

COPY

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

DAMON UTILITIES, INC.

Exact Legal Name of Respondent

499-W

433-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1999

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DIVISION OF
WATER AND SEWER
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Division of Water and Wastewater

FINANCIAL
SECTION

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**REPORT OF
DAMON UTILITIES, INC.**

(EXACT NAME OF UTILITY)

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

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: Same As Above

Name of subdivisions where services are provided: None

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>	
Person who prepared this report: <u>Judy Fusani</u>	<u>Bookkeeper</u>	<u>47 Lake Damon Drive Avon Park, FL 33825</u>	
Officers and Managers: <u>J A Harstine</u>	<u>President</u>	<u>47 Lake Damon Drive</u>	\$ _____
<u>Rodney A Davis</u>	<u>Secretary/Treasurer</u>	<u>47 Lake Damon Drive</u>	\$ _____
<u>George Davis</u>	<u>Vice President</u>	<u>47 Lake Damon Drive</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>Rodney A Davis</u>	<u>33 1/3</u>	<u>47 Lake Damon Drive</u>	\$ _____
<u>George Davis</u>	<u>33 1/3</u>	<u>47 Lake Damon Drive</u>	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Damon Utilities, Inc

YEAR OF REPORT
DECEMBER 31, 1999

INCOME STATEMENT

Account Name	Ref Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 36,848	\$ 22,280	\$ _____	\$ 59,128
Commercial_____		755	1,719	_____	2,474
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Specify)_____		_____	_____	_____	_____
Reconnection Fees_____		465	60	_____	525
Total Gross Revenue_____		\$ 38,068	\$ 24,059	\$ _____	\$ 62,127
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 18,842	\$ 16,199	\$ _____	\$ 35,041
Depreciation Expense_____	F-5	5,167	7,528	_____	12,695
CIAC Amortization Expense_____	F-8	2,182	2,132	_____	4,314
Taxes Other Than Income_____	F-7	3,376	1,268	_____	4,644
Income Taxes_____	F-7	0	0	_____	0
Total Operating Expense_____		\$ 29,567	\$ 27,127	\$ _____	\$ 56,694
Net Operating Income (Loss)		\$ 8,501	\$ (3,068)	\$ _____	\$ 5,433
Other Income					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_____		_____	_____	_____	_____
Bank Loan_____		5,897	655	_____	6,552
DDH Loan_____		1,562	174	_____	1,736
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ 1,042	\$ (3,897)	\$ _____	\$ (2,855)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5.W-1.S-1	\$ 341,359	\$ 340,808
Accumulated Depreciation and Amortization (108) -----	F-5.W-2.S-3	<u>166,268</u>	<u>164,986</u>
Net Utility Plant -----		\$ <u>175,091</u>	\$ <u>175,822</u>
Cash -----		<u>2,165</u>	<u>702</u>
Customer Accounts Receivable (141) -----		<u>5,951</u>	<u> </u>
Other Assets (Specify): -----		<u> </u>	<u> </u>
Security Deposit -----		<u>100</u>	<u>100</u>
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>
Total Assets -----		\$ <u>183,307</u>	\$ <u>176,624</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	<u>600</u>	<u>600</u>
Preferred Stock Issued (204) -----	F-6	<u> </u>	<u> </u>
Other Paid in Capital (211) -----		<u>14,400</u>	<u>14,400</u>
Retained Earnings (215) -----	F-6	<u>(9,821)</u>	<u>12,425</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	<u> </u>	<u> </u>
Total Capital -----		\$ <u>5,179</u>	\$ <u>27,425</u>
Long Term Debt (224) -----	F-6	\$ <u>67,791</u>	\$ <u>75,639</u>
Accounts Payable (231) -----		<u> </u>	<u> </u>
Notes Payable (232) -----		<u> </u>	<u> </u>
Customer Deposits (235) -----		<u> </u>	<u> </u>
Accrued Taxes (236) -----		<u>2,796</u>	<u> </u>
Other Liabilities (Specify) -----		<u> </u>	<u> </u>
Loans From Stockholders -----		<u>29,000</u>	<u>13,926</u>
		<u> </u>	<u> </u>
Advances for Construction -----		<u> </u>	<u> </u>
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>78,541</u>	<u>59,634</u>
Total Liabilities and Capital -----		\$ <u>183,307</u>	\$ <u>176,624</u>

UTILITY NAME: Damon Utilities, Inc

YEAR OF REPORT DECEMBER 31, 1999

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	\$ <u>125,070</u>	\$ <u>216,289</u>	\$ _____	\$ <u>341,359</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____ _____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>125,070</u>	\$ <u>216,289</u>	\$ _____	\$ <u>341,359</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>49,747</u>	\$ <u>115,237</u>	\$ _____	\$ <u>164,984</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ <u>5,167</u>	\$ <u>7,528</u>	\$ _____	\$ <u>12,695</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ <u>5,167</u>	\$ <u>7,528</u>	\$ _____	\$ <u>12,695</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
PSC Adjustment - 99-1223	<u>(7,151)</u>	<u>(4,260)</u>	_____	<u>(11,411)</u>
Total Debits _____	\$ <u>(7,151)</u>	\$ <u>(4,260)</u>	\$ _____	\$ <u>(11,411)</u>
Balance End of Year _____	\$ <u>47,763</u>	\$ <u>118,505</u>	\$ _____	\$ <u>166,268</u>

UTILITY NAME Damon Utilities, Inc

YEAR OF REPORT DECEMBER 31, 1999

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 _____	\$ _____	\$ 12,425
Changes during the year (Specify)	_____	_____
Adjustments _____	_____	(22,246)
_____	_____	_____
Balance end of year _____	\$ _____	\$ (9,821)

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	
Nations Bank (Variable Rate)	9.25	46	\$ 67,791
_____	_____	_____	_____
Total _____	_____	_____	\$ 67,791

UTILITY NAME: Damon Utilities, Inc

YEAR OF REPORT
DECEMBER 31, 1999

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 _____	1.713	1.083	_____	2.796
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Taxes Accrued _____	\$ 1.713	\$ 1.083	\$ _____	\$ 2.796

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

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ 45,459	\$ 30,919	\$ 76,378
2) Add credits during year_____			
	605	1,395	2,000
PSC Adjustments - Order 99-1223	6,791	29,622	36,413
3) Total_____	\$ 52,855	\$ 61,936	\$ 114,791
4) Deduct charges during the year_____			
5) Balance end of year_____	52,855	61,936	114,791
6) Less Accumulated Amortization_____	20,428	15,822	36,250
7) Net CIAC_____	\$ 32,427	\$ 46,114	\$ 78,541

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

Report below all developers or contractors agreements from which cash or property was received during the year		Indicate "Cash" or "Property"	Water	Wastewater
N/A				
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
Sub total_____			\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year			Water	Wastewater
Description of Charge	Number of Connections	Charge per Connection		
Meter Installation	6	\$ 75	\$ 450	\$ _____
Meter Installation	1	155	155	_____
Sewer Service Availability Charge	3	465	_____	1,395
Total Credits During Year (Must agree with line # 2 above)_____			\$ 605	\$ 1,395

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year_____	\$ 12,133	\$ 4,611	\$ 16,744
Add Credits During Year_____	2,182	2,132	4,314
PSC Adjustments - Order 99-1223	6,113	9,079	15,192
Deduct Debits During Year_____			
Balance End of Year (Must agree with line #6 above)	\$ 20,428	\$ 15,822	\$ 36,250

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

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 1999

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, 1999

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 Credit-Weighted Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ N/A

(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)	PSC Adjustments Order - 99-1223 Retirements (e)	Current Year (f)
301	Organization_____	\$ 5,658	\$ _____	\$ 0	\$ 5,658
302	Franchises_____	_____	_____	_____	_____
303	Land and Land Rights_____	_____	_____	_____	_____
304	Structures and Improvements_____	5,054	_____	(806)	4,248
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	6,285	_____	0	6,285
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	0	_____	1,126	1,126
310	Power Generation Equipment_____	6,057	_____	4,646	10,703
311	Pumping Equipment_____	11,940	_____	(3,908)	8,032
320	Water Treatment Equipment_____	9,139	_____	966	10,105
330	Distribution Reservoirs and Standpipes_____	_____	_____	_____	_____
331	Transmission and Distribution Lines_____	54,895	_____	(609)	54,286
333	Services_____	_____	_____	_____	_____
334	Meters and Meter Installations_____	34,725	1,201	(14,809)	21,117
335	Hydrants_____	_____	_____	_____	_____
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
340	Office Furniture and Equipment_____	0	_____	850	850
341	Transportation Equipment_____	_____	_____	_____	_____
342	Stores Equipment_____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment_____	0	_____	2,660	2,660
344	Laboratory Equipment_____	_____	_____	_____	_____
345	Power Operated Equipment_____	_____	_____	_____	_____
346	Communication Equipment_____	_____	_____	_____	_____
347	Miscellaneous Equipment_____	_____	_____	_____	_____
348	Other Tangible Plant_____	_____	_____	_____	_____
	Total Water Plant_____	\$ 133,753	\$ 1,201	\$ (9,884)	\$ 125,070

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)	P&C Adjustments Order - 99-1223 Debits (g)	Credits (h)	Accum- Depr Balance End of Year (f+h-i) (i)
304	Structures and Improvements	27	%	3.704 %	\$ 3,571	\$ (2,185)	\$ 157	\$ 1,543
305	Collecting and Impounding Reservoirs		%					
306	Lake River and Other Intakes		%					
307	Wells and Springs	27	%	3.704 %	2,584	24	233	2,841
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains	32	%	3.125 %	0	180	35	215
310	Power Generating Equipment	17	%	5.882 %	1,000	(432)	630	1,198
311	Pumping Equipment	17	%	5.882 %	6,211	(1,406)	472	5,277
320	Water Treatment Equipment	17	%	5.882 %	5,517	(89)	594	6,022
330	Distribution Reservoirs & Standpipes		%					
331	Trains & Dist Mains	38	%	2.632 %	14,733	1,226	1,429	17,388
333	Services		%					
334	Meter & Meter Installations	17	%	5.882 %	13,874	(4,740)	1,242	10,376
335	Hydrants		%					
336	Backflow Prevention Devices		%					
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment	15	%	6.667 %	0	71	57	128
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment	15	%	6.667 %	0	482	177	659
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant	40	%	2.500 %	2,257	(282)	141	2,116
	Organization		%					
	Totals				\$ 49,747	\$ (7,151)	\$ 5,167	\$ 47,763 *

* This amount should tie to Sheet F 5

WATER OPERATION AND MAINTENANCE EXPENSE

Acc: No	Account Name	Amount
601	Salaries and Wages - Employees_____	\$ 2,454
603	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	
604	Employee Pensions and Benefits_____	
610	Purchased Water_____	1,622
615	Purchased Power_____	31
616	Fuel for Power Production_____	480
618	Chemicals_____	2,781
620	Materials and Supplies_____	
630	Contractual Services	
	Operator and Management__ #630 Billing Labor	2,400
	Testing_ #635 Testing	1,112
	Other__ #636 Contract Labor	2,773
	Other__ #631 Professional	2,093
		1,527
640	Rents_____	226
650	Transportation Expense_____	651
655	Insurance Expense_____	296
665	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	
670	Bad Debt Expense_____	396
675	Miscellaneous Expenses_____	
	Total Water Operation And Maintenance Expense_____	\$ 18,842 *

* 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	226	233	233
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					
			Total	226	233
					233

** D = Displacement
C = Compound
T = Turbine

CITY NAME _____ Damon Utilities, Inc

YEAR OF REPORT DECEMBER 31, 1999

SYSTEM NAME _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January_____	_____	866	5	861	861
February_____	_____	1,062	5	1,057	1,057
March_____	_____	1,069	5	1,064	1,064
April_____	_____	1,138	5	1,133	1,133
May_____	_____	903	5	898	898
June_____	_____	707	5	702	702
July_____	_____	695	5	690	690
August_____	_____	831	5	826	826
September_____	_____	761	5	756	756
October_____	_____	682	5	677	677
November_____	_____	1,061	5	1,056	1,056
December_____	_____	958	5	953	953
Total for Year_____	_____	10,733	60	10,673	10,673

If water is purchased for resale, indicate the following

Vendor _____ 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 (VC, 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, 1999

SYSTEM NAME: _____

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

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

RESERVOIRS

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

HIGH SERVICE PUMPING

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

UTILITY NAME: _____ Damon Utilities, Inc

YEAR OF REPORT DECEMBER 31, 1999

SOURCE OF SUPPLY

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

WATER TREATMENT FACILITIES

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

GENERAL WATER SYSTEM INFORMATION

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

- 1 Present ERC's* the system can efficiently serve _____ 83 55 _____
- 2 Maximum number of ERC's* which can be served _____ 371 _____
- 3 Present system connection capacity (in ERC's*) using existing lines _____
- 4 Future connection capacity (in EC's*) upon service area buildout _____
- 5 Estimated annual increase in ERC's* _____ .78 _____
- 6 Is the utility required to have fire flow capacity? _____ No _____
 If so, how much capacity is required? _____
- 7 Attach a description of the fire fighting facilities _____
- 8 Describe any plans and estimated completion dates for any enlargements or improvements to this system
 _____ None At This Time _____

- 9 When did the company last file a capacity analysis report with the DEP? _____
- 10 If 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 t
 - e Is this system under any Consent Order with DEP? _____
- 11 Department of Environmental Protection ID # _____
- 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:
 $ERC = (Total\ SFR\ gallons\ sold\ (omit\ 000) / 365\ days) / 350\ gallons\ per\ day$

WASTEWATER
OPERATING
SECTION

UTILITY NAME: Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1999

WASTEWATER UTILITY PLANT ACCOUNTS

Acct No (a)	Account Name (b)	Previous Year (c)	Additions (d)	PSC Adjustments Order - 99-1223 Retirements (e)	Current Year (f)
351	Organization	\$ 17,504	\$	\$ 0	\$ 17,504
352	Franchises				
353	Land and Land Rights				
354	Structures and Improvements	2,774		(816)	1,958
355	Power Generation Equipment				
360	Collection Sewers - Force	29,544		(11,632)	17,912
361	Collection Sewers - Gravity	43,539		15,915	59,454
362	Spccial Collecting Structures				
363	Services to Customers				
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells	1,642		0	1,642
371	Pumping Equipment				
380	Treatment and Disposal Equipment	91,319		(4,326)	86,993
381	Plant Sewers	7,750		0	7,750
382	Outfall Sewer Lines	12,983		8,669	21,652
389	Other Plant and Miscellaneous Equipment				
390	Office Furniture and Equipment	0		850	850
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	0		574	574
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 207,055	\$	\$ 9,234	\$ 216,289 *

* This amount should tie to sheet F-5.

UTILITY NAME

Damon Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1999

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)	PSC Adjustments Order - 99-1223 Debits (g)	Credits (h)	Accum. Depr Balance End of Year (f+g+h=i) (i)
354	Structures and Improvements	27	%	3.704 %	\$ 9,115	\$ (8,210)	\$ 73	\$ 978
355	Power Generation Equipment							
360	Collection Sewers - Force	27	%	3.704 %	5,539	(1,064)	663	5,138
361	Collection Sewers - Gravity	34	%	2.941 %	13,047	4,125	1,749	18,921
362	Special Collecting Structures							
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations							
370	Receiving Wells	25	%	4.000 %	1,043	(254)	66	855
371	Pumping Equipment							
380	Treatment and Disposal Equipment	25	%	4.000 %	71,356	(967)	3,480	73,869
381	Plant Sewers	32	%	3.125 %	2,880	87	242	3,209
382	Outfall Sewer Lines	30	%	3.333 %	7,177	1,592	722	9,491
389	Other Plant and Miscellaneous Equipment							
390	Office Furniture and Equipment							
391	Transportation Equipment	15	%	6.667 %	0	71	57	128
392	Stores Equipment							
393	Tools, Shop and Garage Equipment	15	%	6.667 %	0	134	38	172
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant Organization				5,080	226	438	5,744
	Totals				\$ 115,237	\$ (4,260)	\$ 7,528	\$ 118,505 *

* This amount should tie to Sheet F-5

UTILITY NAME: Damon Utilities, Inc

YEAR OF REPORT
DECEMBER 31, 1999

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No	Account Name	Amount
701	Salaries and Wages - Employees	\$ 1,052
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	1,245
715	Purchased Power	2,097
716	Fuel for Power Production	
718	Chemicals	1,109
720	Materials and Supplies	724
730	Contractual Services:	
	Operator and Management #730 Billing Contract	2,400
	Testing #735 Testing	1,893
	Other #731 Professional	315
	Other #736 Contract Labor	2,984
740	Rents	1,636
750	Transportation Expense	181
755	Insurance Expense	253
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	296
770	Bad Debt Expense	
775	Miscellaneous Expenses	44
	Total Wastewater Operation And Maintenance Expense	\$ 16,199 *

* 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 Equivalent (c x e) (f)
			Start of Year (d)	End of Year (e)	
5/8"	D	10	79	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					
Total			79	82	82

** D = Displacement
C = Compound
T = Turbine

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, 1999

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 _____	249,790 _____	0 _____	249,790 _____
February _____	337,120 _____	0 _____	337,120 _____
March _____	312,610 _____	0 _____	312,610 _____
April _____	295,910 _____	0 _____	295,910 _____
May _____	267,250 _____	0 _____	267,250 _____
June _____	187,520 _____	0 _____	187,520 _____
July _____	175,400 _____	0 _____	175,400 _____
August _____	163,520 _____	0 _____	163,520 _____
September _____	198,320 _____	0 _____	198,320 _____
October _____	187,030 _____	0 _____	187,030 _____
November _____	284,550 _____	0 _____	284,550 _____
December _____	249,980 _____	0 _____	249,980 _____
Total for year _____	2,909,000 _____	0 _____	2,909,000 _____

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Damon Utilities, Inc

YEAR OF REPORT
December 31, 1999

SYSTEM NAME _____

OTHER WASTEWATER SYSTEM INFORMATION

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

- 1 Present ERCs * now being served _____ 28 46
- 2 Maximum ERCs ** that system can efficiently serve _____ 1 7857
- 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 * _____ 2 41
- 6 Describe any plans and estimated completion dates for any enlargements or improvements 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:
 $ERC = (\text{Total SFR gallons sold} / \text{omit 000} / 365 \text{ days} / 280 \text{ gallons per day})$

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)

Rodney A. Davis

(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.

Note: Damon Utilities, Inc. has just completed a Rate Case Audit and the Public Service Commission has provided guidance and assistance to the utility to ensure we are in compliance with all Utility rules, regulations and accounting.