

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WU690
Kincaid Hills Water Company
P. O. Box 579
Gainesville, FL 32602-0579

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only 1 copy

555-W

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



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REGISTRATION DIVISION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1997

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FINANCIAL SECTION

REPORT OF

Kincaid Hills Water Co

(EXACT NAME OF UTILITY)

PO. Box 579 3260 SE 19 Ave
Gainesville, FL 32602 Gainesville, FL Alachua
 Mailing Address Street Address County

Telephone Number 352/373-0729 Date Utility First Organized 1965

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: 1700 SE 47 Terr
Gainesville, FL

Name of subdivisions where services are provided: Kincaid Rd S/D; Devonshire Estates
S/D; Krettswood S/D; Shady Lawn S/D.

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Berdell Knowles</u>	<u>President</u>		
Person who prepared this report: <u>Berdell Knowles</u>	<u>President</u>	<u>P.O. Box 579</u> <u>Gainesville, FL</u>	
Officers and Managers: <u>N/A</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>Berdell Knowles</u>	<u>100%</u>	<u>above</u>	\$ <u>0</u> \$ _____ \$ _____ \$ _____ \$ _____ \$ _____

UTILITY NAME: Kincaid Hills Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ <u>41,886</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>41,886</u>
Commercial _____		<u>0</u>			<u>0</u>
Industrial _____		<u>0</u>			<u>0</u>
Multiple Family _____		<u>0</u>			<u>0</u>
Guaranteed Revenues _____		<u>0</u>			<u>0</u>
Other (Specify) _____		<u>0</u>			<u>0</u>
Total Gross Revenue _____		\$ <u>41,886</u>	\$ _____	\$ _____	\$ <u>41,886</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ <u>31,391</u>	\$ _____	\$ _____	\$ <u>31,391</u>
Depreciation Expense _____	F-5	<u>13,044</u>			<u>13,044</u>
CIAC Amortization Expense _____	F-8	<u>0</u>			<u>0</u>
Taxes Other Than Income _____	F-7	<u>4,428</u>			<u>4,428</u>
Income Taxes _____	F-7	<u>0</u>			<u>0</u>
Total Operating Expense		\$ <u>48,863</u>	\$ _____	\$ _____	\$ <u>48,863</u>
Net Operating Income (Loss)		\$ <u>(6,977)</u>	\$ _____	\$ _____	\$ <u>(6,977)</u>
Other Income:					
Nonutility Income _____		\$ <u>0</u>	\$ _____	\$ _____	\$ _____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		<u>3,739</u>			<u>3,739</u>
Net Income (Loss)		\$ <u>(10,716)</u>	\$ _____	\$ _____	\$ <u>(10,716)</u>

UTILITY NAME: Kincaid Hills Water Co

YEAR OF REPORT
DECEMBER 31, 1997

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ <u>302,265</u>	\$ <u>302,265</u>
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u>151,253</u>	<u>138,209</u>
Net Utility Plant -----		\$ <u>151,012</u>	\$ <u>164,056</u>
Cash -----		<u>0</u>	<u>0</u>
Customer Accounts Receivable (141) -----		<u>0</u>	<u>0</u>
Other Assets (Specify): -----		<u>—</u>	<u>—</u>
-----		<u>—</u>	<u>—</u>
-----		<u>—</u>	<u>—</u>
Total Assets -----		\$ <u>151,012</u>	\$ <u>164,056</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	<u>200</u>	<u>200</u>
Preferred Stock Issued (204) -----	F-6	<u>0</u>	<u>0</u>
Other Paid in Capital (211) -----		<u>0</u>	<u>0</u>
Retained Earnings (215) -----	F-6	<u>114,003</u>	<u>123,711</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	<u>—</u>	<u>—</u>
Total Capital -----		\$ <u>114,251</u>	\$ <u>123,911</u>
Long Term Debt (224) -----	F-6	\$ <u>26,604</u>	\$ <u>34,365</u>
Accounts Payable (231) -----		<u>6,102</u>	<u>1,877</u>
Notes Payable (232) -----		<u>0</u>	<u>0</u>
Customer Deposits (235) -----		<u>4,025</u>	<u>3,903</u>
Accrued Taxes (236) -----		<u>0</u>	<u>0</u>
Other Liabilities (Specify) -----		<u>0</u>	<u>0</u>
-----		<u>—</u>	<u>—</u>
-----		<u>—</u>	<u>—</u>
Advances for Construction -----		<u>0</u>	<u>0</u>
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>—</u>	<u>0</u>
Total Liabilities and Capital -----		\$ <u>151,012</u>	\$ <u>164,056</u>

UTILITY NAME: Kincaid Hill Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	\$ <u>302,265</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>302,265</u>
Construction Work in Progress (105) _____	<u>0</u>	_____	_____	_____
Other (Specify) _____	<u>0</u>	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>302,265</u>	\$ _____	\$ _____	\$ <u>302,265</u>

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

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year _____	\$ <u>138,209</u>	\$ _____	\$ _____	\$ <u>138,209</u>
Add Credits During Year:		<u>N/A</u>	<u>N/A</u>	
Accruals charged to depreciation account _____	\$ <u>13,044</u>	\$ _____	\$ _____	\$ <u>13,044</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ <u>13,044</u>	\$ _____	\$ _____	\$ <u>13,044</u>
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ <u>151,253</u>	\$ _____	\$ _____	\$ <u>151,253</u>

UTILITY NAME: Kucard Hills Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	<u>1,000</u>	_____
Shares authorized _____	<u>7,500</u>	_____
Shares issued and outstanding _____	<u>200</u>	_____
Total par value of stock issued _____	<u>200</u>	_____
Dividends declared per share for year _____	_____	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify): _____ _____	_____ _____	_____ _____
Balance end of year _____	\$ _____	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify): _____ _____	_____ _____	_____ _____
Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
<u>1986 Sr. Mortgage Note Due 8/1/00</u>	<u>8%</u>	<u>9,000/yr</u>	\$ <u>26,604</u>
_____	_____	_____	_____
Total _____	_____	_____	\$ <u>26,604</u>

UTILITY NAME: Kinross Hills Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ <u>6,210</u>	\$ _____	\$ _____	\$ <u>6,210</u>
Add Accruals charged:				
State ad valorem tax	\$ <u>0</u>	\$ <u>N/A</u>	\$ <u>N/A</u>	\$ <u>0</u>
Local property tax	<u>2,570</u>	_____	_____	<u>2,570</u>
Federal income tax	<u>2</u>	_____	_____	<u>2</u>
State income tax	<u>0</u>	_____	_____	<u>0</u>
Regulatory assessment fee	<u>1,856</u>	_____	_____	<u>1,856</u>
Other (Specify)	<u>0</u>	_____	_____	<u>0</u>
	<u>4,428</u>	_____	_____	<u>4,428</u>
2. Total Taxes Accrued	\$ _____	\$ _____	\$ _____	\$ _____
Deduct Taxes Paid:				
State ad valorem tax	\$ _____	\$ _____	\$ _____	\$ _____
Local property tax	_____	_____	_____	_____
Federal income tax	_____	_____	_____	_____
State income tax	_____	_____	_____	_____
Regulatory assessment fee	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
3. Total Taxes Paid	\$ <u>0</u>	\$ _____	\$ _____	\$ <u>0</u>
4. Balance end of year (1 + 2 - 3 = 4)	\$ <u>4,428</u>	\$ _____	\$ _____	\$ <u>4,428</u>

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
<u>Janelle Kovacs</u>	\$ <u>750</u>	\$ <u>0</u>	<u>office</u>
<u>Jeanette Boyd</u>	\$ <u>300</u>	\$ <u>0</u>	<u>operations</u>
<u>Cris Kovacs</u>	\$ <u>23.00</u>	\$ <u>0</u>	<u>meter reading</u>
<u>Michelle Kovacs</u>	\$ <u>1,800</u>	\$ <u>0</u>	<u>billing</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Kennett Hills Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)
NONE

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ _____	\$ _____	\$ _____
2) Add credits during year_____	\$ _____	\$ _____	\$ _____
3) Total_____	_____	_____	_____
4) Deduct charges during the year_____	_____	_____	_____
5) Balance end of year_____	_____	_____	_____
6) Less Accumulated Amortization_____	_____	_____	_____
7) Net CIAC_____	\$ _____	\$ _____	\$ _____

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

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

ACCUMULATED AMORTIZATION OF CIAC

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

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

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

SCHEDULE "A"

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

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

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	_____ %
Commission Order approving AFUDC rate:	_____

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

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

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

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

**WATER
OPERATING
SECTION**

UTILITY NAME: Kincaid Hills Water Co

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	\$ 0	\$	\$	\$ 0
302	Franchises	0			0
303	Land and Land Rights	14,000			14,000
304	Structures and Improvements	6,000			6,000
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	3,800			3,800
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	0			0
310	Power Generation Equipment	18,300			18,300
311	Pumping Equipment	10,120			10,120
320	Water Treatment Equipment	965			965
330	Distribution Reservoirs and Standpipes	16,500			16,500
331	Transmission and Distribution Lines	148,550			148,550
333	Services	0			0
334	Meters and Meter Installations	58,900			58,900
335	Hydrants	0			0
339	Other Plant and Miscellaneous Equipment	4,000			4,000
340	Office Furniture and Equipment	3,650			3,650
341	Transportation Equipment	13,500			13,500
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	1,200			1,200
344	Laboratory Equipment	200			200
345	Power Operated Equipment	2,200			2,200
346	Communication Equipment	350			350
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	0			0
	Total Water Plant	\$ 302,265	\$	\$	\$ 302,265

UTILITY NAME: Kincaid Hill's Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acc. 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	30	0 %	.03 %	\$ 2,120	\$	\$ 180	\$ 2,300
305	Collecting and Impounding Reservoirs	-	- %	-	-	-	-	-
306	Lake, River and Other Intakes	-	- %	-	-	-	-	-
307	Wells and Springs	40	0 %	.025 %	1,045	-	95	1,140
308	Infiltration Galleries & Tunnels	-	- %	-	-	-	-	-
309	Supply Mains	-	- %	-	-	-	-	-
310	Power Generating Equipment	10	0 %	.10 %	16,470	-	1,830	18,300
311	Pumping Equipment	5	0 %	.20 %	9,894	-	1,649	11,543
320	Water Treatment Equipment	5	0 %	.20 %	1,158	-	193	1,351
330	Distribution Reservoirs & Standpipes	30	0 %	.03 %	5,830	-	495	6,325
331	Trans. & Dist. Mains	40	0 %	.025 %	40,862	-	3,715	44,577
333	Services	40	0 %	.025 %	-	-	-	-
334	Meter & Meter Installations	20	0 %	.05 %	29,755	-	2,885	32,640
335	Hydrants	-	- %	-	-	-	-	-
339	Other Plant and Miscellaneous Equipment	5	0 %	.20 %	5,600	-	800	6,400
340	Office Furniture and Equipment	5	0 %	.20 %	5,183	-	730	5,913
341	Transportation Equipment	5	20 %	.20 %	17,048	-	0	17,048
342	Stores Equipment	-	- %	-	-	-	-	-
343	Tools, Shop and Garage Equipment	10	0 %	.10 %	720	-	120	840
344	Laboratory Equipment	3	0 %	.33 %	200	-	0	200
345	Power Operated Equipment	5	0 %	.20 %	2,200	-	352	2,552
346	Communication Equipment	3	0 %	.33 %	350	-	0	350
347	Miscellaneous Equipment	3	0 %	.20 %	0	-	0	0
348	Other Tangible Plant	-	- %	-	-	-	-	-
	Totals				\$ 138,209	\$	\$ 13,044	\$ 151,253

* This amount should tie to Sheet F-5.

UTILITY NAME: Kennard Hills Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 0
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	0
604	Employee Pensions and Benefits	2,990
610	Purchased Water	0
615	Purchased Power	6,086
616	Fuel for Power Production	0
618	Chemicals	320
620	Materials and Supplies	2,216
630	Contractual Services:	
	Operator and Management	5,150
	Testing	1,120
	Other	0
640	Rents	0
650	Transportation Expense	6,920
655	Insurance Expense	0
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	1,906
670	Bad Debt Expense	1,364
675	Miscellaneous Expenses	3,319
	Total Water Operation And Maintenance Expense	\$ 31,391

* 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	320	316	316
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					
Total			320	316	316

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Kennecott Hills Water Co.

YEAR OF REPORT
DECEMBER 31, 1987

SYSTEM NAME: _____

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1965</u>	<u>1965</u>	_____	_____
Types of Well Construction and Casing _____	<u>rotary</u>	<u>rotary</u>	_____	_____
Depth of Wells _____	<u>215'</u>	<u>220'</u>	_____	_____
Diameters of Wells _____	<u>8"</u>	<u>6"</u>	_____	_____
Pump - GPM _____	<u>150</u>	<u>120</u>	_____	_____
Motor - HP _____	<u>20</u>	<u>15</u>	_____	_____
Motor Type * _____	<u>submers.</u>	<u>submers.</u>	_____	_____
Yields of Wells in GPD _____	<u>321,120</u>	<u>256,320</u>	_____	_____
Auxiliary Power _____	<u>gen.</u>	<u>gen.</u>	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>steel</u>	<u>steel</u>	<u>steel</u>	_____
Capacity of Tank _____	<u>5 kg</u>	<u>3 kg</u>	<u>1 kg</u>	_____
Ground or Elevated _____	<u>gr</u>	<u>gr</u>	<u>gr</u>	_____

**HIGH SERVICE PUMPING
NONE**

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
Pumps				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

UTILITY NAME: Kincaid Hills Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	(f) Water Sold To Customers (Omit 000's)
January		2,946		2,946	2,808
February		2,707		2,707	2,292
March		2,794		2,794	1,670
April		2,714		2,714	2,233
May		3,047		3,047	2,306
June		2,641		2,641	2,939
July		3,363		3,363	2,770
August		2,980		2,980	2,520
September		3,010		3,010	3,126
October		2,853		2,853	2,489
November		2,607		2,607	2,713
December		2,631		2,631	2,166
Total for Year		34,293		34,993	29,632

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:

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
G.I.P	2"	17,000	0	0	17,000
"	2"	3,800	0	0	3,800
"	4"	3,400	0	0	3,400
Transite	6"	5,200	0	0	5,200

UTILITY NAME: Kinnear Hills Water Co

YEAR OF REPORT
DECEMBER 31, 1999

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source	<u>578,400</u>		
Type of Source	<u>aquifer</u>		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type	<u>Hypochlorite inj.</u>		
Make	<u>N/A</u>		
Gals. per day capacity	<u>578,400</u>		
High service pumping			
Gallons per minute	<u>0</u>		
Reverse Osmosis	<u>0</u>		
Lime Treatment			
Unit Rating	<u>0</u>		
Filtration			
Pressure Sq. Ft.	<u>N/A</u>		
Gravity GPD/Sq.Ft.	<u>N/A</u>		
Disinfection			
Chlorinator	<u>578,400</u>		
Ozone	<u>0</u>		
Other	<u>0</u>		
Auxiliary Power	<u>generator</u>		

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Present ERCs * now being served ** 320
- Maximum ERCs * that system can efficiently serve 800
- Present system connection capacity using existing lines _____
- Future connection capacity upon service area buildout _____
- Estimated annual increase in ERCs * 0
- List fire fighting facilities and capacities (including number of fire hydrants) NONE

- List percent of certificated area where service connections are installed (total for each county)
Holmes County - 99%
- What is the current need for system upgrading and/or expansion? Tanks need recardatory structures need repair
- What are plans for future system upgrading and/or expansion? Above items planned for Summer '98
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)
yes. FDEP staff
- Has an application for a construction permit been filed with the DEP? (if so, explain) NO
- Department of Environmental Protection ID # 2010612
Water Management District ID # _____

* ERC = (Total Gallons Sold / 365 days) / 350 Gallons Per Day
** Should tie to sheet W-3.

WASTEWATER OPERATING SECTION

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

UTILITY NAME: Kennel Hills Water Co.

YEAR OF REPORT
DECEMBER 31, 1997

CERTIFICATION OF ANNUAL REPORT

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

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

Items Certified

1. 2. 3. 4. *Brendley L. ...* *
(signature of chief executive officer of the utility)

1. 2. 3. 4. _____ *
(signature of chief financial officer of the utility)

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

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