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LAKE GROVES UTILITIES

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS641 35
Lake Groves Utilities, Inc.
P. O. Box 915505
Longwood, FL 32791-5505

534-W 465-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

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DIVISION OF
WATER AND SEWER
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HALLANDALE
PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 19 97

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**FINANCIAL
SECTION**

REPORT OF

Lake Groves Utilities, Inc.

(EXACT NAME OF UTILITY)

P. O. Box 915505 Longwood, Fl. 32791 <hr/> Mailing Address	Lake <hr/> Street Address County
Telephone Number <u>(407) 862-9688</u>	Date Utility First Organized <u>3/22/90</u>

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

- Individual
 Sub Chapter S Corporation
 1120 Corporation
 Partnership

Name, Address and phone where records are located: 1105 Kensington Park Drive
Altamonte Springs, Fl. 32714

Name of subdivisions where services are provided: Greater Groves

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Robert A. Mandell</u>	<u>Vice President</u>	<u>P.O. Box 3873</u> <u>Longwood, Fl. 32791</u>	
Person who prepared this report: <u>Gail Joubran</u>	<u>Sr. Accountant</u>	<u>Same</u>	
Officers and Managers: <u>Lester N. Mandell</u>	<u>President</u>	<u>Same</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>Lake Holding, Inc.</u>	<u>100</u>	<u>Same</u>	\$ None \$ _____ \$ _____ \$ _____ \$ _____ \$ _____

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 19 95

INCOME STATEMENT

Account Name	Ref. Page	Water	Sewer	Other	Total Company
Gross Revenue:					
Residential		\$ 89,143	\$ 74,122	\$	\$ 163,265
Commercial		972	1,141		2,113
Industrial					
Multiple Family					
Guaranteed Revenues					
Other (Specify) Irr.		766			766
Miscellaneous Service Chg		1,866	1,866		3,732
Total Gross Revenue		\$ 92,747	\$ 77,129	\$	\$ 169,876
Operation Expense (Must tie to Pages W-3 and S-3)					
	W-3 S-3	\$ 42,858	\$ 49,109	\$	\$ 91,967
Depreciation Expense	F-5	39,269	36,514		75,783
Org.					
Amortization Expense	CIAC	(12,033)	(8,843)		(20,876)
Taxes Other Than Income	F-7	13,662	12,090		25,752
Income Taxes	F-7	(46,852)	(54,728)		(101,580)
Total Operating Expense		\$ 36,904	\$ 34,142	\$	\$ 71,046
Net Operating Income (Loss)		\$ 55,843	\$ 42,987	\$	\$ 98,830
Other Income:					
Nonutility Income		\$	\$	\$	\$
Interest income		2,010	2,010		4,020
Miscellaneous income		20	20		40
Other Deductions:					
Miscellaneous Nonutility Expenses		\$	\$	\$	\$
Interest Expense		119,092	118,014		237,106
Amort of Loan fees		6,283	6,226		12,509
Net Income (Loss)		\$ (67,502)	\$ (79,223)	\$	\$ (146,725)

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1995

COMPARATIVE BALANCE SHEET

Account Name	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant In Service (101-105) -----	F-5,W-1,S-1	\$2,915,831	\$2,907,281
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	(192,628)	(116,845)
Net Utility Plant -----		\$2,723,203	\$2,790,436
Cash -----		35,432	188,388
Customer Accounts Receivable (141) -----		21,701	14,219
Other Assets (Specify) Deposits (132) -----		1,350	850
Materials and Supplies (151) -----		6,288	1,570
Prepaid Expenses (162) -----		5,359	2,365
Unamortized Loan Costs (181) -----		32,317	44,826
Accounts Receivable-Other(142) -----			207,701
Total Assets -----		\$ 2,825,650	\$ 3,250,355
Liabilities And Capital:			
Common Stock Issued (201) -----	F-6	\$ 100	\$ 100
Preferred Stock Issed (204) -----	F-6		
Other Paid In Capital (211) -----		29,900	29,900
Retained Earnings (215) -----	F-6	(643,333)	(496,608)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ (613,333)	\$ (466,608)
Long-Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----		5,567	36,772
Notes Payable (232) -----			
Customer Deposits (235) -----		9,153	6,660
Accrued Taxes (236) -----		(88,951)	246,636
Other Liabilities (Specify) Notes Payable Affiliates (234) -----		2,376,648	2,380,334
Deferred Income Taxes (283) -----		73,289	45,586
Accrued Expenses Payable (241) -----		57,150	21,510
Accrued Interest Payable (237) -----		42,021	
Advances For Construction -----			
Contributions In Aid Of Construction - Net (271-272) -----	F-8	964,106	979,105
Total Liabilities And Capital -----		\$ 2,825,650	\$ 3,250,355

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1995

NET UTILITY PLANT

Plant Accounts: (101-107) Inclusive	Water	Sewer	W & S Other Than Reporting Systems	Total
Utility Plant In Service (101)	\$ 1,533,146	\$ 1,382,685	\$	\$ 2,915,831
Construction Work In Progress (105)				
Other (Specify)				
Total Utility Plant	\$ 1,533,146	\$ 1,382,685	\$	\$ 2,915,831

ACCUMULATED DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Account 108	Water	Sewer	W & S Other Than Reporting Systems	Total
Balance First Of Year	\$ 69,196	\$ 47,649	\$	\$ 116,845
Credits During Year:				
Accruals charged to depreciation account	\$ 39,269	\$ 36,514	\$	\$ 75,783
Salvage				
Other credits (specify)				
Total credits	\$ 39,269	\$ 36,514	\$	\$ 75,783
Debits During Year:				
Book cost of plant retired	\$	\$	\$	\$
Cost of removal				
Other debits (specify)				
Total debits	\$	\$	\$	\$
Balance End Of Year	\$ 108,465	\$ 84,163	\$	\$ 192,628

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 19 <u>95</u>

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share -----	1	
Shares authorized -----	100	
Shares issued and outstanding -----	100	
Total par value of stock issued -----	100	
Dividends declared per share for year -----	0	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year -----	\$ -----	\$ (496,608)
Changes during the year (specify): -----		
----- Net Loss -----		(146,725)

Balance end of year -----	\$ -----	\$ (643,333)

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year -----	\$ -----	\$ -----
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	Pymts	

Total -----			\$ -----

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1995

TAXES ACCRUED (236)

(a)	Water (b)	Sewer (c)	Other (d)	Total (e)
Balance first of year	\$ 108,533	\$ 109,605	\$	\$ 218,138
Accruals charged:				
State ad valorem tax	\$	\$	\$	\$
Local property tax	8,842	7,953		16,795
Federal income tax	(40,005)	(46,730)		(86,735)
State income tax	(6,847)	(7,998)		(14,845)
Regulatory assessment fee	4,174	3,491		7,665
Other (Specify)				
Permits	606	606		1,212
Misc.	40	40		80
Total Taxes Accrued	\$ (33,190)	\$ (42,638)	\$	\$ (75,828)
Taxes Paid:				
State ad valorem tax	\$	\$	\$	\$
Local property tax	8,842	7,953		16,795
Federal income tax	92,192	85,468		177,660
State income tax	15,653	14,501		30,154
Regulatory assessment fee	2,144	3,216		5,360
Other (Specify)				
Permits	606	606		1,212
Misc.	40	40		80
Total Taxes Paid	\$ 119,477	\$ 111,784	\$	\$ 231,261
Balance end of year	\$ (44,134)	\$ (44,817)	\$	\$ (88,951)

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning 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	Amount	Description of Service
Ernst & Young, LLP	\$ 2,250	Accounting Services
Orlando Laboratories, Inc.	\$ 774	Laboratory Services
Lowndes, Drosdick, Doster,	\$	
Kantor & Reed, P.A.	\$ 13,279	Legal Services
Cummins Southeastern	\$ 755	Technical Support
Conklin, Porter & Holmes	\$ 2,470	Engineering Services
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 19<u>95</u>
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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Sewer (c)	Total (d)
Balance first of year	\$ 560,900	\$ 441,586	\$ 1,002,486
Add credits during year			
Total	\$ 10,651	\$ 441,586	\$ 1,013,137
Deduct charges during year Capitalized Taxes	4,008	4,008	4,008
Balance end of year	567,543	441,586	1,009,129
Less Accumulated Amortization Cumulative	25,951	19,072	45,023
Net CIAC	\$ 541,592	\$ 422,514	\$ 964,106

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	Sewer

Sub-total		\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connections charges recieved during the year.			
Description of Charge	Number of Connections	Charge per Connection	
3/4" Meters	109	\$ 67	\$ 7,303
Back Flow Devices		Various	3,348

Total Credits During Year		\$ 10,651	\$ _____

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

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 1997

SCHEDULE "A"

NOT APPLICABLE

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	\$ _____	100.00 %		_____ %

(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: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

SCHEDULE "B"

NOT APPLICABLE

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

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

**WATER
OPERATING
SECTION**

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 9,461	\$	\$ (383)	\$ 9,078
302	Franchises				
303	Land and Land Rights	420,635			420,635
304	Structures and Improvements	107,119	9,953		117,072
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	212,588			212,588
308	Infiltration Galleries and Tunnels				
309	Supply Mains	39,121			39,121
310	Power Generation Equipment	40,219			40,219
311	Pumping Equipment	18,028			18,028
320	Water Treatment Equipment	44,911	2,238		47,149
330	Distribution Reservoirs and Standpipes	43,514			43,514
331	Transmission and Distribution Lines	689,182	51,673		740,855
333	Services	97,669	16,024		113,693
334	Meters and Meter Installations	38,776	11,603		50,379
335	Hydrants	50,035	21,874		71,909
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment	106	31		137
341	Transportation Equipment	7,598			7,598
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	664	160		824
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	230			230
347	Miscellaneous Equipment	1,151			1,151
348	Other Tangible Plant	450			450
	Total Water Plant	\$ 1,821,457	\$ 113,556	\$ (383)	\$ 1,934,630

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage 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	28/22	%	3.57	\$ 17,359	\$	\$ 4,010	\$ 21,369
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	3.7	35,432		7,873	43,305
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains	32	%	3.13	5,502		1,223	6,725
310	Power Generating Equipment	17	%	5.88	10,647		2,366	13,013
311	Pumping Equipment	17	%	5.88	4,771		1,060	5,831
320	Water Treatment Equipment	17	%	5.88	11,889		2,688	14,577
330	Distribution Reservoirs & Standpipes	30	%	3.33	6,526		1,450	7,976
331	Trans. & Dist. Mains	35	%	2.86	42,818		20,567	63,385
333	Services	35	%	2.86	5,829		3,058	8,887
334	Meter & Meter Installations	17	%	5.88	5,526		2,679	8,205
335	Hydrants	40	%	2.50	2,901		1,536	4,437
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment		%					
341	Transportation Equipment	15	%	6.67	11		8	19
342	Stores Equipment	6	%	16.67	3,165		1,266	4,431
343	Tools, Shop and Garage Equipment	15	%	6.67	109		47	156
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment	15	%	6.67	5		15	20
347	Miscellaneous Equipment	15	%	6.67	178		77	255
348	Other Tangible Plant	10	%	10	203		44	247
	Totals				\$ 152,871	\$	\$ 49,967	\$ 202,838

* This amount should tie to Sheet F-5.

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
604	Employee Pensions and Benefits	_____
610	Purchased Water	_____
615	Purchased Power	8,563
616	Fuel for Power Production	190
618	Chemicals	1,449
620	Materials and Supplies	7,058
630	Contractual Services:	
	Operator and Management	10,500
	Testing	1,822
	Other	11,613
640	Rents	_____
650	Transportation Expense	2,424
655	Insurance Expense	2,392
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
670	Bad Debt Expense	37
675	Miscellaneous Expenses	9,260
	Total Water Operation And Maintenance Expense	\$55,308

* 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	484	605	605
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	2	5
1 1/2"	D,T	5.0	_____	1	5
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			484	608	615

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

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	0	17,777	9,565	8,212	6,527
February	0	7,097	545	6,552	5,568
March	0	9,197	454	8,743	8,657
April	0	8,555	132	8,423	7,390
May	0	10,745	453	10,292	7,825
June	0	11,831	3,476	8,355	7,144
July	0	7,262	188	7,074	7,160
August	0	8,721	450	8,271	5,629
September	0	11,207	636	10,571	10,262
October	0	11,502	421	11,081	9,019
November	0	8,958	741	8,217	7,697
December	0	7,151	739	6,412	5,723
Total for Year	0	120,003	17,800	102,203	88,601

If water is purchased for resale, indicate the following:

Vendor N/A

Point of delivery N/A

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	4"	7,310	410	0	7,720
PVC/DI	6"	12,650	1,585	0	14,235
PVC/DI	8"	13,533	2,150	0	15,683
PVC	12"	4,750	0	0	4,750
PVC	14"	705	0	0	705
PVC	16"	5,450	0	0	5,450
PVC	18"	1,275	0	0	1,275
TOTAL		45,673	4,145	0	49,818

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME: _____

WELLS AND WELL PUMPS
(If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1991	1992	_____	_____
Types of Well Construction and Casing _____	ROTARY	ROTARY	_____	_____
CASING DEPTH _____	277'	270'	_____	_____
CASING DIAMETER _____	18"	18"	_____	_____
Depth of Wells _____	740'	750'	_____	_____
Diameters of Wells _____	18"	18"	_____	_____
Pump - GPM _____	800	1,500	_____	_____
Motor - HP _____	50	100	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	1,152,000	2,160,000	_____	_____
Auxiliary Power _____	YES	YES	_____	_____

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	PNEUMATIC	PNEUMATIC	_____	_____
Capacity of Tank _____	5,000 GAL	10,000 GAL	_____	_____
Ground or Elevated _____	GROUND	GROUND	_____	_____

HIGH SERVICE PUMPING N/A

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

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source	<u>1.152 MGD</u>	<u>2.160 MGD</u>	_____
Type of Source	<u>GROUND WATER</u>	<u>GROUND WATER</u>	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type	<u>PRIMARY</u>	_____	_____
Make	<u>N/A</u>	_____	_____
Gals. per day capacity	<u>0.523 MGD</u>	_____	_____
High service pumping	<u>N/A</u>	_____	_____
Gallons per minute	_____	_____	_____
Reverse Osmosis	<u>N/A</u>	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating	<u>N/A</u>	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft.	<u>N/A</u>	_____	_____
Gravity GPD/Sq.Ft.	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator	<u>GAS CHLORINATION</u>	_____	_____
Ozone	<u>N/A</u>	_____	_____
Other	<u>N/A</u>	_____	_____
Auxiliary Power	<u>YES</u>	_____	_____

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 694
- Maximum ERCs ** that system can efficiently serve 1,494
- Present system connection capacity (in ERC's) using existing lines 720
- Future connection capacity (in ERC's) upon service area buildout 5683
- Estimated annual increase in ERCs * 140
- List fire fighting facilities and capacities (including number of fire hydrants) 52 FIRE HYDRANTS WITH INDIVIDUAL FLOWTESTED CAPACITY OF 500GPM
- List percent of certificated area where service connections are installed (total for each county) 12.67%
- What is the current need for system upgrading and/or expansion? WATER TREATMENT PLANT EXPANSION PLANNED TO INCREASE CAPACITY TO 1.08 MGD TO SERVE 1371 ERU'S.
- What are plans for future system upgrading and/or expansion? DEP PERMIT NO WC35-300382 ISSUED ON MARCH 12, 1997. EXPANSION WILL BE PLACED IN SERVICE BY SEPTEMBER 1998.
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address) YES. CONKLIN, PORTER & HOLMES ENGINEERS, INC. 1117 E. ROBINSON ST. ORLANDO, FL 32801
- Has an application for a construction permit been filed with the DEP? (if so, explain) YES. REFER TO #9
- Department of Environmental Protection ID # 3354881
Water Management District ID # 2-069-1075-N

* ERC = (Total Gallons Sold / 365 days) / 350 Gallons Per Day 88,601,000/365/350=693.55
 ** Total Plant Capacity / 350 gallons 523,000/350=1,494

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 9,461	\$	\$ (382)	\$ 9,079
352	Franchises				
353	Land and Land Rights	467,370			467,370
354	Structures and Improvements	191,048	43,872		234,920
360	Collection Sewers - Force	318,463			318,463
361	Collection Sewers - Gravity	537,346	82,832		620,178
362	Special Collecting Structures				
363	Services to Customers				
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment	261,406	2,568		263,974
380	Treatment and Disposal Equipment	65,303	247,815		313,118
381	Plant Sewers		25,411		25,411
382	Outfall Sewer Lines	16,718			16,718
389	Other Plant and Miscellaneous Equipment	222			222
390	Office Furniture and Equipment	106	31		137
391	Transportation Equipment	7,598			7,598
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	515	155		670
394	Laboratory Equipment	1,989			1,989
395	Power Operated Equipment				
396	Communication Equipment	230			230
397	Miscellaneous Equipment	1,151			1,151
398	Other Tangible Plant	450			450
	Total Wastewater Plant	\$1,879,376	\$ 402,684	\$ (382)	\$2,281,678 *

* This amount should tie to sheet F-5.

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

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)
354	Structures and Improvements	27		3.70	\$ 27,986		\$ 7,485	\$ 35,471
360	Collection Sewers - Force	22	%	4.55				32,712
361	Collection Sewers - Gravity	27	%	3.70	21,905		10,807	
362	Special Collecting Structures	40	%	2.50	28,235		14,814	43,049
363	Services to Customers		%					
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells		%					
371	Pumping Equipment	15	%	6.67	31,963		17,513	49,476
380	Treatment and Disposal Equipment	15	%	6.67	14,955		12,694	27,649
381	Plant Sewers	40	%	2.5	0		169	169
382	Outfall Sewer Lines	30	%	3.33	2,306		557	2,863
389	Other Plant and Miscellaneous Equipment	15	%	6.67	37		15	52
390	Office Furniture and Equipment	15	%	6.67	11		8	19
391	Transportation Equipment	6	%	16.67	3,165		1,266	4,431
392	Stores Equipment		%					
393	Tools, Shop and Garage Equipment	15	%	6.67	84		37	121
394	Laboratory Equipment	15	%	6.67	573		133	706
395	Power Operated Equipment		%					
396	Communication Equipment	15	%	6.67	6		15	21
397	Miscellaneous Equipment	15	%	6.67	178		72	255
398	Other Tangible Plant	10	%	10.00	203		45	248
	Totals				\$131,607	\$	\$ 65,635	\$ 197,242 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
704	Employee Pensions and Benefits	_____
710	Purchased Wastewater Treatment	_____
711	Sludge Removal Expense	3,153
715	Purchased Power	18,749
716	Fuel for Power Production	_____
718	Chemicals	1,862
720	Materials and Supplies	10,849
730	Contractual Services:	
	Operator and Management	10,500
	Testing	1,073
	Other	15,632
740	Rents	_____
750	Transportation Expense	2,424
755	Insurance Expense	2,392
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	37
775	Miscellaneous Expenses	8,926
	Total Wastewater Operation And Maintenance Expense	\$ 75,598

* 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	483	603	603
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	1	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			483	604	605.5

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

PUMPING EQUIPMENT

	GG1	GG2	WC1	ER1	SAV 1	GG4
Lift Station Number	1	2	3	4	5	6
Make or Type and nameplate data on pump	MIDLAND	ABS	FLYGT	KSB	FLYGT	FLYGT
MANUFACTURER	MIDLAND	ABS	FLYGT	KSB	FLYGT	FLYGT
MODEL NUMBER	AF40-4	AF60	CP3102	315/204X	CP/CS-31	CP3127
IMPELLER NUMBER	CB62	CB65	435	255MM	483	481
Year installed	1997	1992	1994	1997	1997	1997
Rated capacity	307/37	266/58	150/46-5	325/96	109/71	230/80
Size	4"	4"	4"	4"	4"	4"
Power:						
Electric	ELEC.	ELEC.	ELEC.	ELEC.	ELEC.	ELEC.
Mechanical						
Nameplate data of motor	230/460	230/460	230/460	230/460	230/460	230/460
	60HZ	60HZ	60HZ	60HZ	60HZ	60HZ
	5.4PH	3PH	3PH	3PH	10PH	3PH

SERVICE CONNECTIONS

Size (inches)	6"					
Type (PVC, VCP, etc.)	PVC					
Average length	25'					
Number of active service connections						
Beginning of year	483					
Added during year	121					
Retired during year	0					
End of year	604					
Give full particulars concerning inactive connections	N/A					

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
	8"	8"	10"		6"	8"	14"	
Size (inches)	8"	8"	10"		6"	8"	14"	
Type of main	PVC	DI	PVC		PVC	PVC	PVC	
Length of main (nearest foot)								
Beginning of year	30,329	160	350		7,593	3,910	7,200	
Added during year	3,887	60	0		0	0	0	
Retired during year	0	0	0		0	0	0	
End of year	34,216	220	350		7,593	3,910	7,200	

MANHOLES

Size (inches)	48"			
Type of Manhole	PRECAST			
Number of Manholes:				
Beginning of year	123			
Added during year	22			
Retired during year	0			
End of Year	145			

UTILITY NAME: Lake Groves Utilities, Inc.

SYSTEM NAME: _____

YEAR OF REPORT DECEMBER 31, 1997

TREATMENT PLANT

Manufacturer _____	<u>DAVCO</u>		
Type _____	<u>EXTENDED AERATION</u>		
"Steel" or "Concrete" _____	<u>STEEL</u>		
Total Capacity _____	<u>0.175 MGD</u>		
Average Daily Flow _____	<u>0.075 MGD</u>		
Effluent Disposal _____	<u>PERCOLATION PONDS</u>		
Total Gallons of Wastewater treated _____	<u>27.586 MG</u>		

MASTER LIFT STATION PUMPS N/A

Manufacturer _____						
Capacity (GPM's) _____						
Motor: _____						
Manufacturer _____						
Horsepower _____						
Power (Electric or Mechanical) _____						

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers <small>N/A</small>	Effluent Gallons Disposed of on site
January _____	<u>1.979</u>		<u>1.979</u>
February _____	<u>1.785</u>		<u>1.785</u>
March _____	<u>1.975</u>		<u>1.975</u>
April _____	<u>2.007</u>		<u>2.007</u>
May _____	<u>2.146</u>		<u>2.146</u>
June _____	<u>2.284</u>		<u>2.284</u>
July _____	<u>2.722</u>		<u>2.722</u>
August _____	<u>2.894</u>		<u>2.894</u>
September _____	<u>2.541</u>		<u>2.541</u>
October _____	<u>2.188</u>		<u>2.188</u>
November _____	<u>2.382</u>		<u>2.382</u>
December _____	<u>2.683</u>		<u>2.683</u>
Total for year _____	<u>27.586</u>		<u>27.586</u>

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

UTILITY NAME: Lake Groves Utilites, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

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 27,586,000/365/280=270
2. Maximum ERCs ** that system can efficiently serve 175,000/280=625
3. Present system connection capacity (in ERC's) using existing lines 720
4. Future connection capacity (in ERC's) upon service area buildout 5,683
5. Estimated annual increase in ERCs * 140
6. State any plans and estimated completion dates for any enlargements of this system.
A THIRD TREATMENT TRAIN WAS ADDED. PLANT EXPANSION WAS COMPLETED IN JULY 1997, INCREASING CAPACITY FROM 0.075 MGD TO 0.175 MGD.
7. List percent of certificated area where service connections are installed (total for each county)
12.6%
8. If present systems do not meet the requirements of DEP Rule 62-4, Florida Administrative Code, submit the following: N/A
 - a. Evaluation of the present plant or plants in regard to meeting the DEP's rules.
 - b. Plans for funding and construction of the required upgrading.
 - c. Have these plans been coordinated with the DEP? _____
 - d. Do they concur? _____
 - e. When will construction begin? _____
9. Do you discharge effluent to surface waters? No
10. Department of Environmental Protection ID # FLA010630
Water Management District ID # 2-069-1075N

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

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

** Total Plant Capacity / 280 gallons

CERTIFICATION OF ANNUAL REPORT

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

- | | | | |
|--|--------------------------------|----|--|
| YES
<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"/> |
|---|---|---|---|



 (signature of chief executive officer of the utility)

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



 (signature of chief financial officer of the utility)
 General Manager

* 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.