increase in ERCs: * 5.45
6. Is the utility required to have fire flow capacity? _____
If so, how much capacity is required? 2 @ 150 GPM
7. Attach a description of the fire fighting facilities _____
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
None at this time
9. When did the company last file a capacity analysis report with the DEP? _____
10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # 6284078
12. Water Management District Consumptive Use Permit # _____
 - a. Is the system in compliance with the requirements of the CUP? _____
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on one of the following methods:

- (a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days
- (b) If no historical flow data are available use:
ERC = (Total SRF Gallons Sold(omit 000 / 365 days / 350 Gallons Per Day).

WASTEWATER
OPERATING
SECTION

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ 17,504	\$ _____	\$ _____	\$ 17,504
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	_____	_____	_____	_____
354	Structures and Improvements_____	1,958	_____	_____	1,958
360	Collection Sewers - Force_____	17,912	_____	_____	17,912
361	Collection Sewers - Gravity_____	59,454	_____	_____	59,454
362	Special Collecting Structures_____	_____	_____	_____	_____
363	Services to Customers_____	_____	_____	_____	_____
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	1,642	_____	_____	1,642
371	Pumping Equipment_____	_____	_____	_____	_____
380	Treatment and Disposal Equipment_____	86,993	_____	_____	86,993
381	Plant Sewers_____	7,750	_____	_____	7,750
382	Outfall Sewer Lines_____	21,652	_____	_____	21,652
389	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
390	Office Furniture and Equipment_____	850	_____	_____	850
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	574	_____	_____	574
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ 216,289	\$ _____	\$ _____	\$ 216,289 *

* This amount should tie to sheet F-5.

UTILITY NAME: Damon Utilities, Inc

YEAR OF REPORT
DECEMBER 31, 2000

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct No (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum Depr Balance End of Year (f+g+h=i) (i)
351	Organization_	40	%	2 500 %	\$ 5,744		438	\$ 6,182
354	Structures and Improvements_	27	%	3 704 %	\$ 978	\$	73	\$ 1,051
360	Collection Sewers - Force_	27	%	3 704 %	5,138		663	5,801
361	Collection Sewers - Gravity_	34	%	2 941 %	18,921		1,749	20,670
362	Special Collecting Structures_		%					
363	Services to Customers_		%					
364	Flow Measuring Devices_		%					
365	Flow Measuring Installations_		%					
370	Receiving Wells_	25	%	4 000 %	855		66	921
371	Pumping Equipment_		%					
380	Treatment and Disposal		%					
	Equipment_	25	%	4 000 %	73,869		3,480	77,349
381	Plant Sewers_	32	%	3 125 %	3,209		242	3,451
382	Outfall Sewer Lines_	30	%	3 333 %	9,491		722	10,213
389	Other Plant and Miscellaneous		%					
	Equipment_		%					
390	Office Furniture and		%					
	Equipment_	15	%	6 667 %	128		57	185
391	Transportation Equipment_		%					
392	Stores Equipment_		%					
393	Tools, Shop and Garage		%					
	Equipment_	15	%	6 667 %	172		38	210
394	Laboratory Equipment_		%					
395	Power Operated Equipment_		%					
396	Communication Equipment_		%					
397	Miscellaneous Equipment_		%					
398	Other Tangible Plant_		%					
	Totals_				\$ 118,505	\$	\$ 7,528	\$ 126,033 *

* This amount should tie to Sheet F-5

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct No	Account Name	Amount
701	Salaries and Wages - Employees_____	\$ 4,207
703	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	
704	Employee Pensions and Benefits_____	
710	Purchased Wastewater Treatment_____	
711	Sludge Removal Expense_____	2,905
715	Purchased Power_____	2,558
716	Fuel for Power Production_____	
718	Chemicals_____	1,994
720	Materials and Supplies_____	855
730	Contractual Services:	
	Billing - #730_____	2,400
	Professional - #731_____	49
	Testing - #735_____	2,125
	Contract Labor - #736_____	126
740	Rents_____	1,793
750	Transportation Expense_____	603
755	Insurance Expense_____	230
765	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	296
770	Bad Debt Expense_____	
775	Miscellaneous Expenses_____	211
	Total Wastewater Operation And Maintenance Expense_____	\$ 20,352 *

* 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	10	82	82	82
3/4"	D	15			
1"	D	25			
1 1/2"	D,T	50			
2"	D,C,T	80			
3"	D	150			
3"	C	160			
3"	T	175			
4"	D,C	250			
4"	T	300			
6"	D,C	500			
6"	T	625			
Other (Specify): _____ _____	_____ _____	_____ _____			
Unmetered Customers					
** D = Displacement C = Compound T = Turbine			Total	82	82

PUMPING EQUIPMENT

Lift Station Number _____	<u>1</u>	<u>2</u>	<u>3</u>	_____	_____	_____
Make or Type and nameplate data on pump _____	<u>2</u>	<u>2</u>	<u>2</u>	_____	_____	_____
Year installed _____	<u>1986</u>	<u>1994</u>	<u>1989</u>	_____	_____	_____
Rated capacity _____	<u>190 GPM</u>	<u>117 GPM</u>	<u>117 GPM</u>	_____	_____	_____
Size _____	<u>2-3 HP</u>	<u>3 HP</u>	<u>3 HP</u>	_____	_____	_____
Power, _____	_____	_____	_____	_____	_____	_____
Electric _____	<u>X</u>	<u>X</u>	<u>X</u>	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	<u>6 IN</u>	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	<u>PVC</u>	_____	_____	_____	_____	_____
Average length _____	<u>30 FT</u>	_____	_____	_____	_____	_____
Number of active service connections _____	<u>82</u>	_____	_____	_____	_____	_____
Beginning of year _____	<u>79</u>	_____	_____	_____	_____	_____
Added during year _____	<u>3</u>	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____
End of year _____	<u>82</u>	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	<u>0</u>	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains			
Size (inches) _____	<u>8 IN</u>	<u>4 IN</u>	<u>8 IN</u>	_____	_____	_____	_____
Type of main _____	<u>PVC</u>	<u>PVC</u>	<u>PVC</u>	_____	_____	_____	_____
Length of main (nearest foot) _____	<u>2,814</u>	<u>30</u>	<u>1,100</u>	_____	_____	_____	_____
Beginning of year _____	<u>2,814</u>	<u>30</u>	<u>1,100</u>	_____	_____	_____	_____
Added during year _____	<u>0</u>	<u>0</u>	<u>0</u>	_____	_____	_____	_____
Retired during year _____	<u>0</u>	<u>0</u>	<u>0</u>	_____	_____	_____	_____
End of year _____	<u>2,814</u>	<u>30</u>	<u>1,100</u>	_____	_____	_____	_____

MANHOLES

Size (inches) _____	<u>36 IN</u>	_____	<u>36 IN</u>	_____
Type of Manhole _____	<u>Concrete</u>	_____	<u>Concrete</u>	_____
Number of Manholes _____	_____	_____	_____	_____
Beginning of year _____	<u>10</u>	_____	<u>4</u>	_____
Added during year _____	<u>0</u>	_____	<u>0</u>	_____
Retired during year _____	<u>0</u>	_____	<u>0</u>	_____
End of Year _____	<u>10</u>	_____	<u>4</u>	_____

UTILITY NAME: _____ Damon Utilities, Inc.

SYSTEM NAME: _____

YEAR OF REPORT DECEMBER 31, 2000

TREATMENT PLANT

Manufacturer_____	Davco Defiance	_____	_____
Type_____	6131.73	_____	_____
"Steel" or "Concrete"_____	Concrete	_____	_____
Total Capacity_____	50,000 Gallons	_____	_____
Average Daily Flow_____	7,294 Gallons	_____	_____
Effluent Disposal_____	Drainfield	_____	_____
Total Gallons of Wastewater treated_____	2,909,000	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer_____	N/A	_____	_____	_____	_____	_____
Capacity (GPM's)_____	_____	_____	_____	_____	_____	_____
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_____	309,890	0	309,890
February_____	252,680	0	252,680
March_____	287,840	0	287,840
April_____	292,260	0	292,260
May_____	220,850	0	220,850
June_____	208,420	0	208,420
July_____	180,550	0	180,550
August_____	193,630	0	193,630
September_____	193,120	0	193,120
October_____	232,860	0	232,860
November_____	249,440	0	249,440
December_____	250,320	0	250,320
Total for year_____	2,871,860	0	2,871,860

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME: _____

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present number ERCs * now being served 28 10
2. Maximum number of ERCs * which can be served 178 57
3. Present system connection capacity (in ERC's) using existing lines _____
4. Future connection capacity (in ERC's) upon service area buildout _____
5. Estimated annual increase in ERCs * 0.36
6. Describe any plans and estimated completion dates for any enlargements of this system.
None at this time
7. If the utility uses reuse as a means of effluent disposal, provide a list of the reuse end users and the amount of reuse provided to each, if known.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? No
If so, when? _____
9. Has the utility been required by the DEP or water management district to implement reuse? No
If so, what are the utility's plans to comply with this requirement? _____
10. When did the company last file a capacity analysis report with the DEP? _____
11. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
12. Department of Environmental Protection ID# _____

* An ERC is determined based on one of the following methods:
(a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
(b) If no historical flow data are available use:
ERC = Total SFR gallons sold (omit 000/365 days/280 gallons per day).

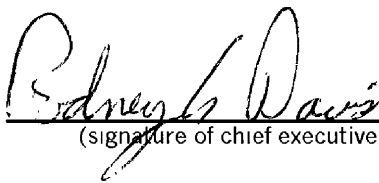
CERTIFICATION OF ANNUAL REPORT

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

- | | | |
|--|--------------------------------|---|
| YES
<input checked="" type="checkbox"/> | NO
<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
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<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
<input checked="" type="checkbox"/> | NO
<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. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>
1. <input type="checkbox"/>	2. <input type="checkbox"/>	3. <input type="checkbox"/>	4. <input type="checkbox"/>


 Rodney A. Davis *
 (signature of chief executive officer of the utility)

_____ *
 (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.