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CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS680
Innerarity Island Development Corporation
4300 Bayou Blvd., Suite 21
Pensacola, FL 32503-2614

17

475-5

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

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Florida Public Service Commission
Division of Water and Wastewater

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DIVISION OF
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DENNISON ASSOCIATES

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1998

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**FINANCIAL
SECTION**

REPORT OF

Innerarity Island Development Corporation

(EXACT NAME OF UTILITY)

4300 Bayou Blvd., Suite 21	Pensacola, FL 32503	Escambia
Mailing Address	Street Address	County

Telephone Number (850) 478-7466 Date Utility First Organized _____

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: 4300 Bayou Blvd., Suite 21
Pensacola, FL 32503

Name of subdivisions where services are provided: Innerarity Island, Escambia Co. FL

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Fayette Dennison</u>	<u>President</u>	<u>4300 Bayou Blvd Suite 21</u> <u>Pensacola, FL 32503</u>	
Person who prepared this report: <u>Fayette Dennison</u>	<u>Same</u>	<u>Same</u>	
Officers and Managers: <u>Fayette Dennison</u>	<u>Same</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>Fayette Dennison</u>	<u>100</u>	<u>4300 Bayou Blvd Ste 21</u> <u>Pensacola, FL 32503</u>	\$ None
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 14321	\$ 11124	\$ _____	\$ 25445
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____	Connection Fees	2500	12000	_____	14500
Total Gross Revenue _____		\$ 16821	\$ 23124	\$ _____	\$ 39945
Operation Expense (Must tie to pages W-3 and S-3)	W-3				
	S-3	\$ 29023	\$ 49153	\$ _____	\$ 78176
Depreciation Expense _____	F-5	1521	28753	_____	30274
CIAC Amortization Expense _____	F-8	_____	_____	_____	_____
Taxes Other Than Income _____	F-7	_____	_____	_____	_____
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense _____		\$ 30544	\$ 77906	\$ _____	\$ 108450
Net Operating Income (Loss) _____		\$ (13723)	\$ (54782)	\$ _____	\$ (68505)
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ 660150	\$ 660150
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ 460576	\$ 460576
Interest Expense _____		_____	_____	19333	19333
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss) _____		\$ (13723)	\$ (54782)	\$ 180241	\$ 111736

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 608069	\$ 605481
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	426385	383683
Net Utility Plant -----		\$ 181684	\$ 221798
Cash -----		6113	1621
Customer Accounts Receivable (141) -----		3948819	4207971
Other Assets (Specify): Land & Bldgs -----		550	550
Utility Deposits -----			

Total Assets -----		\$ 4137166	\$ 4431940
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	100000	100000
Preferred Stock Issued (204) -----	F-6	3985948	3985948
Other Paid in Capital (211) -----		(1608102)	(1805248)
Retained Earnings (215) -----	F-6		
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ 2477846	\$ 2280700
Long Term Debt (224) -----	F-6	\$ 921049	\$ 921049
Accounts Payable (231) -----		102506	2050
Notes Payable (232) -----		624270	1216679
Customer Deposits (235) -----			
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			
Accrued Interest -----		4881	4848
Unapplied Hurricane Ins. Proceeds -----		6614	6614

Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8		
Total Liabilities and Capital -----		\$ 4137166	\$ 4431940

UTILITY NAME: Innerarity Island Development Corporation

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) _____	\$ 30428	\$ 575053	\$ _____	\$ 605481
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 30428	\$ 575053	\$ _____	\$ 605481

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 _____	\$ 17482	\$ 329756	\$ _____	\$ 347238
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ 1521	\$ 28753	\$ _____	\$ 30274
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ 1521	\$ 28753	\$ _____	\$ 30274
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 19003	\$ 358509	\$ _____	\$ 377512

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1.00	_____
Shares authorized _____	100,000	_____
Shares issued and outstanding _____	100,000	_____
Total par value of stock issued _____	100,000	_____
Dividends declared per share for year _____	-0-	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year (1669649) 96 Loss (135599) _____	\$ _____	\$ (1805248)
Changes during the year (Specify):		
Close 1997 Net Income _____	_____	85410
Close 1998 Net Income _____	_____	111736
Balance end of year _____	\$ _____	\$ (1608102)

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	
Mortgage Payable - F. Dennison _____	Variable		\$ 921049
_____			_____
_____			_____
Total _____			\$ 921049

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ -0-	\$ -0-	\$ -0-
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	_____	_____	_____
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	_____	_____	_____
6) Less Accumulated Amortization _____	_____	_____	_____
7) Net CIAC _____	\$ -0-	\$ -0-	\$ -0-

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.			
Description of Charge	Number of Connections	Charge per Connection	
_____	_____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____		\$ -0-	\$ -0-

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year _____	\$ -0-	\$ -0-	\$ -0-
Add Credits During Year: _____	_____	_____	_____
Deduct Debits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ -0-	\$ -0-	\$ -0-

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

UTILITY NAME: Innerarity Island Development Corporation

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:	_____

**WATER
OPERATING
SECTION**

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

WATER UTILITY PLANT ACCOUNTS

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 _____	\$ 30425	\$ _____	\$ _____	\$ 30425

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

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 (i-g+h-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				\$ 17482	\$ 1521	\$	\$ 19003

* This amount should tie to Sheet F-5.

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

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	20492
610	Purchased Water	_____
615	Purchased Power	_____
616	Fuel for Power Production	_____
618	Chemicals	_____
620	Materials and Supplies	_____
630	Contractual Services:	
	Operator and Management	2001
	Testing	5798
	Other	_____
640	Rents	_____
650	Transportation Expense	_____
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	732
670	Bad Debt Expense	_____
675	Miscellaneous Expenses	_____
	Total Water Operation And Maintenance Expense	\$ 29023 *

* 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	86	4	90
3/4"	D	1.5	_____	_____	_____
1"	D	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			_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	86	4
				_____	90

UTILITY NAME: Innerarity Island Development Corporation

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	504675	_____	_____	_____	463886
February	674799	_____	_____	_____	456196
March	621825	_____	_____	_____	545368
April	1050000	_____	_____	_____	762891
May	1200000	_____	_____	_____	929881
June	1500000	_____	_____	_____	1329106
July	1875000	_____	_____	_____	682216
August	1425000	_____	_____	_____	982944
September	1275000	_____	_____	_____	718724
October	1575000	_____	_____	_____	700625
November	1575000	_____	_____	_____	561704
December	112500	_____	_____	_____	494495
Total for Year	13388799	_____	_____	_____	8628036

If water is purchased for resale, indicate the following:

Vendor Escambia County Utilities Authority
 Point of delivery 6" meter at east end of causeway entrance to Innerarity Island

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

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"	3592	_____	_____	3592
PVC	6"	16960	_____	_____	16960
PVC	3"	8320	_____	_____	8320
PVC	2"	1680	_____	_____	1680
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

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

None

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	_____	_____	_____	_____
Types of Well Construction and Casing _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	_____	_____	_____	_____
Diameters of Wells _____	_____	_____	_____	_____
Pump - GPM _____	_____	_____	_____	_____
Motor - HP _____	_____	_____	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

None

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

HIGH SERVICE PUMPING

None

(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: Innerarity Island Development Corporation

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 _____	_____	_____	_____
Type of Source _____	_____	_____	_____

WATER TREATMENT FACILITIES

None

List for each Water Treatment Facility:			
Type _____	_____	_____	_____
Make _____	_____	_____	_____
Gals. per day capacity _____	_____	_____	_____
High service pumping	_____	_____	_____
Gallons per minute _____	_____	_____	_____
Reverse Osmosis _____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating _____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft. _____	_____	_____	_____
Gravity GPD/Sq.Ft. _____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator _____	_____	_____	_____
Ozone _____	_____	_____	_____
Other _____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____

OTHER WATER 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 _____
2. Maximum ERCs ** that system can efficiently serve _____
3. Present system connection capacity (in ERC's) using existing lines _____
4. Future connection capacity (in ERC's) upon service area buildout _____
5. Estimated annual increase in ERCs * _____
6. List fire fighting facilities and capacities (including number of fire hydrants) _____
7. List percent of certificated area where service connections are installed (total for each county) _____
8. What is the current need for system upgrading and/or expansion? _____
9. What are plans for future system upgrading and/or expansion? _____
10. Have questions 8 and 9 been discussed with an engineer? (if so, state name and address) _____
11. Has an application for a construction permit been filed with the DEP? (if so, explain) _____
12. Department of Environmental Protection ID # _____
Water Management District ID # _____

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

** Total Plant Capacity / 350 gallons

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

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_____	_____	_____	_____	_____
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_____	\$ 575053	\$ _____	\$ _____	\$ 575053 *

* 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		%	%	\$	\$		\$
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				\$ 329756	\$	\$ 28753	\$ 358509 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

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	6796
716	Fuel for Power Production	_____
718	Chemicals	870
720	Materials and Supplies	_____
730	Contractual Services:	4540
	Operator and Management	_____
	Testing	3021
	Other	33465
740	Rents	_____
750	Transportation Expense	_____
755	Insurance Expense	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	461
770	Bad Debt Expense	_____
775	Miscellaneous Expenses	_____
	Total Wastewater Operation And Maintenance Expense	\$ 49153 *

* 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	48	4	52	
3/4"	D	1.5	_____	_____	_____	
1"	D	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			_____	_____	_____	
** D = Displacement C = Compound T = Turbine			Total	48	4	52

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

PUMPING EQUIPMENT

	1	2	3	4	5	6
Lift Station Number _____						
Make or Type and nameplate data on pump _____	Toran	Hydromatic	Hydromatic	Hydromatic	Hydromatic	Hydromatic
Year installed _____						
Rated capacity _____	36	32.2	N/A	20.7	N/A	
Size _____	HP3	HP3	HP2	HP3	N/A	
Power:						
Electric _____ VOLTS	208	230	230	230	208	
Mechanical _____						
Nameplate data of motor _____						

SERVICE CONNECTIONS

	4"					
Size (inches) _____	4"					
Type (PVC, VCP, etc.) _____	PVC					
Average length _____	Unknown					
Number of active service connections _____						
Beginning of year _____	46					
Added during year _____						
Retired during year _____						
End of year _____						
Give full particulars concerning inactive connections _____						

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
	8"				2 1/2"	3"	6"	
Size (inches) _____	8"				2 1/2"	3"	6"	
Type of main _____	PVC				PVC	PVC	PVC	
Length of main (nearest foot) _____	19306				880	430	3980	
Beginning of year _____								
Added during year _____								
Retired during year _____								
End of year _____	19306				880	430	3980	

MANHOLES

Size (inches) _____				
Type of Manhole _____				
Number of Manholes:				
Beginning of year _____	83			
Added during year _____				
Retired during year _____				
End of Year _____	83			

UTILITY NAME: Innerarity Island Development Corporation

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	DAVCO _____	_____	_____
Type _____	STEEL _____	_____	_____
"Steel" or "Concrete" _____	_____	_____	_____
Total Capacity _____	90000 GPD _____	_____	_____
Average Daily Flow _____	_____	_____	_____
Effluent Disposal _____	Settling Pond _____	_____	_____
Total Gallons of Wastewater treated _____	_____	_____	_____

MASTER LIFT STATION PUMPS

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

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	_____	_____	_____
February _____	_____	_____	_____
March _____	_____	_____	_____
April _____	_____	_____	_____
May _____	_____	_____	_____
June _____	_____	_____	_____
July _____	_____	_____	_____
August _____	_____	_____	_____
September _____	_____	_____	_____
October _____	_____	_____	_____
November _____	_____	_____	_____
December _____	_____	_____	_____
Total for year _____	_____	_____	_____

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Innerarity Island Development Corporation

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. None

1. Present ERCs * now being served _____
2. Maximum ERCs ** that system can efficiently serve _____
3. Present system connection capacity (in ERC's) using existing lines _____
4. Future connection capacity (in ERC's) upon service area buildout _____
5. Estimated annual increase in ERCs * _____
6. State any plans and estimated completion dates for any enlargements of this system. _____

7. List percent of certificated area where service connections are installed (total for each county)

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? _____
10. Department of Environmental Protection ID # _____
Water Management District ID # _____

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

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 type="checkbox"/> | NO
<input checked="" 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.	<i>Jayete Dennison</i>	*
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(signature of chief executive officer of the utility)	

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.