

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

VILLAGE WATER, LTD.

Exact Legal Name of Respondent

585-W 503-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

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WATER AND SEWER
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Florida Public Service Commission
Division of Water and Wastewater

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1998

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

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**FINANCIAL
SECTION**

REPORT OF

VILLAGE WATER, LTD.
(EXACT NAME OF UTILITY)

P. O. BOX 2211 LAKELAND, FL 33806 Mailing Address	P. O. BOX 2211 LAKELAND, FL 33806 Street Address	POLK County
---	--	-----------------------

Telephone Number (941)665-8242 Date Utility First Organized 1972

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: 4800 MAINE AVENUE, LAKELAND, FL 33801

Name of subdivisions where services are provided: DAWN HEIGHTS MOBILE HOME PARK, G-M INDUSTRIAL PARK, MUSTANG VILLAGE INDUSTRIAL PARK, RUTHVEN INDUSTRIAL SITES, SADDLE CREEK VILLAGE SUBDIVISION, SANDY RIDGE INDUSTRIAL PARK

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>JERARD A. KENT</u>	<u>PARTNER</u>	<u>P. O. BOX 2211</u> <u>LAKELAND, FL 33806</u>	
Person who prepared this report: <u>LINDA CAPP</u>	<u>CPA</u>	<u>4953 SOUTHFORK DR</u> <u>LAKELAND, FL 33813</u>	
Officers and Managers: <u>JERARD KENT</u>	<u>PARTNER</u>	<u>P. O. BOX 2211</u>	\$ <u>0</u>
<u>SHIRLEY KENT</u>	<u>PARTNER</u>	<u>LAKELAND, FL 33806</u>	\$ <u>0</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>JERARD KENT</u>	<u>49.5</u>	<u>P. O. BOX 2211</u>	\$ <u>0</u>
<u>SHIRLEY KENT</u>	<u>49.5</u>	<u>LAKELAND, FL 33806</u>	\$ <u>0</u>
<u>VILLAGE INDUSTRIAL UTILITIES, INC.</u>	<u>1</u>	<u>2905 JACQUE LEE LN</u> <u>LAKELAND, FL 33806</u>	\$ <u>0</u>
			\$ _____
			\$ _____
			\$ _____

UTILITY NAME:

Village Water, Ltd.

YEAR OF REPORT
DECEMBER 31, 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ 43,795	\$ _____	\$ _____	\$ 43,795
Commercial -----		56,510	107,616	_____	164,126
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues -----		_____	_____	_____	0
Other (Specify) -----		_____	_____	_____	1,827
Late and reconnect fees		1,827	_____	_____	2,500
Fire hydrant		2,500	_____	_____	230
Miscellaneous		_____	_____	230	230
Returned check fees		_____	_____	100	100
Total Gross Revenue -----		\$ 104,632	\$ 107,616	\$ 330	\$ 212,578
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 113,229	\$ 55,566	\$ _____	\$ 168,795
Depreciation Expense -----	F-5	6,045	7,278	_____	13,323
CIAC Amortization Expense -----	F-8	_____	_____	_____	_____
Taxes Other Than Income -----	F-7	7,002	7,002	_____	14,004
Income Taxes -----	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 126,276	69,846	_____	\$ 196,122
Net Operating Income (Loss)		\$ (21,644)	\$ 37,770	\$ 330	\$ 16,456
Other Income:					
Gain on sale of property		\$ _____	\$ _____	\$ 483,768	\$ 483,768
Investment income		_____	_____	479	479
Prior period adjustment		_____	_____	13,932	13,932
Other Deductions:					
Miscellaneous Nonutility Expenses -----		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense -----		_____	_____	1,844	1,844
-----		_____	_____	_____	_____
-----		_____	_____	_____	_____
Net Income (Loss)		\$ (21,644)	\$ 37,770	\$ 496,665	\$ 512,791

UTILITY NAME:

Village Water, Ltd.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	\$ _____	\$ 179,955
Accumulated Depreciation and Amortization (108)_____	F-5,W-2,S-3	_____	(89,688)
Net Utility Plant _____		\$ 0	\$ 90,267
Cash_____		15,018	39,182
Customer Accounts Receivable (141)_____		2,660	1,432
Other Assets (Specify): Investments_____		7,753	8,100
Receivable on sale of utility plant_____		57,800	
Construction in process_____		24,164	
Deposit_____		230	410
Property, plant & equipment-book value_____		37,829	
Receivable from affiliate_____		1,402	
Total Assets _____		\$ 146,656	\$ 139,391
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	_____	_____
Proprietary Capital (Proprietary and partnership only) (218)_____	F-6	92,911	2,364
Total Capital _____		\$ 92,911	\$ 2,364
Long Term Debt (224)_____	F-6	\$ 16,184	\$ 9,898
Accounts Payable (231)_____		21,285	4,038
Notes Payable (232)_____		_____	_____
Customer Deposits (235)_____		6,725	7,000
Accrued Taxes (238)_____		9,551	7,364
Other Liabilities (Specify)_____		_____	94,795
Due to affiliate_____		_____	13,932
Deferred revenue_____		_____	_____
Advances for Construction_____		_____	_____
Contributions in Aid of Construction - Net (271-272)_____	F-8	_____	_____
Total Liabilities and Capital _____		\$ 146,656	\$ 139,391

UTILITY NAME:

Village Water, Ltd.

YEAR OF REPORT
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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)_____	\$ 0	\$ 0	\$ _____	\$ 0
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify)_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ 0	\$ 0	\$ _____	\$ 0

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_____	\$ 29,162	\$ 60,526	\$ _____	\$ 89,688
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account_____	\$ 6,045	\$ 7,278	\$ _____	\$ 13,323
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
Total Credits_____	\$ 6,045	\$ 7,278	\$ _____	\$ 13,323
<u>Deduct Debits During Year:</u>				
Book cost of plant retired_____	\$ 35,207	\$ 67,804	\$ _____	\$ 103,011
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
Total Debits_____	\$ 35,207	\$ 67,804	\$ _____	\$ 103,011
Balance End of Year_____	\$ 0	\$ 0	\$ 0	\$ 0

UTILITY NAME:

Village Water, Ltd.

YEAR OF REPORT
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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 _____	\$ _____	\$ _____
Changes during the year (Specify): _____ _____	_____ _____	_____ _____
Balance end of year _____	\$ _____	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ 2,364
Changes during the year (Specify): Net income _____	_____	512,790
Drawings _____	_____	(452,243)
Capital contributed _____	_____	30,000
Balance end of year _____	\$ _____	\$ 92,911

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	
Note payable to bank - matures January 2000	7.5	429	\$ 16,184
Total _____			\$ 16,184

UTILITY NAME:

Village Water, Ltd.

YEAR OF REPORT
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TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ 3,682	\$ 3,682	\$	\$ 7,364
Add Accruals charged:				
State ad valorem tax	\$ 0	\$ 0	\$	\$ 0
Local property tax	271	271		542
Federal income tax	0	0		0
State income tax	0	0		0
Regulatory assessment fee	6,040	6,039		12,079
Other (Specify)	0	0		0
Sales tax	343	343		686
State annual report	230	230		460
				0
Occupational license	12	13		25
Miscellaneous	106	106		212
2. Total Taxes Accrued	\$ 7,002	\$ 7,002	\$	\$ 14,004
Deduct Taxes Paid:				
State ad valorem tax	\$ 0	\$ 0	\$	\$ 0
Local property tax	271	271		542
Federal income tax	0	0		0
State income tax	0	0		0
Regulatory assessment fee	4,946	4,946		9,892
Other (Specify)	0	0		0
Sales tax	343	343		686
State annual report	230	230		460
				0
Occupational license	12	13		25
Miscellaneous	106	106		212
3. Total Taxes Paid	\$ 5,908	\$ 5,909	\$	\$ 11,817
4. Balance end of year (1 + 2 - 3 = 4)	\$ 4,776	\$ 4,775	\$	\$ 9,551

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Various employees of Kent Oil Company, Inc.	\$ 18,268	\$ 18,268	Bookkeeping, meter reading, repairs and maintenance, billing and banking
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

UTILITY NAME:

Village Water, Ltd.

YEAR OF REPORT
DECEMBER 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ _____	\$ _____	\$ _____
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.)_____			\$ _____

ACCUMULATED AMORTIZATION OF CIAC

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

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

UTILITY NAME:

Village Water, Ltd.

YEAR OF REPORT
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SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	<u>100.00</u> %		_____ %

(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: **Village Water, Ltd.**

YEAR OF REPORT
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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**

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$	\$	\$	\$
302	Franchises	1,583		1,583	0
303	Land and Land Rights				
304	Structures and Improvements				
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	3,000		3,000	0
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	17,166		17,166	0
333	Services	2,327		2,327	0
334	Meters and Meter Installations	3,681		3,681	0
335	Hydrants				
339	Other Plant and Miscellaneous Equipment	2,935		2,935	0
340	Office Furniture and Equipment	2,112		2,112	0
341	Transportation Equipment	19,284	21,129	40,413	0
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	\$ 52,088	\$ 21,129	\$ 73,217	\$ 0

UTILITY NAME: Village Water, Ltd.

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		%	%	\$	\$		\$
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs	15	0	15 yr MACRS	2,203	2,292	89	0
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	20	0	20 yr MACRS	9,814	10,197	383	0
333	Services	20	0	20 yr MACRS	1,330	1,382	52	0
334	Meter & Meter Installations	20	0	20 yr MACRS	1,313	1,411	98	0
335	Hydrants		%	%				
339	Other Plant and Miscellaneous Equipment	7	0	7 yr MACRS	1,506	1,882	376	0
340	Office Furniture and Equipment	5	0	5 yr MACRS	2,068	2,089	21	0
341	Transportation Equipment	5	0	5 yr MACRS	10,928	15,954	5,026	0
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				\$ 29,162	\$ 35,207	\$ 6,045	\$ 0

* 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	68,385
615	Purchased Power	_____
616	Fuel for Power Production	_____
618	Chemicals	_____
620	Materials and Supplies	6,761
630	Contractual Services:	_____
	Operator and Management	18,268
	Testing	6,622
	Other	6,000
640	Rents	524
650	Transportation Expense	734
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
670	Bad Debt Expense	_____
675	Miscellaneous Expenses	5,935
	Total Water Operation And Maintenance Expense	\$ 113,229 *

* 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	149	150	225.0
1"	D	2.5	6	6	15.0
1 1/2"	D,T	5.0	6	6	30.0
2"	D,C,T	8.0	7	5	40.0
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	168	167	310.0

UTILITY NAME: Village Water, Ltd.

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January	3,705	_____	_____	3,705	2,548
February	3,027	_____	_____	3,027	2,287
March	2,851	_____	_____	2,851	1,965
April	2,411	_____	_____	2,411	2,123
May	3,205	_____	_____	3,205	1,790
June	4,869	_____	_____	4,869	2,295
July	2,849	_____	_____	2,849	1,876
August	3,202	_____	_____	3,202	2,137
September	3,042	_____	_____	3,042	2,060
October	3,010	_____	_____	3,010	2,152
November	3,001	_____	_____	3,001	2,446
December	3,614	_____	_____	3,614	1,946
Total for Year	38,786	_____	_____	38,786	25,625

If water is purchased for resale, indicate the following:

Vendor City of Lakeland
Point of delivery Reynolds Road & Lisa Lane, Lakeland

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
AC	8"	5,720 lf	_____	_____	5,720
PVC	4"	13,438 lf	872	_____	14,310
PVC	2"	17,820 lf	2,400	_____	20,220
PVC	8"	0 lf	3,320	_____	3,320
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Village Water, Ltd.

YEAR OF REPORT DECEMBER 31, 1998

SYSTEM NAME: _____

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

(a)	Not in use (b)	(c)	(d)	(e)
Year Constructed _____	Unknown	_____	_____	_____
Types of Well Construction and Casing _____	Steel casing	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	1300 ft	_____	_____	_____
Diameters of Wells _____	26"	_____	_____	_____
Pump - GPM _____	None	_____	_____	_____
Motor - HP _____	None	_____	_____	_____
Motor Type * _____	None	_____	_____	_____
Yields of Wells in GPD _____	None	_____	_____	_____
Auxiliary Power _____	None	_____	_____	_____
* 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:

Village Water, Ltd.

YEAR OF REPORT
DECEMBER 31, 1998

SOURCE OF SUPPLY

N/A

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

WATER TREATMENT FACILITIES

N/A

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

N/A

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 _____
- Maximum ERCs ** that system can efficiently serve _____
- Present system connection capacity (in ERC's) using existing lines _____
- Future connection capacity (in ERC's) upon service area buildout _____
- Estimated annual increase in ERCs * _____
- 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**

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$	\$	\$	\$
352	Franchises	1,417		1,417	0
353	Land and Land Rights	19,000		19,000	0
354	Structures and Improvements				
360	Collection Sewers - Force	17,369		17,369	0
361	Collection Sewers - Gravity	24,508		24,508	0
362	Special Collecting Structures				
363	Services to Customers	1,188		1,188	0
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment	8,195		8,195	0
380	Treatment and Disposal Equipment				
381	Plant Sewers	33,367		33,367	0
382	Outfall Sewer Lines				
389	Other Plant and Miscellaneous Equipment	3,880		3,880	0
390	Office Furniture and Equipment	1,900		1,900	0
391	Transportation Equipment	17,043	21,129	38,172	0
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	\$ 127,867	\$ 21,129	\$ 148,996	\$ 0 *

* This amount should tie to sheet F-5.

UTILITY NAME: Village Water, Ltd.

YEAR OF REPORT
DECEMBER 31, 1998

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 (i-g+h=i)
354	Structures and Improvements			%	\$			\$
360	Collection Sewers - Force	20	0	% 20 yr MACRS	9,619	9,997	378	0
361	Collection Sewers - Gravity	20	0	% 20 yr MACRS	13,938	14,417	479	0
362	Special Collecting Structures			%				
363	Services to Customers	20	0	% 20 yr MACRS	675	698	23	0
364	Flow Measuring Devices			%				
365	Flow Measuring Installations			%				
370	Receiving Wells			%				
371	Pumping Equipment	20	0	% 20 yr MACRS	4,815	4,975	160	0
380	Treatment and Disposal Equipment			%				
381	Plant Sewers	20	0	% 20 yr MACRS	18,975	19,627	652	0
382	Outfall Sewer Lines			%				
389	Other Plant and Miscellaneous Equipment	7	0	% 7 yr MACRS	2,002	2,541	539	0
390	Office Furniture and Equipment	5	0	% 5 yr MACRS	1,840	1,861	21	0
391	Transportation Equipment	5	0	% 5 yr MACRS	8,662	13,688	5,026	0
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				\$ 60,526	\$ 67,804	\$ 7,278	\$ 0

* This amount should tie to Sheet F-5.

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 -----	-----
716	Fuel for Power Production -----	-----
718	Chemicals -----	-----
720	Materials and Supplies/Repairs and maintenance -----	17,481
730	Contractual Services: -----	-----
	Operator and Management -----	18,268
	Testing -----	-----
	Other -----	6,622
740	Rents -----	6,000
750	Transportation Expense -----	524
755	Insurance Expense -----	734
765	Regulatory Commission Expenses (Amortized Rate Case Expense) -----	-----
770	Bad Debt Expense -----	-----
775	Miscellaneous Expenses -----	5,937
	Total Wastewater Operation And Maintenance Expense -----	\$ 55,566 *

* 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	13	14	21.0
1"	D	2.5	6	8	20.0
1 1/2"	D,T	5.0	4	4	20.0
2"	D,C,T	8.0	6	5	40.0
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): -----	-----	-----	-----	-----	-----
			1	1	
			Unmetered Customers		
			30	32	101.0

** D = Displacement
 C = Compound
 T = Turbine
 * Included with 3/4"

PUMPING EQUIPMENT

	1	2	3	4	5
Lift Station Number					
Make or Type and nameplate data on pump	Peabody Barnes	Hydromatic	Goulds	Hydromatic	Ebara
Year installed	1979	1979	1990	1990	1996
Rated capacity	75 gpm	75 gpm	115 gpm	140 gpm	160 gpm
Size	2 HP	3 HP	1.5 HP	3 HP	3 HP
Power:					
Electric	Electric	Electric	Electric	Electric	Electric
Mechanical					
Nameplate data of motor					

SERVICE CONNECTIONS

	6"	6"			
Size (inches)	6"	6"			
Type (PVC, VCP, etc.)	VCP	PVC			
Average length	50 ft	50 ft			
Number of active service connections	11	21			
Beginning of year	11	21			
Added during year	-	-			
Retired during year	-	-			
End of year	11	21			
Give full particulars concerning inactive connections					

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains		
	8"	8"		3"	4"	
Size (inches)	8"	8"		3"	4"	
Type of main	VCP	PVC		PVC	PVC	
Length of main (nearest foot)						
Beginning of year	2250 ft	9665 ft		1500 ft	8527 ft	
Added during year		760 ft		410 ft		
Retired during year					1602 ft	
End of year	2250 ft	10425 ft		1910 ft	6925 ft	

MANHOLES

	4'	4'		
Size (Inches)	4'	4'		
Type of Manhole	Fiberglass	RC		
Number of Manholes:				
Beginning of year	6	30		
Added during year				
Retired during year				
End of Year	6	30		

UTILITY NAME: Village Water, Ltd.

YEAR OF REPORT DECEMBER 31 1998

SYSTEM NAME:

TREATMENT PLANT

Manufacturer _____	<u>Defiance</u>	_____	_____
Type _____	<u>Extended aeration</u>	_____	_____
"Steel" or "Concrete" _____	<u>Concrete</u>	_____	_____
Total Capacity _____	<u>75000 gpd</u>	_____	_____
Average Daily Flow _____	<u>45000 gpd</u>	_____	_____
Effluent Disposal _____	<u>Ponds - 2</u>	_____	_____
Total Gallons of Wastewater treated _____	<u>14,939</u>	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>Hydromatic</u>	<u>Hydromatic</u>	_____	_____	_____	_____
Capacity (GPM's) _____	<u>140 gpm</u>	<u>75 gpm</u>	_____	_____	_____	_____
Motor:						
Manufacturer _____	<u>Unknown</u>	<u>Unknown</u>	_____	_____	_____	_____
Horsepower _____	<u>3</u>	<u>3</u>	_____	_____	_____	_____
Power (Electric or Mechanical) _____	<u>Electric</u>	<u>Electric</u>	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
	IN THOUSANDS	NONE	
January _____	<u>1,693</u>	_____	<u>1,693</u>
February _____	<u>1,421</u>	_____	<u>1,421</u>
March _____	<u>1,127</u>	_____	<u>1,127</u>
April _____	<u>1,085</u>	_____	<u>1,085</u>
May _____	<u>901</u>	_____	<u>901</u>
June _____	<u>1,250</u>	_____	<u>1,250</u>
July _____	<u>1,060</u>	_____	<u>1,060</u>
August _____	<u>1,229</u>	_____	<u>1,229</u>
September _____	<u>1,257</u>	_____	<u>1,257</u>
October _____	<u>1,292</u>	_____	<u>1,292</u>
November _____	<u>1,427</u>	_____	<u>1,427</u>
December _____	<u>1,197</u>	_____	<u>1,197</u>
Total for year _____	<u>14,939</u>	_____	<u>14,939</u>

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

UTILITY NAME: Village Water, Ltd.

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 152
2. Maximum ERCs ** that system can efficiently serve 260
3. Present system connection capacity (in ERC's) using existing lines 260
4. Future connection capacity (in ERC's) upon service area buildout 350
5. Estimated annual increase in ERCs * 0
6. State any plans and estimated completion dates for any enlargements of this system None
Addition of emergency effluent disposal percolation/evaporation pond of ten acres for additional effluent disposal capacity. Completion in February 1997.
7. List percent of certificated area where service connections are installed (total for each county)
Polk County - 100%
8. If present systems do not meet the requirements of DEP Rule 62-4, Florida Administrative Code, submit the following N/A
 - a. Evaluation of the present plant or plants in regard to meeting the DEP's rules.
 - b. Plans for funding and construction of the required upgrading.
 - c. Have these plans been coordinated with the DEP? _____
 - d. Do they concur? _____
 - e. When will construction begin? _____
9. Do you discharge effluent to surface waters? **NO**
10. Department of Environmental Protection ID # **FLA01087**
Water Management District ID # **NONE**

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

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

** Total Plant Capacity / 280 gallons

CERTIFICATION OF ANNUAL REPORT

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

- | | | |
|--|--------------------------------|---|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified

1.	2.	3.	4.
<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. The items being certified by the officer should be indicated in the appropriate area to the left of signature.

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