

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS672 28
Highlands Ridge Associates, Inc.
3003 East Fairway Vista Drive
Avon Park, FL 33825-6001

544-W 474-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 19 97

OFFICIAL COPY
DIVISION OF
WATER AND SEWER
REGULATION
Office

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**FINANCIAL
SECTION**

REPORT OF

Highlands Ridge Associates, Inc.

(EXACT NAME OF UTILITY)

3003 Fairway Vista Drive Avon Park, FL 33825 Mailing Address	Same
Street Address	County

Telephone Number 941-471-1117

Date Utility First Organized 11/1/92

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: Above

Name of subdivisions where services are provided: Highlands Ridge

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Nancy Dickey</u>	<u>Assets Manager</u>	<u>3003 Fairway Vista Avon Park, FL 33825</u>	
Person who prepared this report: <u>Nancy Dickey</u>	<u>Same</u>	<u>Same</u>	
Officers and Managers: <u>John B. Juve</u>	<u>President</u>		\$ _____
<u>Nancy Dickey</u>	<u>Assets Manager</u>		\$ <u>6,000.00</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>John B. Juve</u>	<u>10%</u>	<u>3003 Fairway Vista</u>	\$ <u>0</u>
<u>William H. Koptis</u>	<u>10%</u>	<u>Same</u>	\$ <u>0</u>
<u>James C. Coston</u>	<u>10%</u>	<u>Same</u>	\$ <u>0</u>
<u>Estate of Richard H. Juve</u>	<u>10%</u>	<u>Same</u>	\$ <u>0</u>
<u>David H. Jacobs Marital Trust</u>	<u>60%</u>	<u>Same</u>	\$ <u>0</u>
_____	_____	_____	\$ _____

UTILITY NAME: Highlands Ridge Assoc. Inc.

YEAR OF REPORT
DECEMBER 31, 1997

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ 71,985	\$ 71,496	\$ _____	\$ 143,481
Commercial -----		3,802	6,371	_____	10,173
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues -----		_____	_____	_____	_____
Other (Specify) <u>Connection</u>		<u>747</u>	<u>0</u>	<u>_____</u>	<u>747</u>
Fees & Late Fees		_____	_____	_____	_____
Total Gross Revenue -----		\$ <u>76,534</u>	\$ <u>77,867</u>	\$ _____	\$ <u>154,401</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 34,261	\$ 46,992	\$ _____	\$ 81,253
Depreciation Expense -----	F-5	19,678	19,916	_____	39,594
CIAC Amortization Expense -----	F-8	1,719	_____	_____	1,719
Taxes Other Than Income -----	F-7	3,444	3,504	_____	6,948
Income Taxes -----	F-7	_____	_____	_____	_____
Total Operating Expense -----		\$ 59,102	\$ 70,412	\$ _____	\$ 129,514
Net Operating Income (Loss)		\$ 17,433	\$ 7,455	\$ _____	\$ 24,888
Other Income:					
Nonutility Income -----		\$ _____	\$ _____	\$ _____	\$ _____
-----		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses -----		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense -----		_____	_____	_____	_____
-----		_____	_____	_____	_____
-----		_____	_____	_____	_____
Net Income (Loss)		\$ <u>17,433</u>	\$ <u>7,455</u>	\$ _____	\$ <u>24,888</u>

UTILITY NAME: Highlands Ridge Assoc, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$1,221,153	\$1,106,179
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	(260,273)	(220,679)
Net Utility Plant -----		\$ 960,880	\$ 885,500
Cash -----		-----	-----
Customer Accounts Receivable (141) -----		7,561	6,081
Other Assets (Specify): -----		-----	-----
-----		-----	-----
-----		-----	-----
Total Assets -----		\$ 968,441	\$ 891,581
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	-----	-----
Preferred Stock Issued (204) -----	F-6	-----	-----
Other Paid in Capital (211) -----		-----	-----
Retained Earnings (215) -----	F-6	(3,067)	(26,236)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	-----	-----
Total Capital -----		\$ (3,067)	\$ (26,236)
Long Term Debt (224) -----	F-6	\$ -----	\$ -----
Accounts Payable (231) -----		-----	-----
Notes Payable (232) -----		-----	-----
Customer Deposits (235) -----		-----	-----
Accrued Taxes (236) -----		6,948	6,983
Other Liabilities (Specify) -----		-----	-----
-----		-----	-----
-----		-----	-----
Advances for Construction -----		-----	-----
Contributions in Aid of Construction - Net (271-272) -----	F-8	22,031	18,625
Total Liabilities and Capital -----		\$ 25,913	\$ (628)

UTILITY NAME: Highlands Ridge Assoc., Inc.

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GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	\$ 578,776	\$ 642,377	\$ _____	\$ 1,221,153
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 578,776	\$ 642,377	\$ _____	\$ 1,221,153

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 _____	\$ 111,356	\$ 109,323	\$ _____	\$ 220,679
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ 19,678	\$ 19,916	\$ _____	\$ 39,594
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ 131,034	\$ 129,239	\$ _____	\$ 260,273
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 131,034	\$ 129,239	\$ _____	\$ 260,273

UTILITY NAME: Highlands Ridge Assoc. Inc.

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CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
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 _____	\$ _____	\$ (26,236)
Changes during the year (Specify):		
Water _____	_____	15,714
Sewer _____	_____	7,455
_____	_____	_____
Balance end of year _____	\$ _____	\$ (3,067)

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	# of Pymts	
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ _____

UTILITY NAME: Highlands Ridge Assoc, Inc.

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TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ 3,469	\$ 3,514	\$	\$ 6,983
Add Accruals charged:				
State ad valorem tax	\$ 4,000	\$ 4,000	\$	\$ 8,000
Local property tax				
Federal income tax				
State income tax				
Regulatory assessment fee	3,444	3,504		6,948
Other (Specify)				
2. Total Taxes Accrued	\$ 10,913	\$ 11,018	\$	\$ 21,931
Deduct Taxes Paid:				
State ad valorem tax	\$ 4,000	\$ 4,000	\$	\$ 8,000
Local property tax				
Federal income tax				
State income tax				
Regulatory assessment fee	3,469	3,514		6,983
Other (Specify)				
3. Total Taxes Paid	\$ 7,469	\$ 7,514	\$	\$ 14,983
4. Balance end of year (1 + 2 - 3 = 4)	\$ 3,444	\$ 3,504	\$	\$ 6,948

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the 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
Short Utilities	\$ 5,211	\$ 7,049	Operations/Testing
Roto Rooter	\$	\$ 3,370	Sludge Hauling
McKill Constr.	\$	\$ 22,155	Sewer Plant Upgrade
Macasphalt	\$ 41,600	\$ 47,600	Collection/Distribution
	\$	\$	Mains
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

UTILITY NAME: Highlands Ridge Assoc. Inc.

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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ <u>18,625</u>	\$ _____	\$ _____
2) Add credits during year _____	\$ <u>5,125</u>	\$ _____	\$ _____
3) Total _____	_____	_____	_____
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	<u>23,750</u>	_____	_____
6) Less Accumulated Amortization _____	<u>1,719</u>	_____	_____
7) Net CIAC _____	\$ <u>22,031</u>	\$ _____	\$ _____

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

Report below all developers or contractors agreements from which cash or property was received during the year.		Indicate "Cash" or "Property"	Water	Wastewater
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
Sub-total _____			\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.			Water	Wastewater
Description of Charge	Number of Connections	Charge per Connection		
Meter Installation	41	\$125.00	\$ 5,125	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ <u>5,125</u>	\$ _____

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	\$ <u>0</u>	\$ _____	\$ _____
Add Credits During Year _____	<u>1,719*</u>	_____	_____
Deduct Debits During Year _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ <u>1,719</u>	\$ _____	\$ _____

*Estimated at 2.5% per year amortization note

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

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

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	\$ _____	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: _____

**YEAR OF REPORT
DECEMBER 31,**

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

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

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

**WATER
OPERATING
SECTION**

UTILITY NAME: Highlands Ridge Assoc, Inc.

YEAR OF REPORT
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WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 21,211	\$ _____	\$ _____	\$ 21,211
302	Franchises	_____	_____	_____	_____
303	Land and Land Rights	_____	_____	_____	_____
304	Structures and Improvements	14,066	_____	_____	14,066
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____	_____	_____
307	Wells and Springs	114,066	_____	_____	114,066
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____
309	Supply Mains	_____	_____	_____	_____
310	Power Generation Equipment	46,715	_____	_____	46,715
311	Pumping Equipment	_____	_____	_____	_____
320	Water Treatment Equipment	43,160	_____	_____	43,160
330	Distribution Reservoirs and Standpipes	18,500	_____	_____	18,500
331	Transmission and Distribution Lines	249,713	41,600	_____	291,313
333	Services	_____	_____	_____	_____
334	Meters and Meter Installations	26,126	3,619	_____	29,745
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	\$ 533,557	\$ 45,219	\$ _____	\$ 578,776

UTILITY NAME: Highlands Ridge Assoc., Inc.

YEAR OF REPORT
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ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f+g-h=i) (i)
304	Structures and Improvements	28	%	3.6	\$ 3,543	\$	\$ 507	\$ 4,050
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs	27	%	3.7	29,541		4,221	33,762
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment	17	%	5.9	19,293		2,756	22,049
311	Pumping Equipment		%					
320	Water Treatment Equipment	17	%	5.9	17,823		2,547	20,370
330	Distribution Reservoirs & Standpipes	30	%	3.3	4,274		610	4,884
331	Trans. & Dist. Mains	40	%	2.5	31,459		7,282	38,741
333	Services		%					
334	Meter & Meter Installations	17	%	5.9	5,423		1,755	7,178
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				\$ 111,356	\$	\$ 19,678	\$ 131,034 *

* This amount should tie to Sheet F-5.

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	4,019
616	Fuel for Power Production	363
618	Chemicals	2,128
620	Materials and Supplies	_____
630	Contractual Services:	_____
	Operator and Management	_____
	Testing	_____
	Other	_____
640	Rents	_____
650	Transportation Expense	_____
655	Insurance Expense	5,263
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	3,469
670	Bad Debt Expense	13,739
675	Miscellaneous Expenses	_____
	Total Water Operation And Maintenance Expense	\$ 34,261 *

* 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	253	283	283
3/4"	D	1.5	3	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	10	_____	_____
2"	D,C,T	8.0	32	_____	_____
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	301	283
				283	283

UTILITY NAME: Highlands Ridge Assoc, Inc.

YEAR OF REPORT
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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	N/A	3063	322	2741	3125
February	"	3754	499	3255	3238
March	"	4832	993	3839	3335
April	"	5136	986	4150	3222
May	"	3275	953	2322	2529
June	"	2009	328	1681	2622
July	"	4886	1048	3838	1924
August	"	2525	907	1618	1629
September	"	2932	681	2251	2927
October	"	3121	275	2846	2902
November	"	4126	942	3184	3187
December	"	3963	987	2976	1939
Total for Year	N/A	43,622	8,921	34,701	32,579

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 (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	10"	3240	0	0	3240
PVC	8"	3840	480	0	4320
PVC	6"	5940	1560	0	7500
PVC	4"	5820	1110	0	6930
PVC	2"	1322	800	0	2122

UTILITY NAME: Highlands Ridge Assoc, Inc.

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SYSTEM NAME: _____

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1989	1989	_____	_____
Types of Well Construction and Casing _____ 8" _____	370'	356'	_____	_____
_____ 12" _____	147'	136'	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	1200'	1000'	_____	_____
Diameters of Wells _____	8"	8"	_____	_____
Pump - GPM _____	500	500	_____	_____
Motor - HP _____	40	40	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	720,000	720,000	_____	_____
Auxiliary Power _____	90KW Kohler	90KW Kohler	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Steel	_____	_____	_____
Capacity of Tank _____	Pneumatic	_____	_____	_____
Ground or Elevated _____	15,000 gal	_____	_____	_____
	N/A	_____	_____	_____

HIGH SERVICE PUMPING

(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: Highlands Ridge Assoc, Inc.

YEAR OF REPORT
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SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source	<u>720,000</u>	<u>720,000</u>	_____
Type of Source	<u>Ground Water</u>	<u>Ground Water</u>	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type	<u>Gas Chlorination</u>	_____	_____
Make	<u>Regal</u>	_____	_____
Gals. per day capacity	<u>1,440,000</u>	_____	_____
High service pumping	_____	_____	_____
Gallons per minute	_____	_____	_____
Reverse Osmosis	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft.	_____	_____	_____
Gravity GPD/Sq.Ft.	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator	<u>x</u>	_____	_____
Ozone	_____	_____	_____
Other	_____	_____	_____
Auxiliary Power	<u>Generator</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 255
- Maximum ERCs ** that system can efficiently serve 4000
- Present system connection capacity (in ERC's) using existing lines 500
- Future connection capacity (in ERC's) upon service area buildout 1000
- Estimated annual increase in ERCs * 50
- List fire fighting facilities and capacities (including number of fire hydrants) 18 hydrants

- List percent of certificated area where service connections are installed (total for each county)
43%
- What is the current need for system upgrading and/or expansion? None
- What are plans for future system upgrading and/or expansion? None
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)
Yes Chastain Skillman, P.O. Box 1281, Sebring, FL 33871
- Has an application for a construction permit been filed with the DEP? (if so, explain) No
- Department of Environmental Protection ID # 5228 P 00238
Water Management District ID # 209516.00

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

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: Highlands Ridge Assoc. Inc.

YEAR OF REPORT
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WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises _____	_____	_____	_____	_____
353	Land and Land Rights _____	_____	_____	_____	_____
354	Structures and Improvements _____	<u>299,218</u>	<u>22,155</u>	_____	<u>321,373</u>
360	Collection Sewers - Force _____	_____	_____	_____	_____
361	Collection Sewers - Gravity _____	<u>273,404</u>	<u>47,600</u>	_____	<u>321,004</u>
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>572,622</u>	\$ <u>69,755</u>	\$ _____	\$ <u>642,377</u> *

* This amount should tie to sheet F-5.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
354	Structures and Improvements	27	%	3.7	\$ 66,138	\$	\$ 11,891	\$ 78,029
360	Collection Sewers - Force		%					
361	Collection Sewers - Gravity	40	%	2.5	43,185		8,025	51,210
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				\$ 109,323	\$	\$ 19,916	\$ 129,239 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Highlands Ridge Assoc., Inc.

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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	_____
715	Purchased Power	6086
716	Fuel for Power Production	_____
718	Chemicals	2240
720	Materials and Supplies	_____
730	Contractual Services:	_____
	Operator and Management	_____
	Testing	_____
	Other	_____
740	Rents	_____
750	Transportation Expense	_____
755	Insurance Expense	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	3514
770	Bad Debt Expense	_____
775	Miscellaneous Expenses	28,081
	Total Wastewater Operation And Maintenance Expense	\$46,992 *

* 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	256	283	283
3/4"	D	1.5	3	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	10	_____	_____
2"	D,C,T	8.0	32	_____	_____
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	301	283
				283	283

UTILITY NAME: Highlands Ridge Assoc., Inc.

YEAR OF REPORT
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PUMPING EQUIPMENT

	1	2	3	4		
Lift Station Number _____	_____	_____	_____	_____	_____	_____
Make or Type and nameplate data on pump _____	_____	_____	_____	_____	_____	_____
Year installed _____	1990	1990	1990	1994	_____	_____
Rated capacity _____	150	195	150	150	_____	_____
Size _____	5	5	2	2	_____	_____
Power:						
Electric _____	x	x	x	x	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	4"	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	PVC	_____	_____	_____	_____	_____
Average length _____	30'	_____	_____	_____	_____	_____
Number of active service connections _____	_____	_____	_____	_____	_____	_____
Beginning of year _____	253	_____	_____	_____	_____	_____
Added during year _____	30	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____
End of year _____	283	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
	8"	6"			8"	6"		
Size (inches) _____	8"	6"	_____	_____	8"	6"	_____	_____
Type of main _____	PVC	PVC	_____	_____	PVC	PVC	_____	_____
Length of main (nearest foot) _____	_____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	12,744	0	_____	_____	6,000	1,600	_____	_____
Added during year _____	2,531	773	_____	_____	0	0	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	15,275	773	_____	_____	6,000	1,600	_____	_____

MANHOLES

Size (inches) _____	48"	_____	_____	_____
Type of Manhole _____	Concrete	_____	_____	_____
Number of Manholes _____	49	_____	_____	_____
Beginning of year _____	_____	_____	_____	_____
Added during year _____	14	_____	_____	_____
Retired during year _____	0	_____	_____	_____
End of Year _____	63	_____	_____	_____

UTILITY NAME Highlands Ridge Assoc., Inc.

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SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>Marolf</u>	_____	_____
Type _____	<u>Extended Aeration</u>	_____	_____
"Steel" or "Concrete" _____	<u>Concrete</u>	_____	_____
Total Capacity _____	<u>98,000</u>	_____	_____
Average Daily Flow _____	<u>1,000 gpd</u>	_____	_____
Effluent Disposal _____	<u>Ponds</u>	_____	_____
Total Gallons of Wastewater treated _____	<u>3,000,000 gal</u>	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>Unitron</u>	<u>Unitron</u>	<u>Unitron</u>	<u>Hydromatic</u>	_____	_____
Capacity (GPM's) _____	<u>150</u>	<u>195</u>	<u>150</u>	<u>150</u>	_____	_____
Motor:						
Manufacturer _____	_____	_____	_____	_____	_____	_____
Horsepower _____	<u>5</u>	<u>5</u>	<u>2</u>	<u>2</u>	_____	_____
Power (Electric or Mechanical) _____	<u>Elec.</u>	<u>Elec.</u>	<u>Elec.</u>	<u>Elec.</u>	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>998,000</u>	<u>N/A</u>	<u>960,000</u>
February _____	<u>506,000</u>	_____	<u>540,000</u>
March _____	<u>590,000</u>	_____	<u>570,000</u>
April _____	<u>509,000</u>	_____	<u>510,000</u>
May _____	<u>408,000</u>	_____	<u>390,000</u>
June _____	<u>378,000</u>	_____	<u>390,000</u>
July _____	<u>367,000</u>	_____	<u>360,000</u>
August _____	<u>324,000</u>	_____	<u>300,000</u>
September _____	<u>335,000</u>	_____	<u>330,000</u>
October _____	<u>397,000</u>	_____	<u>390,000</u>
November _____	<u>550,000</u>	_____	<u>540,000</u>
December _____	<u>620,000</u>	_____	<u>610,000</u>
Total for year _____	<u>5,982,000</u>	_____	<u>5,890,000</u>

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Highlands Ridge Assoc., Inc.

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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 59
2. Maximum ERCs ** that system can efficiently serve 350
3. Present system connection capacity (in ERC's) using existing lines 350
4. Future connection capacity (in ERC's) upon service area buildout 700
5. Estimated annual increase in ERCs * 40
6. State any plans and estimated completion dates for any enlargements of this system.
When next phase is constructed, major expansion will be made.
7. List percent of certificated area where service connections are installed (total for each county)
43%
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 # 5228 P 00238
Water Management District ID # 209516.00

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

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

** Total Plant Capacity / 280 gallons

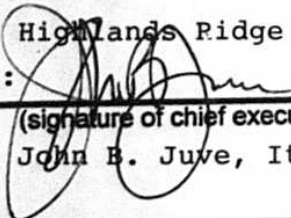
CERTIFICATION OF ANNUAL REPORT

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

Highlands Ridge Associates, Inc.
By:  _____
(signature of chief executive officer of the utility)

John B. Juve, Its President

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

(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.