

CLASS "C"
WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of Less Than \$200,000 Each)

ANNUAL REPORT

OF

Lake Josephine Water
Exact Legal Name of Respondent

WU - 349
Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED

APR - 1 1999
Florida Public Service Commission
Division of Water and Wastewater

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1998

Form PSC/WAW 6 (Rev. __/__/__)

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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

Lake Josephine Water
(EXACT NAME OF UTILITY)

760 Henscratch Road Lake Placid, FL 33852	760 Henscratch Road Lake Placid, FL 33852	Highlands
Mailing Address	Street Address	County

Telephone Number (941)465-2916 Date Utility First Organized 6-1-79

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: 760 Henscratch Road
Lake Placid, FL 33852

Name of subdivisions where services are provided: Lake Josephine Heights

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Darald Pugh</u>	<u>Owner</u>	<u>760 Henscratch Road</u> <u>Lake Placid, FL 33852</u>	
Person who prepared this report: <u>The NCT Group CPA's, L.L.P.</u>	<u>CPA</u>	<u>435 South Commerce Ave</u> <u>Sebring, FL 33870</u>	
Officers and Managers: <u>Darald Pugh</u>	<u>Owner</u>	<u>Same</u>	\$ <u>38,000</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>N/A</u>			\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Lake Josephine Water

YEAR OF REPORT
DECEMBER 31 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ 103,889		\$	\$ 103,889
Commercial -----					
Industrial -----					
Multiple Family -----					
Guaranteed Revenues -----					
Other (Specify) -----					
Total Gross Revenue -----		\$ 103,889	\$	\$	\$ 103,889
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 72,475	\$	\$	\$ 72,475
Depreciation Expense(Net) _	F-5	15,578			15,578
Amortization Expense -----	F-8	(6,283)			(6,283)
Taxes Other Than Income -----	F-7	9,638			9,638
Income Taxes -----	F-7	6,323			6,323
Total Operating Expense		\$ 97,731	\$	\$	\$ 97,731
Net Operating Income (Loss)		\$ 6,158	\$	\$	\$ 6,158
Other Income:					
Nonutility Income		\$ 0	\$	\$	\$ 0
Gain/Loss on Sale of Asset					
Other Deductions:					
Miscellaneous Nonutility Expenses -----		\$ 0	\$	\$	\$ 0
Interest Expense -----		6,267			6,267
Rental Expenses					
Charitable Donations					
Net Income (Loss)		\$ (109)	\$	\$	\$ (109)

UTILITY NAME: Lake Josephine Water

YEAR OF REPORT
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COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 365,022	\$ 335,988
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u>152,061</u>	<u>136,483</u>
Net Utility Plant -----		\$ 212,961	\$ 199,505
Cash -----		1,552	2,160
Customer Accounts Receivable (141) -----			
Other Assets (Specify): -----			
Prepaid Expenses -----		2,250	6,123
1995 Rate Case Expense (Net) -----		0	167
Total Assets -----		\$ <u>216,763</u>	\$ <u>207,955</u>
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	<u>(41,242)</u>	<u>(39,499)</u>
Total Capital -----		\$ -----	\$ -----
Long Term Debt (224) -----	F-6	\$ 126,962	\$ 121,451
Accounts Payable (231) -----			
Notes Payable (232) -----			
Customer Deposits (235) -----		6,323	
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			
Accrual Wages -----			
Due to Shareholders -----			
Accrued Salaries -----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>124,720</u>	<u>126,003</u>
Total Liabilities and Capital -----		\$ <u>216,763</u>	\$ <u>207,955</u>

UTILITY NAME: Lake Josephine Water

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)_____	\$ 365,022	\$ _____	\$ _____	\$ 365,022
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ 365,022	\$ _____	\$ _____	\$ 365,022

ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year_____	\$ 136,483	\$ _____	\$ _____	\$ 136,483
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account_____	\$ 15,578	\$ _____	\$ _____	\$ 15,578
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
Total Credits_____	\$ 15,578	\$ _____	\$ _____	\$ 15,578
<u>Deduct Debits During Year:</u>				
Book cost of plant retired_____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
Total Debits_____	\$ 0	\$ _____	\$ _____	\$ 0
Balance End of Year_____	\$ 152,061	\$ _____	\$ _____	\$ 152,061

UTILITY NAME: Lake Josephine Water

YEAR OF REPORT DECEMBER 31, 1998

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____ N/A _____		N/A
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 _____ N/A _____	\$ _____	\$ _____
Changes during the year (Specify): _____ _____	_____ _____	_____ _____
Balance end of year _____	\$ _____	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ (39,502)	\$ _____
Changes during the year (Specify):		
Net Income (Loss) for Current Year _____	(109)	
Owner Draws _____	(1,631)	
Balance end of year _____	\$ (41,242)	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
Huntington Bank			\$ 7,157
Nations Bank			20,119
John Deere Credit			9,266
Richard Pugh			22,600
Darald Pugh			67,820
Total _____			\$ 126,862

UTILITY NAME: Lake Josephine Water

YEAR OF REPORT
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TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ 0	\$	\$	\$ 0
Add Accruals charged:				
State ad valorem tax	\$ 4,183	\$	\$	\$ 4,183
Local property tax	6,323			6,323
Federal income tax				
State income tax				
Regulatory assessment fee	4,853			4,853
Other (Specify) Fla. Int.				
Licenses and Other Taxes	602			602
Payroll Taxes				
2. Total Taxes Accrued	\$ 15,961	\$	\$	\$ 15,961
Deduct Taxes Paid:				
State ad valorem tax	\$ 4,183	\$	\$	\$ 4,183
Local property tax				
Federal income tax				
State income tax				
Regulatory assessment fee	4,853			4,853
Other (Specify) Fla. Int.				
Licenses and Other Taxes	602			602
Payroll Taxes				
3. Total Taxes Paid	\$ 9,638	\$	\$	\$ 9,638
4. Balance end of year (1 + 2 - 3 = 4)	\$ 6,323	\$	\$	\$ 6,323

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
Michael Knox	\$ 1,175	\$	Accounting and Consulting
The NCT Group CPA's, L.L.P.	\$ 1,275	\$	Accounting and Consulting
Pugh Utility Service	\$ 906	\$	Water Testing
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

UTILITY NAME: Lake Josephine Water

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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ 173,704	\$ _____	\$ 173,704
2) Add credits during year_____			
Tap fees and Service Connections_____	\$ 5,000	\$ _____	\$ 5,000
3) Total_____	178,704	_____	178,704
4) Deduct charges during the year_____			
5) Balance end of year_____	178,704	_____	178,704
6) Less Accumulated Amortization_____	53,984	_____	53,984
7) Net CIAC_____	\$ 124,720	\$ _____	\$ 124,720

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
Service Connections_____	Cash_____	1,400	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
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	
Tap Fees	6	\$ 600	\$ 3,600
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ 5,000

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year_____	\$ 47,701	\$ _____	\$ 47,701
Add Credits During Year:_____			
Deduct Debits During Year:_____	6,283	_____	6,283
Balance End of Year (Must agree with line #6 above.)_____	\$ 53,984	\$ _____	\$ 53,984

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

UTILITY NAME: Lake Josephine Water

YEAR OF REPORT DECEMBER 31, 1998

N/A

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 Number approving AFUDC rate:	_____

**WATER
OPERATING
SECTION**

UTILITY NAME: Lake Josephine Water

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	_____	_____	_____	25,000
303	Land and Land Rights	25,000	_____	_____	46,258
304	Structures and Improvements	46,258	_____	_____	_____
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____	_____	27,279
307	Wells and Springs	27,279	_____	_____	_____
308	Infiltration Galleries and Tunnels	_____	_____	_____	47,319
309	Supply Mains	47,319	_____	_____	_____
310	Power Generation Equipment	_____	_____	_____	3,467
311	Pumping Equipment	3,467	_____	_____	67,703
320	Water Treatment Equipment	67,703	_____	_____	_____
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____
331	Transmission and Distribution Lines	13,500	_____	_____	13,500
333	Services	11,100	_____	_____	11,100
334	Meters and Meter Installations	45,213	2,932	_____	48,145
335	Hydrants	_____	_____	_____	_____
336	Backflow Prevention Devices	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment	_____	_____	_____	_____
340	Office Furniture and Equipment	3,364	_____	_____	3,364
341	Transportation Equipment	2,875	25,000	_____	27,875
342	Stores Equipment	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment	34,133	1,102	_____	35,235
344	Laboratory Equipment	_____	_____	_____	1,943
345	Power Operated Equipment	1,943	_____	_____	_____
346	Communication Equipment	_____	_____	_____	6,834
347	Miscellaneous Equipment	6,834	_____	_____	_____
348	Other Tangible Plant	_____	_____	_____	_____
	Total Water Plant	\$ 335,988	\$ 29,034	\$ 0	\$ 365,022

UTILITY NAME: Lake Josephine Water

YEAR OF REPORT
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N/A

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	40	%	2.5 %	\$ 31,791	\$	\$ 772	\$ 32,563
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs	40	%	2.5 %	1,287		682	1,969
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains	40	%	2.5 %	2,434		1,183	3,617
310	Power Generating Equipment		%	%				
311	Pumping Equipment	40	%	2.5 %	304		86	390
320	Water Treatment Equipment	20	%	5.0 %	58,235		263	58,498
330	Distribution Reservoirs & Standpipes		%	%				
331	Trans. & Dist. Mains	40	%	2.5 %	1,182		337	1,519
333	Services	Various	%	Various %	2,505		445	2,950
334	Meter & Meter installations	20	%	5.0 %	21,843		2,233	24,076
335	Hydrants		%	%				
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment		%	%				
341	Transportation Equipment	Various	%	Various %	2,638		259	2,897
342	Stores Equipment	5	%	20.0 %	2,875		5,000	7,875
343	Tools, Shop and Garage Equipment	10	%	10.0 %	9,350		3,336	12,686
344	Laboratory Equipment		%	%				
345	Power Operated Equipment	20	%	5.0 %	464		97	561
346	Communication Equipment		%	%				
347	Miscellaneous Equipment	10	%	10.0 %	1,575		885	2,460
348	Other Tangible Plant		%	%				
	Totals				\$ 136,483	\$ 0	\$ 15,578	\$ 152,061 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Lake Josephine Water

YEAR OF REPORT
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WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 38,000
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	
610	Purchased Water	12,954
615	Purchased Power	
616	Fuel for Power Production	4,711
618	Chemicals	779
620	Materials and Supplies	
630	Contractual Services:	
	Operator and Management	
	Professional	906
	Testing	2,450
	Other	
640	Rents	4,150
650	Transportation Expense	1,310
655	Insurance Expense	167
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	7,048
675	Miscellaneous Expenses	
	Bank Charges, Office Expenses, Telephone, Postage Repairs & Maintenance, Small Tools & Misc. Exp)	
	Total Water Operation And Maintenance Expense	\$ 72,475 *

* 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	468	6	474
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		
			468	6	474

UTILITY NAME:

Lake Josephine Water

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME:

Lake Josephine

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1989	1994		
Types of Well Construction and Casing _____		Steel		
Depth of Wells _____	1100'	1400'		
Diameters of Wells _____	8"	8"		
Pump - GPM _____	300 GPM	400 GPM		
Motor - HP _____	15 HP SUBM	20 HP		
Motor Type * _____	Goulds			
Yields of Wells in GPD _____				
Auxiliary Power _____		156 KVA Diesel		
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	Pressure Steel	Holding Steel	Holding Steel	
Capacity of Tank _____	3300 GAL	20000 GAL	17000 GAL	
Ground or Elevated _____	Ground	Ground	Ground	

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors	8" Well	Pump Station	Pump Station	
Manufacturer _____	Goulds	Goulds	Goulds	
Type _____	Goulds	Goulds	Goulds	
Rated Horsepower _____	15 HP	15 HP	15 HP	
Pumps	Goulds	Goulds	Goulds	
Manufacturer _____	15 HP	15 HP	15 HP	
Type _____	250	250	250	
Capacity in GPM _____				
Average Number of Hours Operated Per Day _____	8			
Auxiliary Power _____				

UTILITY NAME: Lake Josephine Water
 N/A

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 _____	200,000	_____	_____
Type of Source _____	_____	_____	_____

WATER TREATMENT FACILITIES

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	325	[(41,522,000 / 365) / 350]	
2. Maximum ERCs ** that system can efficiently serve	571	(200,000 / 350)	
3. Present system connection capacity (in ERC's) using existing lines	400		
4. Future connection capacity (in ERC's) upon service area buildout	400		
5. Estimated annual increase in ERCs *	4 - 6		
6. List fire fighting facilities and capacities (including number of fire hydrants)	None		
7. List percent of certificated area where service connections are installed (total for each county)	100%		
8. What is the current need for system upgrading and/or expansion?	N/A		
9. What are plans for future system upgrading and/or expansion?	N/A		
10. Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)	N/A		
11. Has an application for a construction permit been filed with the DEP? (If so, explain)			N/A
12. Department of Environmental Protection ID #	N/A		
Water Management District ID #	N/A		
* ERC = (Total Gallons Sold / 365 days) / 350 Gallons Per Day			
** Total Plant Capacity / 350 gallons			

WASTEWATER OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-6 have been omitted from this report.

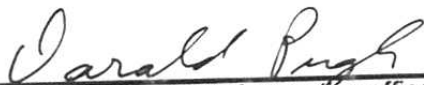
CERTIFICATION OF ANNUAL REPORT

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

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

Items Certified

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



 (signature of chief executive officer of the utility)
 Darald Pugh, Owner

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

CLASS "A"

WATER and/or SEWER UTILITIES
(Gross Revenue of \$750,000 and Over)

ANNUAL REPORT

OF

ROTONDA WEST UTILITY CORPORATION
P.O. Box 3509
Placida, FL 33946-3509

565-W 493-S

Certificate Number(s)

OFFICIAL COPY
DIVISION OF
WATER AND SEWER
Do Not Remove from this Office

FOR THE
YEAR ENDED DECEMBER 31, 1997

Form PSC/WAS 4 (Rev. 12/22/86)

General Instructions

- 1 Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Sewer Utilities.
- 2 Interpret all accounting words and phrases in accordance with the USOA.
- 3 Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
- 4 For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable". Do not omit any pages.
- 5 Where dates are called for, the month and day should be stated as well as the year.
- 6 All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
- 7 Complete this report by means which result in permanent record, such as by typewriter.
- 8 If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
- 9 If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
- 10 The report should be filled out in quadruplicate and the original and two copies returned by March 31 of the year following the date of the report. The report should be returned to:

Florida Public Service Commission
Division of Water and Sewer
101 East Gaines Street
Tallahassee, Florida 32399-0873

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EXECUTIVE
SUMMARY

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT
DECEMBER 31, 1997

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

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

YES NO
(X) ()

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission

YES NO
(X) ()

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

YES NO
(X) ()

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

YES NO
(X) ()

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.
(X) (X) (X) (X)



(signature of chief executive officer of utility)

Items Certified
1. 2. 3. 4.
() () () ()

(signature of chief financial officer of utility)

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. 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.

ANNUAL REPORT OF

ROTONDA WEST UTILITY CORPORATION
(Exact Name of Utility)

COUNTY: CHARLOTTE

List below the exact mailing address of the utility for which normal correspondence should be sent:

Rotonda West Utility Corporation
P.O. Box 3509
Placida, FL 33646

Telephone: (941) 697-1588

Name and address of person to whom correspondence concerning this report should be addressed:

Gary Littlestar
Rotonda West Utility Corporation
P.O. Box 3509
Placida, FL 33646

Telephone: (941) 697-1300

List below the address of where the utility's books and records are located:

Rotonda West Utility Corporation
9494 Placida Road
Cape Haze, FL 33946

Telephone: (941) 697-1588

List below any groups auditing or reviewing the records and operations:

FERRELL & MOSES, P.A. 1509 W. SWANN AVE, STE 100, TAMPA, FL 33606

Date of original organization of the utility: 6/17/57

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

Individual

Partnership

Sub S Corporation

1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility.

Name	Percent Ownership
1) Rotonda Properties, inc.	100%
2)	%
3)	%
4)	%
5)	%
6)	%
7)	%
8)	%
9)	%
10)	%

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1) (2)	TITLE OR POSITION	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH CCBCC
Michael R. Moses, CPA	Accountant	Ferrell & Moses, P.A. (813) 254-7222	Accountants
Marty Deterding	Attorney	Rose, Sundstrom, & Bentley (904) 877-6555	Legal Counsel
Joan Miller	Accountant	Rotonda West Utility Corp.	Accounting

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

Rotonda West Utility Corporation became such through a name change on February 8, 1972 from the Cape Haze Water Company, Inc. was owned by the Vanderbilts, was a small size, and had nominal utility assets providing potable water services to the lots being developed and sold by the Vanderbilts on the Cape Haze Peninsula. Prior to the name change, in 1969, the utility along with other significant land holdings of the Vanderbilt family were acquired by Cavanaugh Communities Corporation (CCC). The stock of Rotonda West Utility Corporation was acquired by Rotonda Properties, Inc. in 1980, ownership has not subsequently changed.

The cost of the water utility assets acquired by CCC were established through a cost study performed by Frederick L. Bell, engineer. Subsequent to 1970 substantial portions of the potable water distribution system as well as the sewerage collection system were contributed to the utility. Through a cost analysis in 1978 by Arthur R. Finney, Jr., all unsupported facility additions were eliminated from rate base.

The currently operational reverse osmosis water treatment facility was completed in 1973 and modified in 1978 to its current capacity of .5MGD.

A lime water treatment plant was added to the system during 1993. This plants rated capacity is .5 MGD.

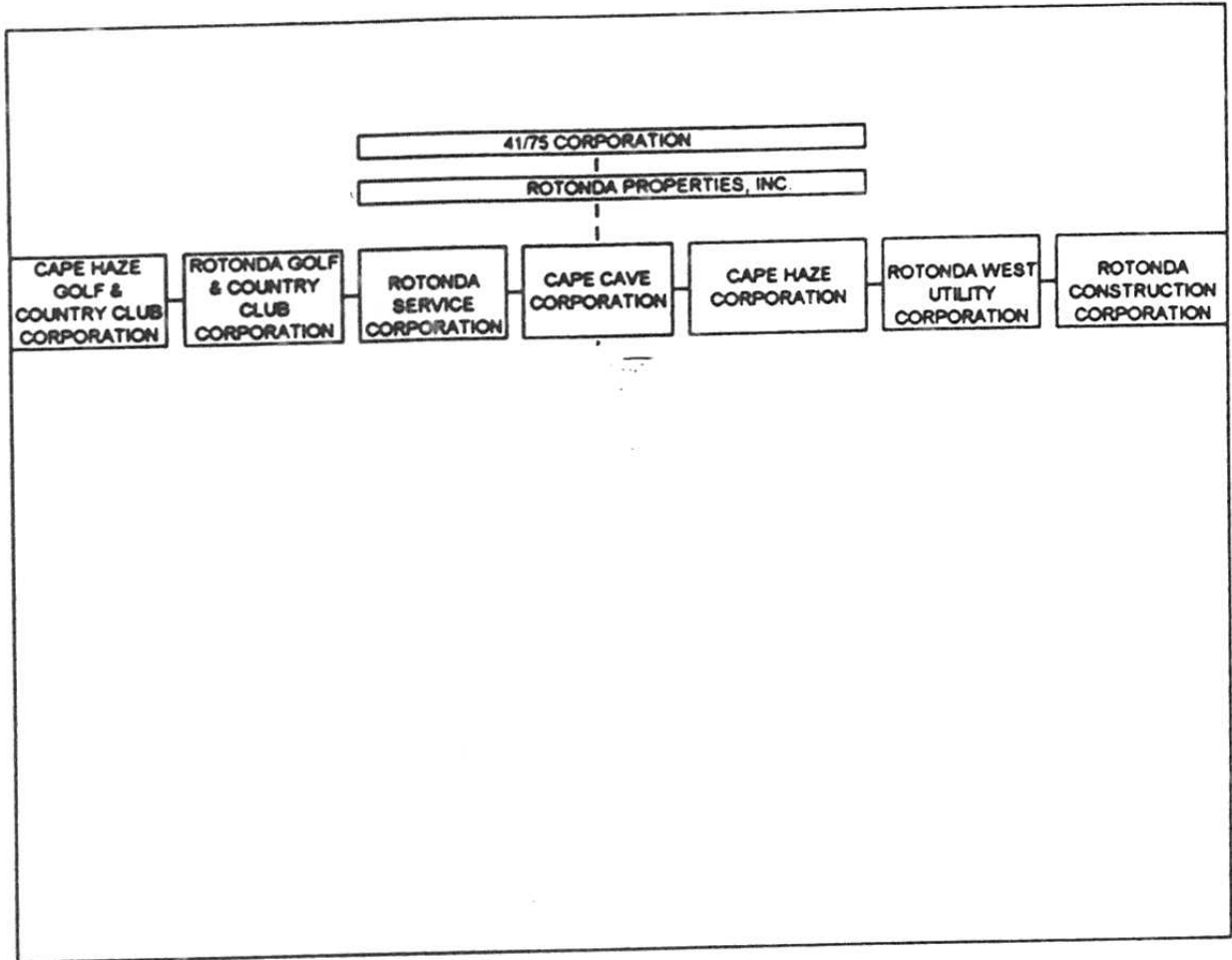
Sewerage treatment was initiated under the aegis of CCC in 1973 with the completion of a .075MGD facility. The aforementioned was expanded in 1977 to .25MGD and again in 1984 to .346MGD. Portions of the aforementioned non cohesive facilities were retired in 1988 with the completion of the currently operational .625MGD advanced wastewater treatment facility.

Rotonda West Utility Corporation's franchise area continues to grow at the rate of 140+- service connections per year. This continual growth coupled with ever increasing environmental concerns provides Rotonda West Utility Corporation challenges in providing the expected quality of potable water service and effluent disposal at the least possible expense to the customer.

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/97

Complete below an organizational chart that shows all parents and subsidiaries of the utility. The chart must also show the relationship between the utility and the affiliates listed on E7, E-10(a) and E-10(b).



YEAR OF REPORT DECEMBER 31, 1997

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Gary D. Littlestar	President	50%	Management Fee

Share00

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTOR MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
Gary D. Littlestar	President	1	\$500 Per Month

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
None			

* Business agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME: (A)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (B)	AFFILIATION OR CONNECTION (C)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (D)
Gary D Lattestar	President	Sole Director, President, Secretary, Treasurer	Rotonda Properties, Inc. 4005 Cape Haze Drive Cape Haze, FL 33946
Gary D Lattestar	President	Sole Director, President, Secretary, Treasurer	Cape Cave Corporation 4005 Cape Haze Drive Cape Haze, FL 33946
Gary D Lattestar	President	Sole Director, President, Secretary, Treasurer	Cape Haze Corporation 4005 Cape Haze Drive Cape Haze, FL 33946
Gary D Lattestar	President	Sole Director, President, Secretary, Treasurer	Chthon Advisors 4005 Cape Haze Drive Cape Haze, FL 33946
Gary D Lattestar	President	Sole Director, President, Secretary, Treasurer	Boca Grande Loan Corporation 4005 Cape Haze Drive Cape Haze, FL 33946
Gary D Lattestar	President	Sole Director, President, Secretary, Treasurer	4175 Corporation 4005 Cape Haze Drive Cape Haze, FL 33946

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1998

BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT PRODUCT RESULT OF PROVIDING WATER OR SEWER SERVICE

Complete the following for any business which conducted as a by-product, coproduct or joint product as a result of providing water and/or sewer service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are property included in Account 121 - Nonutility Property along with the associated revenues and expenses segregated out as nonutility also

BUSINESS OR SERVICE CONDUCTED (A)	ASSETS		REVENUES		EXPENSE	
	BOOK COST OF ASSETS (B)	ACCT. NO. (C)	REVENUES GENERATED (D)	ACCT NO (E)	EXPENSES INCURRED (F)	ACCT NO. (G)
None	\$		\$		\$	

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31 1997

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6 identifying the parties, amounts, dates and product, asset, or service involved

Part I. Specific Instructions Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided
2. Below are some types of transactions to include:
 - management, legal and accounting services
 - computer services
 - engineering & construction services
 - repairing and servicing of equipment
 - Material and supplies furnished
 - leasing of structures, land and equipment
 - rental transactions
 - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (A)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (B)	CONTRACT OR AGREEMENT EFFECTIVE DATES (C)	ANNUAL CHARGES	
			(P) URCHASED OR (S) OLD (D)	AMT (E)
Chrihon Advisors	Management fee	12/9/94	P	\$250,000
Rotonda Properties	Directors Fee	12/9/94	P	\$6,000
Cape Cave Corporation	Supplies, Courier, Postage reimbursement	Various	P	\$2,488

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont 'd)

PART II. Specific Instructions: Sale, purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.
2. Below are examples of some types of transactions to include:
 - purchase, sale or transfer of equipment
 - purchase, sale or transfer of land and structures.
 - purchase, sale or transfer of securities
 - noncash transfers of assets.
 - noncash dividends other than stock
 - write-off of bad debts or loans
3. The columnar instructions follow:
 - (a) Enter name of related party or company
 - (b) Describe briefly the type of assets purchased, sold or transferred.
 - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S" reported.
 - (d) Enter the net book value for each item reported.
 - (e) Enter the net profit or loss for each item (column (c) - column (d))
 - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, described the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (A)	DESCRIPTION OF ITEMS (B)	SALE OR PURCHASE PRICE (C)	NET BOOK VALUE (D)	GAIN OR LOSS (E)	FAIR MARKET VALUE (F)
None		\$	\$	\$	\$

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

COMPOSITE STATISTICS FOR ALL
PRIVATELY OWNED WATER AND SEWER UTILITIES UNDER AGENCY JURISDICTION

DESCRIPTION (a)	WATER (b)	SEWER (c)
PLANT (Intrastate only) (000's Omitted):		
Plant in Service	8,289	5,622
Construction Work in Progress	14	837
Plant Acquisition Adjustment		
Plant Held For Future Use	1,524	250
Materials and Supplies	17	17
Less:		
Accumulated Depreciation and Accumulated Amortization	(2,045)	(1,153)
Contributions In Aid of Construction	(2,831)	(1,264)
Net Book Cost	4,968	4,309
REVENUES AND EXPENSES (Intrastate Only) (000's Omitted):		
Operating Revenues	1,625	1,277
Depreciation and Amortization Expense	250	134
Income Tax Expense	66	66
Taxes Other Than Income	182	166
Other Operating Expenses	738	637
Total Operating Expense	1,236	1,003
Net Operating Income	389	274
Other Income	37	37
Other Income Deductions	423	283
Net Income	3	28
CUSTOMERS (Intrastate Only):		
Residential - Yearly Average	3,003	2,798
Commerical - Yearly Average	90	43
Industrial - Yearly Average	0	0
Others - Yearly Average	12	12
Total	3,105	2,853
OTHER STATISTICS (Intrastate Only):		
Average Annual Residential Use Per 1,000 Gallons	67	59
Average Annual Residential Cost Per 1,000 Gallons	3.95	3.68
Average Residential Monthly Bill	39.52	32.27
Gross Plant Investment Per Customer	1,600	1,510

FINANCIAL
SECTION

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO (a)	ACCT NAME (b)	REF PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-5	16,537,989	\$ 16,285,221
108-110	Less: Accumulated Depreciation and Amortization	F-6	3,198,503	2,749,900
	Net Plant		\$ 13,339,486	\$ 13,535,321
114-115	Utility Plant Acquisition Adjustment (Net)	F-5		
116	Other Utility Plant Adj.			
	Total Net Utility Plant		\$ 13,339,486	\$ 13,535,321
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-7	1,056,102	\$ 1,056,102
122	Less: Accumulated Depreciation and Amortization		667,385	664,301
	Net Nonutility Property		388,717	\$ 391,801
123	Investment In Associated Companies	F-8		
124	Utility Investments	F-8		
125	Other Investments	F-8		
126-127	Special Funds	F-8		
	Total Other Property & Investments		\$ 388,717	\$ 391,801
CURRENT AND ACCRUED ASSETS				
131	Cash		1,284,522	\$ 852,562
132	Special Deposits	F-7		0
133	Other Special Deposits	F-7		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-9	232,588	262,863
145	Accounts Receivable from Associated Companies	F-10	186,004	136,063
146	Notes Receivable from Associated Companies	F-10	180,000	180,000
151-153	Material and Supplies	F-11	34,911	34,030
161	Stores Expense			
162	Prepayments	F-11	38,032	1,716
171	Accrued Interest and Dividends Receivable			
172	Rents Receivable			
173	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets		1,000	26,845
	Total Current and Accrued Assets		\$ 1,957,057	\$ 1,494,079

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT NO (a)	ACCT NAME (b)	REF PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-12	169,192	\$ 132,555
182	Extraordinary Property Losses	F-12		
183	Preliminary Survey & Investigation Charges			
184	Cleaning Accounts			
185	Temporary Facilities			
186	Misc. Deferred Debits	F-11	49,982	71,402
187	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes		363,492	374,918
	Total Deferred Debits		582,666	\$ 578,875
	TOTAL ASSETS AND OTHER DEBITS		16,267,928	\$ 16,000,077

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT NO. (a)	ACCT NAME (b)	REF PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-14	21,000	\$ 21,000
204	Preferred Stock issued	F-14		
202, 205	Capital Stock Subscribed			
203, 206	Capital Stock Liability For Conversion			
207	Premium on Capital Stock			
209	Reduction in Par or Stated Value of Capital Stock			
210	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		4,268,000	4,268,000
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-15	(2,700,530)	(2,731,475)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
	Total Equity Capital		1,588,470	\$ 1,557,525
LONG TERM DEBT				
221	Bonds	F-16	\$	\$
222	Reacquired Bonds			
223	Advances from Associated Companies	F-16		
224	Other Long Term Debt	F-14	8,524,106	\$ 8,942,180
	Total Long Term Debt		\$ 8,524,106	\$ 8,942,180
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		22,582	\$ 41,276
232	Notes Payable	F-13		
233	Accounts Payable to Associated Co.	F-13		0
234	Notes payable to Associated Co.	F-13		
235	Customer Deposits		255,866	93,459
236	Accrued Taxes	F-17	149,164	138,931
237	Accrued Interest	F-18	26,993	73,603
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-19	173,636	29,482
	Total Current and Accrued Liabilities		\$ 628,241	\$ 376,751

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO (a)	ACCT NAME (b)	REF PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-12	\$	
252	Advances for Construction	F-19		
253	Other Deferred Credits		1,431,635	\$ 1,614,949
255	Accumulated Deferred Investment Tax Credits			
	Total Deferred Credits		\$ 1,431,635	\$ 1,614,949
OPERATING RESERVES				
261	Property Insurance Reserve		\$	\$
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
	Total Operating Reserves		\$	\$ 0.00
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions In Aid of Construction	F-20	4,572,371	\$ 3,888,038
272	Accumulated Amortization of Contributions In Aid of Construction	F-21	476,897	379,366
	Total New C.I.A.C.		4,095,474	\$ 3,508,672
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes Accelerated Depreciation		\$	\$ 0.00
282	Accumulated Deferred Income Taxes Liberalized Depreciation			0
283	Accumulated Deferred Income Taxes Other			0
	Total Accum. Deferred Income Taxes		\$	\$ 0.00
	TOTAL EQUITY CAPITAL AND LIABILITIES		16,267,926	\$ 16,000,077

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCT NAME (b)	REF PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues	F-3(b)	\$ 2,679,357	\$ 2,903,017
401	Operating Expense	F-3(b)	\$ 1,083,261	\$ 1,374,329
403	Depreciation Expense	F-6	383,582	383,156
406	Amortization of Utility Plant Acquisition Adjustment		804	803
407	Amortization Expense			
408.10	Taxes Other Than Income	F-17	325,040	348,169
409.10	Income Taxes	F-17	102,073	132,392
410.10	Deferred Federal Income Taxes			
410.11	Deferred State Income Taxes			
411.10	Provision for Deferred Income Taxes Credit			
412.10	Investment Tax Credits Deferred to Future Periods			
412.11	Investment Tax Credits Restored to Operating Income			
	Utility Operating Expense		\$ 1,894,760	\$ 2,238,849
	Utility Operating Income		\$ 784,596	\$ 664,168
413	Income From Utility Plant Leased to Others			
414	Gains (Losses) From Dispositin of Utility property		\$	
	Total Utility Operating Income [Enter here and on Page F-39c)]		\$ 784,596	\$ 664,168

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
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COMPARATIVE OPERATIVE STATEMENT

REF PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (i)	OTHER (j)
W-3	1,625,865	S-3	1,277,152	\$
W-2	737,844	S-2	636,485	\$
	249,571		133,585	
F-6	402	F-6	401	
F-17	181,931	F-17	166,238	
F-17	66,196	F-17	66,196	
	1,235,944		1,002,905	\$
	389,921		274,247	\$
	389,921		274,247	\$

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO (a)	ACCT NAME (b)	PREVIOUS YEAR (c)	REF PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [From Page F-3 (a)]	\$ 784,596		664,168
	OTHER INCOME AND DEDUCTIONS			
415	Revenues From Merchandising, Jobbing and Contract Deductions	\$ -----		\$ -----
416	Costs and Expenses of Merchandising, Jobbing and Contract Work	-----		-----
419	Interest and Dividend Income	21,980		62,035
420	Allowance for Funds Used During Construction	-----		-----
421	Nonutility Income	692		12,325
426	Miscellaneous Nonutility Expense	(43,030)		(3,084)
	Total Other Income and Deductions	\$ (20,358)		\$ 71,276
	TAXES APPLICABLE TO OTHER INCOME			
408.2	Taxes Other Than Income	\$ -----	F-17	\$ -----
409.2	Income Taxes	(108,883)	F-17	(112,523)
410.2	Provision for Deferred Income Taxes	-----		-----
411.2	Provision for deferred Income Taxes Credits	-----		-----
412.2	Investment Tax Credits - Net	-----		-----
412.3	Investment Tax Credits Restored to Operating Income	-----		-----
	Total Taxes Applicable To Other Income	(108,883)		(112,523)
	INTEREST EXPENSE			
427	Interest Expense	\$ 814,963	F-18	716,954
428	Amortization of Debt Discount & Expense	32,282	F-12	100,068
429	Amortization of Premium on Debt	0	F-12	-----
	Total Interest Expense	\$ 867,245		\$ 817,022
	EXTRAORDINARY ITEMS			
433	Extraordinary Income	-----		\$ -----
434	Extraordinary Deductions	-----		-----
409.3	Income Taxes, Extraordinary Items	-----		-----
	Total Extraordinary Items	\$ -----		\$ -----
	NET INCOME	\$ 5,876		\$ 30,945

SCHEDULE OF YEAR END RATE BASE

ACCT NO (a)	ACCOUNT NAME (b)	REF PAGE (c)	WATER UTILITY (d)	SEWER UTILITY (e)
101	Utility Plant In Service	F-5	8,289,131	5,622,233
	Less:			
	Non used and Useful Plant (1)		143,027	882,313
108.1	Accumulated Depreciation	F-6	2,042,841	1,150,887
110.1	Accumulated Amortization	F-6	2,488	2,488
271	Contributions In Aid of Construction	F-20	3,187,838	1,404,533
252	Advances for Construction	F-19		
	Subtotal		2,932,937	2,182,212
	Additions			
272	Accumulated Amortization of Contributions In Aid of Construction	F-21	336,632	140,265
	Subtotal		3,269,569	2,322,477
	Plus or Minus:			
114	Acquisition Adjustments (2)			
115	Accumulated Amortization of Acquisition Adjustments (2)			
	Working Capital Allowance (3)		415,934	415,934
	Other (Specify):			
	RATE BASE		3,685,503	2,738,411
	UTILITY OPERATING INCOME		389,921	274,247
	ACHIEVED RATE OF RETURN		10.58%	10.01%

NOTES:

- 1 Estimated if not known.
- 2 Include only those Acquisition Adjustment that have been approved by the Commission
- 3 Calculated using the Balance Sheet Method, beginning-year end average.

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
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UTILITY PLANT (ACCTS 101 - 106)

ACCT. NO (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
Plant Accounts:					
101	Utility Plant In Service	\$8,289,131	\$5,622,233	\$	\$13,911,364
102	Utility Plant Leased to Others				
103	Property Held for Future Use	1,524,453	250,826		1,775,279
104	Utility Plant Purchased or Sold				
105	Construction Work In Progress	14,070	837,276		851,346
106	Completed Construction Not Classified				
	Total Utility Plant	\$ 9,827,654	\$ 6,710,335	\$	\$ 16,537,989

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS 114 - 115)

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustment approved by the Commission, include the Order Number.

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):				
	\$	\$	\$	\$
Total Plant Acquisition Adjs.	\$	\$	\$	\$
ACCUMULATED AMORTIZATION (115):				
	\$	\$	\$	\$
Total Accumulated Amortization	\$	\$	\$	\$
Net Acquisition Adjustments	\$	\$	\$	NONE

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	1,741,554	1,004,175		\$ 2,745,729
Credits during year:				
Accruals Charged:				
to Account 108.1	317,731	162,956		\$ 480,687
to Account 108.2				
to Account 108.3				
Accruals charged other accounts (specify)				
General				
Salvage				
Other credits (specify)				
Total Credits	\$ 317,731	\$ 162,956	\$	\$ 480,687
Debits during year:				
Book cost of plant retired	16,444	16,444	\$	\$ 32,888
Cost of removal				
Other debits (specify)				
Total debits	16,444	16,444	\$	32,888
Balance end of year	\$ 2,042,841	\$ 1,150,687		\$ 3,193,528

ACCUMULATED AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ 2,086	\$ 2,086	\$	\$ 4,172
Credits during year:				
Accruals charged:				
to Account 110.1	\$ 402	\$ 401	\$	\$ 803
to Account 110.2				
Other credits (specify)				
Total credits	\$ 402	\$ 401	\$	\$ 803
Debits during year:				
Book cost of plant retired				
Other debits (specify)				
Total Debits	\$	\$	\$	\$
Balance end of year	\$ 2,488	\$ 2,488	\$	\$ 4,975

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

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NONUTILITY PROPERTY (ACCT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121. Other items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR BALANCE (b)	ADDITIONS (c)	REDUCTIONS (d)	END YEAR BALANCE (e)
Asset removed from rate base by rate order	\$ 10,008,452	\$	\$	\$ 10,008,452
	361,180			\$ 361,180
Nonpotable water transmission line	2,900			2,900
Contributions in aid of construction remove from rate base by rate order reclassified from deferred advances and netted against the related assets	(9,316,430)			(9,316,430)
Total Nonutility Property	\$ 1,056,102	\$	\$	\$ 1,056,102

SPECIAL DEPOSITS (ACCTS 132 - 133)

Report hereunder all special deposits carried in Accounts 132 and 133	
DESCRIPTION (a)	END YEAR BALANCE (b)
SPECIAL DEPOSITS (ACCTS. 132)	\$ -
Total Special Deposits	\$ -
OTHER SPECIAL DEPOSITS (ACCTS. 133)	\$ -
Total Special Deposits	NONE

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

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INVESTMENTS AND SPECIAL FUNDS (ACCTS 123 - 127)

Report hereunder all investments and special funds carried in Accounts 123 thru 127		
DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT 123)	\$	\$
	-----	-----
	-----	-----
	-----	-----
	-----	-----
Total Investment In Associated Companies		NONE
UTILITY INVESTMENT (ACCT 124):	\$	\$
	-----	-----
	-----	-----
	-----	-----
	-----	-----
Total Utility Investments		NONE
OTHER INVESTMENTS (ACCT. 125):	\$	\$
	-----	-----
	-----	-----
	-----	-----
	-----	-----
Total Other Investments		NONE
SPECIAL FUNDS (ACCTS. 126 & 127):	\$	\$
	-----	-----
	-----	-----
	-----	-----
	-----	-----
Total Special Investments		NONE

ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually

DESCRIPTION (a)	TOTAL (b)
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141):	
Water	\$239,920
Sewer	
Other	
Total Customer Accounts Receivable	\$239,920
OTHER ACCOUNTS RECEIVABLE (Acct. 142):	
Misc.	\$10,778
Total Other Accounts Receivable	\$10,778
NOTES RECEIVABLE (Acct. 144):	
	\$
Total Notes Receivable	
Total Accounts and Notes Receivable	\$250,698
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Acct. 143)	
Balance first of year	\$6,863
Add: Provision for uncollectibles for current year	\$11,227
Collections of accounts previously written off	
Utility accounts	
Other	
Total Additions	\$11,227
Deduct accounts written off during year:	
Utility Accounts	\$
Others	
Total accounts written off	\$
Balance end of year	\$18,110
Total Accounts and Notes Receivable - Net	\$232,588

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT DECEMBER 31, 1997

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 145)

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Cape Cave Corporation	\$9,875
Rotonda Properties, Inc.	\$158,579
41/75 Interest on Note Receivable	\$17,550
Total	<u>\$186,004</u>

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 146)

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
41/75 Corp. Advance Agreement	6.50%	\$ 180,000
Total		<u>\$ 180,000</u>

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

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MATERIALS AND SUPPLIES (ACCTS 151 - 153)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Plant Material and Supplies (Acct 151)	\$ 17,456	\$ 17,456	\$	\$ 34,911
Merchandise (Acct. 152)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXX	-----
Other Material and Supplies (Acct. 153)	-	-	XXXXXXXXXXXX	-
Total Material and Supplies	\$ 17,456	\$ 17,456	XXXXXXXXXXXX	\$ 34,911

PREPAYMENTS (ACCT 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance	\$ 11,442
Prepaid Rents	-----
Prepaid Interest	-----
Prepaid Taxes	-----
Other Prepayments (Specify) <u>Florida Power and Light</u>	\$ 26,590

Total Prepayments	\$ 38,032

MISCELLANEOUS DEFERRED DEBITS

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186 1)	\$ 49,982
Other Deferred Debits (Acct. 186 2)	-
Total Miscellaneous Deferred Debits	\$ 49,982

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS 181 AND 251)

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181)		
Debt. Issuance Cost - Southtrust	\$ 93,005	\$0
Debt. Issuance Cost - CoBank	7,063	\$169,192
Total Unamortized Debt Discount and Expense	\$ 100,068	169,192
UNAMORTIZED PREMIUM ON DEBT (Acct. 251)		
	\$	\$
Total Unamortized Premium on Debt	\$	NONE

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
	\$
Total Extraordinary Property Losses	NONE

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
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NOTES PAYABLE (ACCTS 232 AND 234)

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					
	-----	-----	-----	%	-----
	-----	-----	-----	%	-----
	-----	-----	-----	%	-----
	-----	-----	-----	%	-----
Total Account 232					none
ACCOUNT 234 - NOTES PAYABLE TO ASSOCIATED COMPANIES:					
	-----	-----	-----	%	-----
	-----	-----	-----	%	-----
	-----	-----	-----	%	-----
	-----	-----	-----	%	-----
Total Account 234					none

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT 233)

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
	\$
Total	none

STATEMENT OF RETAINED EARNINGS

1 Dividends should be shown for each class and series of capital stock
Show amounts of dividends per share.
2 Show separately the state and federal income tax effect of items shown in
Account No. 439

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings:	
	Balance beginning of year	(\$2,731,475)
	Changes to account:	
439	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits:	
	Total Credits	\$ 0
	Debits	
	Total Debits	\$
435	Balance Transferred from Income	\$ 30,945
436	Appropriations of Retained Earnings:	
	Total Appropriations of Retained Earnings	\$
	Dividends Declared:	
437	Preferred Stock Dividends Declared	\$
438	Common Stock Dividends Declared	
	Total Dividends Declared	\$
	Balance end of year	\$ \$ (2,700,530)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	
	Total Appropriated Retained Earnings	\$
	Total Retained Earnings	\$ \$ (2,700,530)

Notes to Statement of Retained Earnings:

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

BONDS (ACCT 221)

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	RATE (b)	FREQUENCY OF PAYMENT (c)	
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			NONE

ADVANCES FROM ASSOCIATED COMPANIES (ACCT 223)

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
	\$
Total	NONE

ACCRUED TAXES (ACCT 236)

ACCT NO (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year	\$ 100,328	\$ 85,289	\$	\$ 185,617
408.10	Accruals Charged:				
	Utility Regulatory				\$ 130,636
408.11	Assessment Fees	73,164	57,472	\$	\$ 212,762
408.12	Property Taxes	106,381	106,381		\$
408.13	Payroll Taxes				\$ 4,771
409.10	Other Taxes & Licenses	2,386	2,385		\$ 113,516
409.11	Federal Income Taxes	56,758	56,758		\$ 18,876
410.10	State Income Taxes	9,438	9,438		
410.11	Taxes Applicable To Other Income (Accts. 408.2, 409.2, 409.3, 410.2)	(56,262)	(56,261)	\$	\$ (112,523)
	Total Taxes Accrued	191,865	176,173	0 0 0	368,038
	Taxes Paid During Year:				
408.10	Utility Regulatory				\$ 120,571
	Assessment Fees	67,905	52,666		\$ 212,596
408.11	Property Taxes	106,298	106,298		\$
408.12	Payroll Taxes				\$ 4,771
408.13	Other Taxes & Licenses	2,386	2,385		\$ 153,377
409.10	Income Taxes	77,088	76,289		\$ 25,699
409.11	State Income Taxes	12,918	12,781		
	Taxes Applicable To Other Income (Accts. 408.2, 409.2, 409.3, 410.2)	(56,262)	(56,261)		\$ (112,523)
	Total Taxes Paid	142,428	194,158	0 0 0	404,491
	Balance End of Year	\$ 149,765	\$ 67,304	#	# \$ 149,164

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
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ACCRUED INTEREST (ACCT 237)

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT DEBIT (c)	AMOUNT (d)		
ACCOUNT NO 237.1 - ACCRUED INTEREST ON LONG TERM DEBT:	\$ 70,799	427	711,498	758,294	\$ 24,003
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total Account No. 237.1	\$ 70,799	_____	\$ 711,498	\$758,294	\$ 24,003
ACCOUNT NO 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES:	\$ 2,804	427	5,456	5,270	\$ 2,990
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total Account No. 237.2	\$ 2,804	_____	\$ 5,456	\$ 5,270	\$ 2,990
Total Account No. 237	\$ 73,603	_____	\$ 716,954	\$763,564	\$ 26,993

REGULATORY COMMISSION EXPENSE - AMORTIZATION
OF RATE CASE EXPENSE (ACCTS. 666 AND 766)

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT (d)	AMOUNT (e)
Docket #95-0336-WS	21,420	_____	_____	21,420
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total	\$ 21,420	\$ _____	_____	\$ 21,420

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES UTILITY OPERATIONS

1 The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.

2 If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. (b)	AMOUNT (c)
Net Income for the year		
Reconciling items for the year:		
Taxable income not reported on books:		
_____		-----
_____		-----
_____		-----
_____		-----
Deductions recorded on books not deducted for return:		
_____		-----
_____		-----
_____		-----
_____		-----
Income recorded on books not included in return:		
_____		-----
_____		-----
_____		-----
_____		-----
Deduction on return not charged against book income:		
_____		-----
_____		-----
_____		-----
_____		-----
Federal tax net income:		*Not Available
Computation of tax:		
<p>* Tax returns are completed on a consolidated basis along with parent. Parent is using 3/31 tax year. 1997 return is incomplete and unavailable at this time.</p>		

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

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT DECEMBER 31, 1997

SCHEDULE "A"
SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (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		%	%	%
Tax Credits - Weighted Cost		%	%	%
Deferred Income Taxes		%	%	%
Other (Explain)		%	%	%
Total	\$	100.00%		%

(1) Should equal amounts on Schedule B, Column (f), Page F- 25

(2) 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 ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

YEAR OF REPORT
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UTILITY NAME ROTONDA WEST UTILITY CORPORATION

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):

Empty box for explaining adjustments made in Column (e).

WATER
OPERATION
SECTION

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization		\$	\$
302	Franchises	\$ 16,080	0	
303	Land and Land Rights	382,023	(0)	
304	Structures and Improvements	20,860		
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	23,803		
308	Infiltration Galleries and Tunnels			
309	Supply Mains	6,233		
310	Power Generation Equipment			
311	Pumping Equipment	1,757,547	4,370	
320	Water Treatment Equipment	2,692,786	167,923	
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	2,197,344	162,717	
333	Services	28,906	23,297	
334	Meters and Meter Installations	288,995	25,653	
335	Hydrants	176,821	1,997	
339	Other Plant and Miscellaneous Equipment			
340	Office Furniture and Equip.	134,733	1,275	
341	Transportation	111,612	21,548	20082
342	Stores Equipment			
343	Tools, Shop and Garage Equip.			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	62690		
	Total Water Plant	\$ 7,900,433	\$ 408,780	\$ 20,082

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

WATER UTILITY PLANT MATRIX

CURRENT YEAR (f)	1 INTANGIBLE PLANT (g)	2 SOURCE OF SUPPLY AND PUMPING PLANT (h)	3 WATER TREATMENT PLANT (i)	4 TRANSMISSION AND DISTRIBUTION PLANT (j)	GENERAL PLANT (k)
\$	\$	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
16,080	16,080	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
382,023	XXXXXXXXXX	-----	382,023	-----	-----
20,860	XXXXXXXXXX	-----	-----	-----	20,860
-----	XXXXXXXXXX	-----	XXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
-----	XXXXXXXXXX	-----	XXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
-----	XXXXXXXXXX	-----	XXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
23,803	XXXXXXXXXX	23,803	XXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
-----	XXXXXXXXXX	-----	XXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
6,233	XXXXXXXXXX	6,233	XXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
-----	XXXXXXXXXX	-----	XXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
1,761,917	XXXXXXXXXX	1,761,917	XXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXX
2,860,709	XXXXXXXXXX	XXXXXXXXXX	2,860,709	XXXXXXXXXXXXXX	XXXXXXXXXX
-----	XXXXXXXXXX	XXXXXXXXXX	-----	-----	XXXXXXXXXX
2,360,061	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	2,360,061	XXXXXXXXXX
-----	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	-----	XXXXXXXXXX
52,203	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	52,203	XXXXXXXXXX
314,648	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	314,648	XXXXXXXXXX
178,818	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	178,818	XXXXXXXXXX
-----	-----	-----	-----	-----	XXXXXXXXXX
136,008	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX	136,008
113,078	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX	113,078
-----	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX	-----
-----	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX	-----
-----	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX	-----
-----	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX	-----
-----	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX	-----
62,690	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX	62,690
<u>\$ 8,289,131</u>	<u>\$ 16,080</u>	<u>\$ 1,791,953</u>	<u>\$ 3,242,732</u>	<u>\$ 2,905,730</u>	<u>\$ 332,636</u>

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	SOURCE OF SUPPLY AND EXPENSED-OPERATIONS (d)	SOURCE OF SUPPLY AND EXPENSED-MAINTENANCE (e)
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	133,969	2688	
616	Fuel For Power Purchased			
618	Chemicals	50,135		
620	Material and Supplies	21,342		1,067
631	Contractual Services - Eng.			
632	Contractual Services - Acct.	2,829		
633	Contractual Services - Legal.	6,185		
634	Contractual Services - Management Fees	76,800		
635	Contractual Services - Other	336,367	20183	20182
641	Rental of Building / Real Property			
642	Rental of Equipment			
650	Transporation Expense	10,450		
656	Insurance - Vehicle			
657	Insurance - General Liability			
658	Insurance - Workman's Compensation			
659	Insurance - Other	40,295		
660	Advertising Expense			
666	Regulatory Commission Expense - Amortization of Rate Case Expense	11,995		
667	Regulatory Commission Expense Other			
670	Bad Debt Expense	7,432		
675	Miscellaneous Expense	40,045		
	Total Water Plant	\$ 737,844	\$ 22,871	\$ 21,249

WATER EXPENSE ACCOUNT MATRIX

3 WATER TREATMENT EXPENSES - OPERATIONS (f)	4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	7 TRANSMISSION CUSTOMER ACCOUNTS EXPENSE (j)	8 ADMINISTRATIVE & GENERAL EXPENSES (k)
104489		25452			1340
50135					
5,549	640		13445	213	428
					2829
					6185
					76800
87455	40364	20182	20182	40364	87455
7839		2508			103
					40295
					11995
				7432	
					40,045
\$ 255,467	\$ 41,004	\$ 48,142	\$ 33,627	\$ 48,009	\$ 267,475

WATER OPERATING REVENUE

ACCT NO (a)	DESCRIPTION (b)	BEGINNING YEAR NO CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Revenue			\$
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	2923	0	1,263,932
461.2	Metered Sales to Commercial Customers	93	0	152,751
461.3	Metered Sales To Industrial Customers			
461.4	Metered Sales to Public Authorities			
461.5	Metered Sales to Multiple Family Dwellings	12	0	26,697
	Total Metered Sales	3,028	0	1,443,380
	Fire Protection Revenue			\$
462.1	Public Fire Protection			
462.2	Private Fire Protection			
	Total Fire Protection Revenue	4	0	3,504
464	Other Sales To Public Authorities			\$
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
	Totals			\$
	Other Water Revenues:			
469	Guaranteed Revenues			\$
470	Forfeited Discounts			21,716
471	Miscellaneous Service Revenues			
472	Rents From Water Property			
473	Interdepartmental Rents			157,265
474	Other Water Revenues			
	Total Other Water Revenues			178,981
	Total Water Operating Revenues			\$ 1,625,865

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

BASIS FOR WATER DEPRECIATION CHARGES

ACCT NO (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% -d)/c (e)
304	Structures and Improvements	40	%	2.5%
305	Collecting and Impounding Reservoirs		%	
306	Lake, River and Other Intakes		%	
307	Wells and Springs	20	%	5%
308	Infiltration Galleries and Tunnels		%	
309	Supply Mains	34	%	2.9%
310	Power Generation Equipment		%	
311	Pumping Equipment	20	%	5%
320	Water Treatment Equipment	22	%	4.5%
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	43	%	2.3%
333	Services	40	%	2.5%
334	Meter and Meter Installation	20	%	5%
335	Hydrants	45	%	2.2%
339	Other Plant and Miscellaneous Equipment	25	%	4%
340	Office Furniture and Equip.	15	%	6.7%
341	Transportation Equipment	6	%	16.7%
342	Stores Equipment			
343	Tools, Shop and Garage Equip.			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	Water Plant Composite Depreciation Rate *			

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be and on this line only.

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT NO (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 3,350	522	\$	522
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	5,475	1,190		1,190
308	Infiltration Galleries and Tunnels				
309	Supply Mains	1,118	183		183
310	Power Generation Equipment				
311	Pumping Equipment	551,739	87,987		87,987
320	Water Treatment Equipment	657,427	126,216		126,216
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains	244,611	52,993		52,993
333	Services	3,298	1,014		1,014
334	Meter and Meter Installation	74,470	15,091		15,091
335	Hydrants	19,296	3,952		3,952
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equip	50,531	9,025		9,025
341	Transportation Equipment	90,649	17,051		17,051
342	Stores Equipment				
343	Tools, Shop and Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	39,590	2,507		2,507
	Total Depreciable Water Plant In Service	\$ 1,741,554	\$ 317,731	\$	\$ 317,731

* Specify nature of transaction.
Use () to denote reversal entries.

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (Cont'd)

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g+h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$	\$	\$	\$		3,872
					-
					6,665
					-
					1,301
					-
					639,726
					783,843
					-
					297,604
					4,312
					89,581
					23,248
					-
					59,556
16,444				16,444	91,256
					-
					-
					42,097
16,444	-	-	-	16,444	2,042,841

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31 1997

SYSTEM NAME _____

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING FIGHTING FIRES, ETC (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	0	22,584	4,194	18,390	15,865
February	0	20,312	2,671	17,641	18,221
March	0	23,850	2,738	21,112	17,906
April	0	21,754	2,448	19,306	18,924
May	0	20,404	2,223	18,181	17,479
June	0	19,708	2,052	17,657	17,407
July	0	21,080	2,484	18,596	16,129
August	0	18,408	1,160	17,249	19,583
September	0	17,596	1,101	16,495	16,458
October	0	19,991	1,462	18,529	15,781
November	0	19,842	1,358	18,484	17,089
December	0	20,108	976	19,132	16,119
Total for year	0	245,639	24,867	220,772	206,971

If water is purchased for resale, indicate the following:

Vendor _____
Point of Delivery _____

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

UTILITY NAME : ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME: _____
WATER TREATMENT PLANT INFORMATION

Type of treatment (reverse osmosis, etc.) Reverse Osmosis, Filtration.
 Methods used (sedimentation, chemical, aerated, etc.) Aeration, Chlorination

LIME TREATMENT

Unit rate (GPM): _____ Manufacturer Infilco

FILTRATION

Type and area: Pressure----- Square Feet _____
 Gravity----- GPM/Square Feet: _____

MAINS

TYPE OF PIPE (Galvanized, Cast Iron, PVC, Etc.)	DIAMETER OF PIPE (in inches)	MAINS BEGINNING OF YEAR (in feet)	ADDITIONS	RETIREMENTS	MAINS END OF YEAR (in feet)
Galvanized ACS PVC	1" - 24"	1,113,235			1,113,235
Total feet of mains					

SERVICES AND METERS

METERS IN SERVICE	METERS BEGINNING OF YEAR	ADDITIONS	ADJUSTMENT	METERS END OF YEAR
5/8" - 3/4"	2929	145	11	3085
1"	73	1	-5	69
2"	13	1	-1	13
3"	3			3
4"	0			0
6"	4		0	4
8"	0			0
Other (Specify): <u>1 1/2"</u>	10		0	10
Total meters in service	3032	147	5	3184
Total meters in stock	0			0
Number of services in use	3032	147	5	3184

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

SYSTEM NAME ROTONDA WEST UTILITY CORPORATION

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Construction	1-9 1953	10-13 1971		30 wells 1990-1991
Types of Well Construction and Casing	Galv steel	PVC & Steel	PVC & Steel	PVC
Depth of Wells	25'	146'	154'	30'
Diameters of Wells	3"	8"	8"	3"
Pump - GPM	25	694	694	20
Motor - HP	1	35	35	1
Yield of Wells in GPD				
Auxiliary Power				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description - (Steel, Concrete or pneumatic)	Concrete	Concrete	Concrete	Concrete
Capacity of Tank	110	100	50	5M
Ground or Elevated	Ground	Ground	Ground	Ground

HIGH SERVICE PUMPING

MOTORS (a)	(b)	(c)	(d)	(e)
Manufacturer	US Motors	US Motors	US Motors	US Motors
Type	Electric	Electric	Electric	Electric
Rated Horsepower	50	50	100	100
PUMPS				
Manufacturer	Peerless	Peerless	Peerless	Peerless
Type	Centrifugal	Centrifugal	Centrifugal	Centrifugal
Capacity in GPM	700	700	1250	1250
Average Number of Hours Operated per day	12	12	0	0
Auxiliary Power				Gas Ford

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

SYSTEM NAME: _____

SOURCE OF SUPPLY

List for each source of supply:			
Gals. per day of source	1MG	1MGD	5MGD
Type of source	RO Wells	Shallow Wells	Shallow Well Field

WATER TREATMENT FACILITIES

List for each water treatment facility:			
Type	RO	Well Water	Lime Plant
Make	Permitt		Inflico
Gals. per day capacity	0.5	0.5	5MGD
Method of measurement	Meter	Meter	Meter

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 ERC's * that system can efficiently serve.	1620
2) Estimated annual increase in ERC's	150
3) List fire fighting facilities and capacities.	Hydrants
4) List percent of certified area where service connections are installed (total for each county)	15%
5) What is the current need for system upgrading and/or expansion?	N/A
6) What are plans for future system upgrading and/or expansion?	N/A
7) Have questions 5 and 6 been discussed with an engineer (if so, state name and address)?	N/A
8) Have questions 5 and 6 been discussed with appropriate state sanitary engineering office?	N/A

* ERC = (TOTAL GALLONS SOLD / 365 DAYS) / 350 GALLONS PER DAY

YEAR OF REPORT
DECEMBER 31, 1997

UTILITY NAME : ROTONDA WEST UTILITY CORPORATION

SYSTEM NAME: _____

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (A)	TYPE OF METER (B)	EQUIVALENT FACTOR (C)	NUMBER OF METERS (D)	TOTAL NUMBER OF METER EQUIVALENTS (C+D) (E)
5/8"x 3/4"	Displacement	1	3085	3085
3/4"	Displacement	1.5	0	0
1"	Displacement	2.5	69	173
1 1/2"	Displacement, Turbine	5	10	50
2"	Displacement, Compound or Turbine	8	13	104
3"	Displacement	15		0
3"	Compound	16	3	48
3"	Turbine	17.5		0
4"	Displacement or Compound	25		
4"	Turbine	30		
6"	Displacement or Compound	50		
6"	Turbine	62.5	4	(Fire Flow)
8"	Compound	80		
8"	Turbine	90		
10"	Compound	115		
10"	Turbine	145		
12"	Turbine	215		
Total Water System Meter Equivalents				3460

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

(206,970,777 / 365 DA 'S) / 350 GPD = 620

SEWER
OPERATION
SECTION

SEWER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization		\$	\$
352	Franchises	\$ 16,080	0	
353	Land and Land Rights	76,308		
354	Structures and Improvements	20,419	288	
360	Collection Sewers - Force		10,338	
361	Collection Sewers - Gravity	1,364,393	296,607	
362	Special Collecting Structures		2,328	
363	Services to Customers	5,493		
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
371	Pumping Equipment	20,822	436	
380	Treatment and Disposal Equip.	3,548,115	29,491	
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Miscellaneous Equipment			
390	Office Furniture and Equip.	118,627		
391	Transportation Equipment	39,520	21,415	20,082
392	Stores Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	8,945		
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant	62,690		
	Total Water Plant	\$ 5,281,411	\$ 360,904	\$ 20,082

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

UTILITY NAME. ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

SEWER UTILITY PLANT MATRIX

	. 1	. 2	. 3	. 4	. 5
CURRENT YEAR (f)	INTANGIBLE PLANT (g)	COLLECTION PLANT (h)	SYSTEM PUMPING PLANT (i)	TREATMENT AND DISPOSAL PLANT (j)	GENERAL PLANT (k)
\$	\$	\$XXXXXXXX	\$XXXXXXXX	\$XXXXXXXXXXXXX	\$XXXXXXXXXXXXX
16,080	16,080	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
76,308	XXXXXXXXXXXXX			76,308	
20,707	XXXXXXXXXXXXX				20,707
10,338	XXXXXXXXXXXXX	10,338	XXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
1,661,000	XXXXXXXXXXXXX	1,661,000	XXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
0	XXXXXXXXXXXXX		XXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
7,821	XXXXXXXXXXXXX	7,821	XXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
	XXXXXXXXXXXXX		XXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
	XXXXXXXXXXXXX	XXXXXXXX		XXXXXXXXXXXXX	XXXXXXXXXXXXX
21,258	XXXXXXXXXXXXX	XXXXXXXX	21,258	XXXXXXXXXXXXX	XXXXXXXXXXXXX
3,577,606	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX	3,577,606	XXXXXXXXXXXXX
	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX		XXXXXXXXXXXXX
	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX		XXXXXXXXXXXXX
118,627	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXX	118,627
40,853	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXX	40,853
	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXX	
8,945	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXX	8,945
	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXX	
	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXX	
62,690	XXXXXXXXXXXXX	XXXXXXXX	XXXXXXXX	XXXXXXXXXXXXX	62,690
<u>\$ 5,622,233</u>	<u>\$ 16,080</u>	<u>\$ 1,679,159</u>	<u>\$ 21,258</u>	<u>\$ 3,653,914</u>	<u>\$ 251,822</u>

UTILIT ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

SEWER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	COLLECTION EXPENSES- OPERATIONS (d)	COLLECTION EXPENSES MAINTENANCE (e)
701	Salaries and Wages - Employees			
703	Salaries and Wages - Officers, Directors and Majority Stockholders			
704	Employee Pensions and Benefits			
710	Purchased Sewage Treatment			
711	Sludge Removal Expense	6,748		
715	Purchased Power	68,379	13,678	
716	Fuel For Power Purchased			
718	Chemicals	24,592		
720	Material and Supplies	16,521	7,269	1,817
731	Contractual Services - Eng.	0		
732	Contractual Services - Acct.	2,223		
733	Contractual Services - Legal.	4,859		
734	Contractual Services - Management Fees	0		
		179,200		
735	Contractual Services - Other	251,364	12568	12568
741	Rental of Building / Real Property	0		
742	Rental of Equipment	0		
750	Transporation Expense	7,396		
756	Insurance - Vehicle	0		
757	Insurance - General Liability	0		
758	Insurance - Workman's Compensation	0		
759	Insurance - Other	31,660		
760	Advertising Expense	0		
766	Regulatory Commission Expense -Amoritzation of Rate Case Expense	0		
		9,425		
767	Regulatory Commission Expense Other	0		
		0		
770	Bad Debt Expense	5840		
775	Miscellaneous Expense	28,278		
	Total Sewer Utility Expense	\$ 636,485	\$ 33,513	\$ 14,385

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 19

SEWER UTILITY PLANT MATRIX

3	4	5	6	7	8
PUMPING EXPENSES - OPERATIONS (f)	PUMPING EXPENSES - MAINTENANCE (g)	TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	CUSTOMER ACCOUNTS EXPENSE (j)	ADMINISTRATIVE & GENERAL EXPENSE (k)
		6,748			
		54,703			
		24,592			
	826	5,617	165	165	662
					2223
					4,859
					179,200
12568	12568	50273	25136	50273	75,410
					518
6878					
					31,660
					9,425
				5840	
					28,278
\$ 19,446	\$ 13,394	\$ 141,933	\$ 25,301	\$ 56,278	\$ 332,235

UTILITY : ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

SEWER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues	-----	-----	-----
521.2	Commercial Revenues	-----	-----	-----
521.3	Industrial Revenues	-----	-----	-----
521.4	Revenues From Public Authorities	-----	-----	-----
521.5	Multiple Family Dwelling Revenues	-----	-----	-----
521.6	Other Revenues	-----	-----	-----
	Total Flat Rate Revenues:	-----	-----	-----
	Measured Revenues			
522.1	Residential Revenues	2700	2852	\$ 926,025
522.2	Commercial Revenues	43	43	67,819
522.3	Industrial Revenues	-----	-----	-----
522.4	Revenues From Public Authorities	-----	-----	-----
522.5	Multiple Family Dwelling Revenues	12	12	25,944
	Total Measured Revenues	2755	2907	\$ 1,019,788
523	Revenues From Public Authorities	-----	-----	-----
524	Revenues From Other Systems	-----	-----	-----
525	Interdepartmental Revenues	-----	-----	-----
	Totals	-----	-----	\$ 1,019,788
	Other Sewer Revenues:			
530	Guaranteed Revenues	-----	-----	-----
531	Sale of Sludge	-----	-----	-----
532	Forfeited Discounts	-----	-----	-----
534	Rents From Sewer Property	-----	-----	-----
535	Interdepartmental Rents	-----	-----	-----
536	Other Sewer Revenues	-----	-----	\$ 257,364
	Total Other Sewer Revenues	-----	-----	\$ 257,364
	Total Sewer Operating Revenues	-----	-----	\$ 1,277,152

UTILITY NAME: ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

BASIS FOR SEWER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% -d)/c (e)
354	Structures and Improvements	40	0%	2.5%
360	Collection Sewers - Force		%	
361	Collection Sewers - Gravity	45	0%	2.2%
362	Special Collecting Structures		%	
363	Services to Customers	40	0%	2.5%
364	Flow Measuring Devices		%	
365	Flow Measuring Installations		%	
370	Receiving Wells		%	
371	Pumping Equipment	18	0%	5.6%
380	Treatment and Disposal Equip.	32	0%	3.1%
381	Plant Sewers		%	
382	Outfall Sewer Lines		%	
389	Other Plant and Miscellaneous Equipment		%	
390	Office Furniture and Equip.	15	0%	6.7%
391	Transportation Equipment	6	0%	16.7%
392	Stores Equipment		%	
393	Tools, Shop and Garage Equip.		%	
394	Laboratory Equipment		%	
395	Power Operated Equipment		%	
396	Communication Equipment		%	
397	Miscellaneous Equipment		%	
398	Other Tangible Plant	25	0%	4.0%
	Sewer Plant Composite Depreciation *			

* If depreciation rates prescribed by this commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: ROTONDA WEST UTILITY CORPORATIONYEAR OF REPORT
DECEMBER 31, 1996

ANALYSIS OF ENTRIES IN SEER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 3,410	\$ 514	-	\$ 514
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	129,771	33,730		33,730
362	Special Collecting Structures				
363	Services to Customers	674	166		166
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment	5,901	1,169		1,169
380	Treatment and Disposal Equip.	752,958	111,339		111,339
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant and Miscellaneous Equipment				
390	Office Furniture and Equip.	44,916	7,908		7,908
391	Transportation Equipment	25,525	5,024		5,024
392	Stores Equipment				
393	Tools, Shop and Garage Equip.				
394	Laboratory Equipment	1,430	598		598
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant	39,590	2,508		2,508
	Total Depreciable Sewer Plant In Service	\$ 1,004,175	\$ 162,956	\$	\$ 162,956

* Specify nature of transaction.
Use () to denote reversal entries.

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION (Cont'd)

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,924
				\$ -	163,501
				\$ -	840
				\$ -	
				\$ -	7,070
				\$ -	864,297
				\$ -	
				\$ -	
				\$ -	52,824
16,444				16,444	14,105
				\$ -	
				\$ -	2,028
				\$ -	
				\$ -	
				\$ -	42,098
\$ 16,444	\$ -	\$ -	\$ -	\$ 16,444	\$ 1,150,687

UTILITY NAME : ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME: _____

PUMPING EQUIPMENT

	19 Units	23 Units		
Lift station number				
Make or type and nameplate data of pump	Flygt	EMU		
Year installed	1972	1990		
Rated capacity	200-600	200-600		
Size	4" - 6"	4" - 6"		
Power:				
Electric				
Mechanical				
Nameplate data of motor				

Lift station number				
Make or type and nameplate data of pump				
Year installed				
Rated capacity				
Size				
Power:				
Electric				
Mechanical				
Nameplate data of motor				

SERVICE CONNECTIONS

Size (inches)	4 - 6			
Type (PVC, VCP, etc.)	VC - PVC			
Average length	30'			
Number of active service connections	2907			
Beginning of Year	2762			
Added During year	145			
Retired during year				
End of Year	2907			
Give full particulars concerning inactive connections	None			

UTILITY NAME : ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME: _____

COLLECTING MAINS

COLLECTING MAINS:				
Size (inches)	Gravity 4 - 24			Low Pressure 1" - 6"
Type of main	VC-PVC			PVC
Length of main (nearest foot) :				
Beginning of year	409,325			437,500
Added during year	0			0
Retired during year	0			0
End of year	409,325			437,500

MANHOLES

Size (inches)	4'			
Type of main	PRECAST			
Length of main (nearest foot) :				
Beginning of year	1282			
Added during year	0			
Retired during year	0			
End of year	1282			

FORCE MAINS

Size (inches)	1.5" - 24"			
Type of main				
Length of main (nearest foot) :				
Beginning of year	249,915			
Added during year	0			
Retired during year	0			
End of year	249,915			

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

SYSTEM NAME _____

TREATMENT PLANT

Manufacturer				
Type	Active Sludge			
"Steel" or "Concrete"	Concrete			
Total Capacity	625 MGD			
Average Daily Flow				
Effluent Disposal				
Total gallons of Sewage Treated				

MASTER LIFT STATION PUMPS

Manufacturer				
Capacity				
Motor Mfr.				
Horsepower				
Power (Electric or Mechanical)				

OTHER SEWER SYSTEM INFORMATION

1. Maximum number of ERC's * which can be served. 1,837

2. Estimated annual increase in ERC's * 150

3. List permit numbers required by Chapter 17-4, Rules of the department of Environmental Regulations (DER) for the systems in operation. DO08-1777000

4. State any plans and estimated completion dates for any enlargements of this system. Construction permit for an expansion to 1.0 MGD is completed. V Purchased 4MGD treatment capacity. Waiting for permit

5. If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:

a. Evaluation of the present plants or plants in regard to meeting the DER's rules.

b. Plans for funding and construction of the required upgrading.

c. Have these plans been coordinated with DER? N/A

d. Do they concur N/A

e. When will construction begin? N/A

6. In what percent of you certificated area have service connections been installed? 18%

* ERC = (Total Gallons Treated / 365 days) / 275 Gallons Per Day
Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment

UTILITY NAME ROTONDA WEST UTILITY CORPORATION

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME _____

CALCULATION OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (A)	TYPE OF METER (B)	EQUIVALENT FACTOR (C)	NUMBER OF METERS (D)	TOTAL NUMBER OF METER EQUIVALENTS (C+D) (E)
5/8"x 3/4"	Displacement	1	2870	2870
3/4"	Displacement	1.5	0	0
1"	Displacement	2.5	15	38
1 1/2"	Displacement, Turbine	5	9	45
2"	Displacement, Compound or Turbine	8	11	88
3"	Displacement	15		
3"	Compound	16	2	32
3"	Turbine	17.5		
4"	Displacement or Compound	25		
4"	Turbine	30		
6"	Displacement or Compound	50		
6"	Turbine	62.5		
8"	Compound	80		
8"	Turbine	90		
10"	Compound	115		
10"	Turbine	145		
12"	Turbine	215		
Total Sewer System Meter Equivalents				3041

CALCULATION OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

(184400000 / 365 DAYS) / 275 GPD = 1837
(total gallons treated)