

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS654
Country Club of Sebring
4800 Haw Branch Road
Sebring, FL 33872-4706

28

540-W 468-5

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



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APR - 1 1999

Florida Public Service Commission
Division of Water and Wastewater

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1998

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DIVISION OF
WATER AND SEWER
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COUNTRY CLUB OF SEBRING UTILITIES

Class "C" Annual Report - 1998
Florida Public Service Commission

NOTES TO ANNUAL REPORT

NOTE 1: FINANCIAL REPORTING PRACTICES AND DISCLOSURES

Country Club of Sebring Utilities ("CCSU") is a division of The Country Club of Sebring, Inc., hereinafter "parent" company, a residential golf course development company. The parent company integrates the operations of CCSU into its financial reporting system, and does not keep separate accounting records. Therefore, since CCSU is a division, and not a stand-alone entity, it does not have a "balance sheet", and does not have a chart of accounts conforming to the Uniform System of Accounts for Utilities.

Further, as reported in prior year's report, and as indicated in the Order approving our Utility, the parent company acquired the water and sewer system as a bulk purchase from the F.S.L.I.C., and did not allocate any of its purchase price to utility assets. The FPSC staff has determined the values of these assets as set forth in the balance sheet, and subsidiary schedules. Accordingly, we have noted these schedules as "Estimates".

Further, the parent company maintains an administrative staff, comprised of the President / Project Manager, Administrative Assistant, and Accounting Manager, which manage the affairs of the parent. The parent has three divisions, which include Golf & Tennis, Food & Beverage, and Utilities. CCSU is charged, where possible, for the direct costs of operating the water and sewer utility. However, many costs of operating the utility are not charged directly to the utility. For instance, costs of the administrative staff and facility, printing, office machines, office supplies, insurance, and taxes are not directly charged to the utility. Instead, The Country Club of Sebring, Inc. "allocates" the cost of its overhead to each of its divisions based upon an estimate of the division's consumption of overhead. In 1998 The Country Club of Sebring, Inc. allocated \$50,000 of general overhead to its utility division. This allocated overhead is indicated as "overhead" in the Annual Report.

Finally, this report does not purport to agree with The Country Club of Sebring, Inc.'s financial reports as they relate to its balance sheet or results of operations as they relate to depreciation and amortization. However, we have attempted to prepare the attached financial information in compliance with FPSC requirements.

NOTE 2: MISCELLANEOUS EXPENSES - SHEETS W3 & S3

Miscellaneous Expenses are comprised of:

	<u>Water</u>	<u>Sewer</u>
Bank Charges	\$ 136	\$ 252
Dues & Subscriptions	40	74
Licenses and Fees	14	27
Postage	176	327
Printing Expense	36	67
Repairs to Equipment	1,622	3,011
Personal Property Tax	284	528
Real Estate Taxes	3,370	6,260
Regulatory Assessment Fee Accrued	2,191	1,977
Allocation of Overhead (See Note 1)	<u>17,500</u>	<u>32,500</u>
Total Miscellaneous Expense	<u>\$25,369</u>	<u>\$45,023</u>

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**FINANCIAL
SECTION**

REPORT OF

COUNTRY CLUB OF SEBRING UTILITIES ("CCSU")

(EXACT NAME OF UTILITY)

4800 HAW BRANCH ROAD
SEBRING FL 33872

4800 HAW BRANCH ROAD
SEBRING FL 33872

Mailing Address

Street Address

County

Telephone Number

(941) 382-8538

Date Utility First Organized

3/17/92

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:

SEBRING FL

Name of subdivisions where services are provided:

THE COUNTRY CLUB OF SEBRING

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: R. GREG HARRIS	PRESIDENT	SAME	
Person who prepared this report: R. GREG HARRIS	PRESIDENT	SAME	
Officers and Managers: R. GREG HARRIS	PRESIDENT	SAME	\$ 0
	SECRETARY		
	TREASURER		
ROLAND A. HARRIS	DIRECTOR	SAME	\$ 0

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
R. GREG HARRIS	51%	SAME	\$ 0
ROLAND A. HARRIS	49%	SAME	

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		\$ 65127	\$ 64445	\$ _____	\$ 129572
Commercial		_____	_____	_____	_____
Industrial		_____	_____	_____	_____
Multiple Family		_____	_____	_____	_____
Guaranteed Revenues		_____	_____	_____	_____
Other (Specify)		_____	_____	_____	_____
Total Gross Revenue		\$ 65127	\$ 64445	\$ _____	\$ 129572
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 43326	\$ 78372	\$ _____	\$ 121698
Depreciation Expense	F-5	31585	15852	_____	47437
CIAC Amortization Expense	F-8	_____	_____	_____	_____
Taxes Other Than Income	F-7	_____	_____	_____	_____
Income Taxes	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 74911	\$ 94224	\$ _____	\$ 169135
Net Operating Income (Loss)		\$ <9784>	\$ <29779>	\$ _____	\$ <39563>
Other Income:					
Nonutility Income		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ <9784>	\$ <29779>	\$ _____	\$ <39563>

UTILITY NAME: _____

CCSU

YEAR OF REPORT
DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 1897454	\$ 1897454
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	611348	563911
Net Utility Plant -----		\$ 1286106	\$ 1333543
Cash -----		559	713
Customer Accounts Receivable (141) -----		12172	9008
Other Assets (Specify): -----			

Total Assets -----		\$ 1298837	\$ 1343264
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6		
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----	F-6		
Retained Earnings (215) -----	F-6		
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	407101	435312
Total Capital -----		\$ 407101	\$ 435312
Long Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----			
Notes Payable (232) -----			
Customer Deposits (235) -----		4250	4250
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			

Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	887486	903702
Total Liabilities and Capital -----		\$ 1298837	\$ 1343264

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	\$ <u>1263385</u>	\$ <u>634069</u>	\$ _____	\$ <u>1897454</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>1263385</u>	\$ <u>634069</u>	\$ _____	\$ <u>1897454</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>342511</u>	\$ <u>221400</u>	\$ _____	\$ <u>563911</u>
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ <u>31585</u>	\$ <u>15852</u>	\$ _____	\$ <u>47437</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ _____	\$ _____	\$ _____	\$ _____
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ <u>374096</u>	\$ <u>237252</u>	\$ _____	\$ <u>611348</u>

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
<i>N/A</i>		
Par or stated value per share _____	_____	_____
Shares authorized _____	_____	_____
Shares issued and outstanding _____	_____	_____
Total par value of stock issued _____	_____	_____
Dividends declared per share for year _____	_____	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ <u>-402796</u>	\$ _____
Changes during the year (Specify): _____ _____	(<u>39563</u>)	_____
Balance end of year _____	\$ <u>363233</u>	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
<i>N/A</i>		
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	# of Pymts	
<i>N/A</i>			
_____	_____	_____	\$ _____
_____	_____	_____	_____
Total _____			\$ _____

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$ <u>906413</u>	\$ <u>312589</u>	\$ <u>1202427</u>
2) Add credits during year	\$ <u>6375</u>	\$ <u>8250</u>	\$ <u>14625</u>
3) Total	<u>912788</u>	<u>320839</u>	<u>1233627</u>
4) Deduct charges during the year			
5) Balance end of year	<u>247593</u>	<u>98551</u>	<u>346144</u>
6) Less Accumulated Amortization			
7) Net CIAC	\$ <u>665195</u>	\$ <u>222288</u>	\$ <u>887483</u>

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

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
<u>NONE</u>			
Sub-total		\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
<u>CUSTOMER PLANT CAPACITY CHARGES (TAP FEES)</u>	<u>15</u>	\$ <u>975</u>	\$ <u>8250</u>
Total Credits During Year (Must agree with line # 2 above.)		\$ <u>6375</u>	\$ <u>8250</u>

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year	\$ <u>224929</u>	\$ <u>90373</u>	\$ <u>315302</u>
Add Credits During Year:	<u>22664</u>	<u>8178</u>	<u>30842</u>
Deduct Debits During Year:			
Balance End of Year (Must agree with line #6 above.)	\$ <u>247593</u>	\$ <u>98551</u>	\$ <u>346144</u>

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

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1) N/A

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:	<u>11.29 %</u>
Commission Order approving AFUDC rate:	<u>25788</u>

**WATER
OPERATING
SECTION**

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

WATER UTILITY PLANT ACCOUNTS

(SEE NOTES)

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises	_____	_____	_____	_____
303	Land and Land Rights	_____	_____	_____	_____
304	Structures and Improvements	_____	_____	_____	_____
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____	_____	_____
307	Wells and Springs	_____	_____	_____	_____
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____
309	Supply Mains	_____	_____	_____	_____
310	Power Generation Equipment	_____	_____	_____	_____
311	Pumping Equipment	_____	_____	_____	_____
320	Water Treatment Equipment	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____
331	Transmission and Distribution Lines	_____	_____	_____	_____
333	Services	_____	_____	_____	_____
334	Meters and Meter Installations	_____	_____	_____	_____
335	Hydrants	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment	_____	_____	_____	_____
340	Office Furniture and Equipment	_____	_____	_____	_____
341	Transportation Equipment	_____	_____	_____	_____
342	Stores Equipment	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____
344	Laboratory Equipment	_____	_____	_____	_____
345	Power Operated Equipment	_____	_____	_____	_____
346	Communication Equipment	_____	_____	_____	_____
347	Miscellaneous Equipment	_____	_____	_____	_____
348	Other Tangible Plant	_____	_____	_____	_____
	Total Water Plant	\$ <u>1263385</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>1263385</u>

UNKNOWN ALLOCATION; REFER TO NOTES

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

UNKNOWN ALLOCATION
ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER
SEE NOTES TO REPORT

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)
304	Structures and Improvements		%	%	\$	\$		\$
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs		%	%				
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment		%	%				
320	Water Treatment Equipment		%	%				
330	Distribution Reservoirs & Standpipes		%	%				
331	Trans. & Dist. Mains		%	%				
333	Services		%	%				
334	Meter & Meter Installations		%	%				
335	Hydrants		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment		%	%				
341	Transportation Equipment		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ 342511	\$	\$ 31585	\$ 374096

* This amount should tie to Sheet F-5.

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
		\$ 0
601	Salaries and Wages - Employees	0
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	0
604	Employee Pensions and Benefits	0
610	Purchased Water	3854
615	Purchased Power	0
616	Fuel for Power Production	5414
618	Chemicals	480
620	Materials and Supplies	
630	Contractual Services:	825
	Operator and Management	7384
	Testing	0
	Other	0
640	Rents	0
650	Transportation Expense	0
655	Insurance Expense	0
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	0
670	Bad Debt Expense	25369
675	Miscellaneous Expenses <u>SEE NOTE 2</u>	
	Total Water Operation And Maintenance Expense	\$ <u>43326</u>

* 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				
3/4"	D	1.5				
1"	D	2.5	217	232	580	
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						
** D = Displacement C = Compound T = Turbine			Total	217	232	580

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	(f) Water Sold To Customers (Omit 000's)
January		4444	77.5	4366.5	2812
February		7334	70	7264	2240
March		6700	77.5	6622.5	2673
April		5900	75	5825	5768
May		4975	77.5	4897.5	6820
June		7512	75	7437	6018
July		8283	77.5	8205.5	6335
August		5972	77.5	5894.5	4728
September		5972	75	5897	4090
October		6510	77.5	6432.5	5965
November		8282	75	8207	5839
December		8100	77.5	8022.5	6887
Total for Year		79984	912.5	79071.5	60175

If water is purchased for resale, indicate the following:

Vendor _____

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	10"	2800	0	0	2800
	8"	6950	1110		8060
	6"	2410	2730		5140
	4"	1650	0		1650
	2"	300	0		300

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1984</u>	_____	_____	_____
Types of Well Construction and Casing _____	_____	_____	_____	_____
Depth of Wells _____	<u>1352</u>	_____	_____	_____
Diameters of Wells _____	<u>10"</u>	_____	_____	_____
Pump - GPM _____	<u>800</u>	_____	_____	_____
Motor - HP _____	<u>75</u>	_____	_____	_____
Motor Type * _____	<u>VT</u>	_____	_____	_____
Yields of Wells in GPD _____	<u>103 425</u>	_____	_____	_____
Auxiliary Power _____	<u>CUMMINGS 175KW</u>	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>(2) STEEL PNEUMATIC</u>	_____	_____	_____
Capacity of Tank _____	<u>10,000 GAL</u>	_____	_____	_____
Ground or Elevated _____	<u>ELEVATED</u>	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	<u>GE</u>	_____	_____	_____
Type _____	<u>VT</u>	_____	_____	_____
Rated Horsepower _____	<u>75 HP</u>	_____	_____	_____
Pumps				
Manufacturer _____	<u>GE</u>	_____	_____	_____
Type _____	_____	_____	_____	_____
Capacity in GPM _____	<u>1300</u>	_____	_____	_____
Average Number of Hours Operated Per Day _____	<u>12</u>	_____	_____	_____
Auxiliary Power _____	<u>CUMMINGS 175 KW</u>	_____	_____	_____

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source	<u>16500 GAL</u>		
Type of Source	<u>GROUND</u>		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type	<u>GAS CHLORINE</u>		
Make			
Gals. per day capacity	<u>597800</u>		
High service pumping Gallons per minute	<u>GRAVITY FEED</u>		
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>YES</u>		
Ozone	<u>NO</u>		
Other	<u>POLYPHOSPHATE</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 471
- Maximum ERCs ** that system can efficiently serve 1010
- Present system connection capacity (in ERC's) using existing lines 600
- Future connection capacity (in ERC's) upon service area buildout 1050
- Estimated annual increase in ERCs * 50
- List fire fighting facilities and capacities (including number of fire hydrants)
(10) HYDRANTS ; (4) BLOW-OFF'S
- List percent of certificated area where service connections are installed (total for each county)
HIGHLANDS = 100%
- What is the current need for system upgrading and/or expansion? NONE
- What are plans for future system upgrading and/or expansion? ADDITIONAL STORAGE
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)
YES Tom McGOWAN 2055 NW 176TH AVE OKEECHOBEE FL 34973-2612
- Has an application for a construction permit been filed with the DEP? (if so, explain) NO
- Department of Environmental Protection ID # 5284076
Water Management District ID # 20-007704.02

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

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

No ALLOCATION
WASTEWATER UTILITY PLANT ACCOUNTS
SEE NOTE 1

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises	_____	_____	_____	_____
353	Land and Land Rights	_____	_____	_____	_____
354	Structures and Improvements	_____	_____	_____	_____
360	Collection Sewers - Force	_____	_____	_____	_____
361	Collection Sewers - Gravity	_____	_____	_____	_____
362	Special Collecting Structures	_____	_____	_____	_____
363	Services to Customers	_____	_____	_____	_____
364	Flow Measuring Devices	_____	_____	_____	_____
365	Flow Measuring Installations	_____	_____	_____	_____
370	Receiving Wells	_____	_____	_____	_____
371	Pumping Equipment	_____	_____	_____	_____
380	Treatment and Disposal Equipment	_____	_____	_____	_____
381	Plant Sewers	_____	_____	_____	_____
382	Outfall Sewer Lines	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment	_____	_____	_____	_____
390	Office Furniture and Equipment	_____	_____	_____	_____
391	Transportation Equipment	_____	_____	_____	_____
392	Stores Equipment	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment	_____	_____	_____	_____
394	Laboratory Equipment	_____	_____	_____	_____
395	Power Operated Equipment	_____	_____	_____	_____
396	Communication Equipment	_____	_____	_____	_____
397	Miscellaneous Equipment	_____	_____	_____	_____
398	Other Tangible Plant	_____	_____	_____	_____
	Total Wastewater Plant	\$ <u>634069</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>634069</u> *

* This amount should tie to sheet F-5.

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

NOT ALLOCATED - SEE NOTE 1

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		%	%	\$	\$		
360	Collection Sewers - Force		%	%				
361	Collection Sewers - Gravity		%	%				
362	Special Collecting Structures		%	%				
363	Services to Customers		%	%				
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%				
371	Pumping Equipment		%	%				
380	Treatment and Disposal Equipment		%	%				
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%				
390	Office Furniture and Equipment		%	%				
391	Transportation Equipment		%	%				
392	Stores Equipment		%	%				
393	Tools, Shop and Garage Equipment		%	%				
394	Laboratory Equipment		%	%				
395	Power Operated Equipment		%	%				
396	Communication Equipment		%	%				
397	Miscellaneous Equipment		%	%				
398	Other Tangible Plant		%	%				
	Totals				\$ 221,400	\$	\$ 15,852	\$ 237,252 *

* This amount should tie to Sheet F-5.

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
		\$ 0
701	Salaries and Wages - Employees	0
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	0
704	Employee Pensions and Benefits	0
710	Purchased Wastewater Treatment	8986
711	Sludge Removal Expense	7157
715	Purchased Power	0
716	Fuel for Power Production	0
718	Chemicals	1958
720	Materials and Supplies	
730	Contractual Services:	1534
	Operator and Management	13714
	Testing	0
	Other	0
740	Rents	0
750	Transportation Expense	0
755	Insurance Expense	0
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	0
770	Bad Debt Expense	45023
775	Miscellaneous Expenses	
	Total Wastewater Operation And Maintenance Expense	\$ 78372 *

* 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			
3/4"	D	1.5			
1"	D	2.5	218	233	583
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			218	233	583

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

PUMPING EQUIPMENT

Lift Station Number	<u>1</u>	<u>2</u>				
Make or Type and nameplate data on pump						
Year installed	<u>1984</u>	<u>1994</u>				
Rated capacity	<u>8,000</u>	<u>8,000</u>				
Size						
Power:						
Electric	<u>150amp</u>	<u>150amp</u>				
Mechanical						
Nameplate data of motor						

SERVICE CONNECTIONS

Size (inches)	<u>4"</u>					
Type (PVC, VCP, etc.)	<u>PVC</u>					
Average length						
Number of active service connections	<u>233</u>					
Beginning of year	<u>218</u>					
Added during year	<u>15</u>					
Retired during year						
End of year	<u>233</u>					
Give full particulars concerning inactive connections						

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains		
Size (inches)	<u>8"</u>	<u>6"</u>		<u>6"</u>		
Type of main	<u>PVC</u>	<u>PVC</u>		<u>PVC</u>		
Length of main (nearest foot)						
Beginning of year	<u>12113</u>	<u>3150</u>		<u>3910</u>		
Added during year	<u>2976</u>					
Retired during year						
End of year	<u>15089</u>	<u>3150</u>		<u>3910</u>		

MANHOLES

Size (inches)	<u>4"</u>			
Type of Manhole	<u>PRECAST</u>			
Number of Manholes:				
Beginning of year	<u>46</u>			
Added during year	<u>10</u>			
Retired during year				
End of Year	<u>56</u>			

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>MAROLF</u>	_____	_____
Type _____	<u>EXTENDED AIR</u>	_____	_____
"Steel" or "Concrete" _____	<u>CONCRETE</u>	_____	_____
Total Capacity _____	<u>85,000</u>	_____	_____
Average Daily Flow _____	<u>.0083</u>	_____	_____
Effluent Disposal _____	<u>PERK PONDS</u>	_____	_____
Total Gallons of Wastewater treated _____	<u>12931000</u>	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>MAROLF</u>	_____	_____	_____	_____	_____
Capacity (GPM's) _____	<u>8,000</u>	_____	_____	_____	_____	_____
Motor: _____	<u>PEABODY</u>	_____	_____	_____	_____	_____
Manufacturer _____	<u>BARNES</u>	_____	_____	_____	_____	_____
Horsepower _____	<u>4.5</u>	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____	<u>ELECTRIC</u>	_____	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>1091</u>	<u>0</u>	<u>1091</u>
February _____	<u>1186</u>	<u>0</u>	<u>1186</u>
March _____	<u>1488</u>	<u>0</u>	<u>1488</u>
April _____	<u>1177</u>	<u>0</u>	<u>1177</u>
May _____	<u>980</u>	<u>0</u>	<u>980</u>
June _____	<u>891</u>	<u>0</u>	<u>891</u>
July _____	<u>854</u>	<u>0</u>	<u>854</u>
August _____	<u>876</u>	<u>0</u>	<u>876</u>
September _____	<u>1128</u>	<u>0</u>	<u>1128</u>
October _____	<u>1074</u>	<u>0</u>	<u>1074</u>
November _____	<u>990</u>	<u>0</u>	<u>990</u>
December _____	<u>1196</u>	<u>0</u>	<u>1196</u>
Total for year _____	<u>12931</u>	<u>0</u>	<u>12931</u>

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

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

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 127
2. Maximum ERCs ** that system can efficiently serve 304
3. Present system connection capacity (in ERC's) using existing lines 280
4. Future connection capacity (in ERC's) upon service area buildout 552
5. Estimated annual increase in ERCs * 20
6. State any plans and estimated completion dates for any enlargements of this system.
INCREASE IN PERK PONDS
7. List percent of certificated area where service connections are installed (total for each county)
HIGHLANDS = 100%
8. If present systems do not meet the requirements of DEP Rule 62-4, Florida Administrative Code, submit the following:
 - 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 # FACILITY ID = 4028P0057 PERMIT D028124804
Water Management District ID # N/A

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

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

** Total Plant Capacity / 280 gallons

UTILITY NAME: CCSU

YEAR OF REPORT
DECEMBER 31, 1998

CERTIFICATION OF ANNUAL REPORT

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

YES NO

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.

YES NO

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.

YES NO

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

Items Certified

1. 2. 3. 4.

R. H. [Signature]
(signature of chief executive officer of the utility)

1. 2. 3. 4.

(signature of chief financial officer of the utility)

* Each of the four items must be certified YES or NO. Each item need not be certified by both officer. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.