

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION

WATER AND/OR WASTEWATER UTILITIES
Whose Revenue of More Than \$200,000 Each

OFFICIAL COPY

DIVISION OF

MAR 29 11 51 AM '01
DIVISION OF
ECONOMIC REGULATION

**ANNUAL REPORT
WATER AND SEWER**

Do Not Remove from this Office

WU803 42
Palm Cay Utilities, Inc.
10641 S.W. 80th Avenue
Ocala, FL 34481-9146

601W

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



WU803-00-AR
PALM CAY UTILITIES, INC.

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 00

RECEIVED

MAR 29 2001

Florida Public Service Commission
Division of Water and Wastewater

THIS PAGE LEFT

BLANK INTENTIONALLY

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
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 a permanent record, such as by computer or 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. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems".
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. 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 Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility.

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
EXECUTIVE SUMMARY			
Certification	E-1	Business Contracts with Officers, Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers & Directors	E-8
Directory of Personnel Who Contact the FPSC	E-3	Businesses which are a Byproduct, Coproduct or Joint Product Result of Providing Service	E-9
Company Profile	E-4	Business Transactions with Related Parties. Part I and II	E-10
Parent / Affiliate Organization Chart	E-5		
Compensation of Officers & Directors	E-6		
FINANCIAL SECTION			
Comparative Balance Sheet - Assets and Other Debits	F-1	Unamortized Debt Discount / Expense / Premium	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Extraordinary Property Losses	F-13
Comparative Operating Statement	F-3	Miscellaneous Deferred Debits	F-14
Schedule of Year End Rate Base	F-4	Capital Stock	F-15
Schedule of Year End Capital Structure	F-5	Bonds	F-15
Capital Structure Adjustments	F-6	Statement of Retained Earnings	F-16
Utility Plant	F-7	Advances from Associated Companies	F-17
Utility Plant Acquisition Adjustments	F-7	Long Term Debt	F-17
Accumulated Depreciation	F-8	Notes Payable	F-18
Accumulated Amortization	F-8	Accounts Payable to Associated Companies	F-18
Regulatory Commission Expense - Amortization of Rate Case Expense	F-9	Accrued Interest and Expense	F-19
Nonutility Property	F-9	Misc. Current & Accrued Liabilities	F-20
Special Deposits	F-9	Advances for Construction	F-21
Investments and Special Funds	F-10	Other Deferred Credits	F-21
Accounts and Notes Receivable - Net	F-11	Contributions In Aid of Construction	F-22
Accounts Receivable from Associated Companies	F-12	Accumulated Amortization of CIAC	F-23
Notes Receivable from Associated Companies	F-12	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	F-23
Miscellaneous Current & Accrued Assets	F-12		

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
WATER OPERATION SECTION			
Listing of Water System Groups	W-1	CIAC Additions / Amortization	W-8
Schedule of Year End Water Rate Base	W-2	Water Operating Revenue	W-9
Water Operating Statement	W-3	Water Utility Expense Accounts	W-10
Water Utility Plant Accounts	W-4	Pumping and Purchased Water Statistics, Source Supply	W-11
Basis for Water Depreciation Charges	W-5	Water Treatment Plant Information	W-12
Analysis of Entries in Water Depreciation Reserve	W-6	Calculation of ERC's	W-13
Contributions In Aid of Construction	W-7	Other Water System Information	W-14
WASTEWATER OPERATION SECTION			
Listing of Wastewater System Groups	S-1	Contributions In Aid of Construction	S-7
Schedule of Year End Wastewater Rate Base	S-2	CIAC Additions / Amortization	S-8
Wastewater Operating Statement	S-3	Wastewater Utility Expense Accounts	S-9
Wastewater Utility Plant Accounts	S-4	Wastewater Operating Revenue	S-10
Analysis of Entries in Wastewater Depreciation Reserve	S-5	Calculation of ERC's	S-11
Basis for Wastewater Depreciation Charges	S-6	Wastewater Treatment Plant Information	S-12
		Other Wastewater System Information	S-13

THIS PAGE LEFT

BLANK INTENTIONALLY

EXECUTIVE SUMMARY

THIS PAGE LEFT

BLANK INTENTIONALLY

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

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.

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.

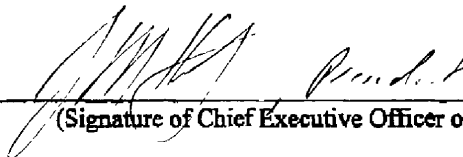
YES NO

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.
X	X	X	X

1.	2.	3.	4.


(Signature of Chief Executive Officer of the utility) *

(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 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

YEAR OF REPORT
December 31, 2000

Palm Cay Utilities, Inc.

County: **Marion**

(Exact Name of Utility)

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

10641 S.W. 80th Avenue

Ocala, Florida 34481-9146

Telephone: **(352) 854-3929**

E Mail Address: **N/A**

WEB Site: **N/A**

Sunshine State One-Call of Florida, Inc. Member Number **N/A**

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

Jon M. Kurtz, President

Palm Cay Utilities, Inc.

10641 S.W. 80th Avenue

Ocala FL 34481-9146

Telephone: **(352) 854-3929**

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

10641 S.W. 80th Avenue

Ocala FL 34481-9146

Telephone: **(352) 854-3929**

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

None

Date of original organization of the utility: **February 24, 1998**

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% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	Jon M. and Kay Osborne Kurtz	100
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT December 31, 2000

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Jon M. Kurtz	President	Palm Cay Utilities, Inc.	All Florida Public Service Commission Matters
Daryl L. Collier, CPA	Consultant	Collier, Hagin & Hornby, P.A.	All Florida Public Service Commission Matters

(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: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

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.

- A. Venture Associates Utilities Corporation provided water service to Palm Cay subdivision until November 2, 1998. By Order No. PSC-98-1231-FOF-WU, dated September 21, 1998, the Florida Public Service Commission approved the sale of the Palm Cay water system to Palm Cay Utilities, Inc.
- B. Palm Cay Utilities, Inc. provides water service to the Palm Cay subdivision in Marion County.
- C. Palm Cay Utilities' goals and objectives are to provide high quality service to its customers.
- D. Palm Cay Utilities has one operating division, Palm Cay.
- E. The Palm Cay subdivision is built out. No significant growth is anticipated in the service area in the coming year.
- F. Palm Cay Utilities expects no extraordinary transactions having a material effect in the coming year.

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/00

Complete below an organizational chart that show all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).

Palm Cay Utilities, Inc. has no parent or subsidiary companies.

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

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 the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Jon M. Kurtz	President		\$ 8,654
Kay Osborne Kurtz	Secretary		8,654

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 DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
N/A	N/A	N/A	\$ N/A

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

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)
Jon Kurtz	Building Rent	\$ 13,780	Jon Kurtz, Trustee 10641 SW 80th Ave. Ocala FL 34481

* 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: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business 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)
Jon M. Kurtz	Executive Vice President	Executive Vice President	SunTrust Bank of North Central Florida P. O. Box 310 Ocala FL 34478-0310
		Secretary	K-4 Ventures, Inc. 10641 SW 80 Ave. Ocala FL 34481
		Member	Satellite Cable Vision, LLC 10641 SW 80 Ave. Ocala FL 34481
Kay Osborne Kurtz	President	President	K-4 Ventures, Inc. 10641 SW 80 Ave. Ocala FL 34481
		Member	Satellite Cable Vision, LLC 10641 SW 80 Ave. Ocala FL 34481

YEAR OF REPORT
December 31, 2000

UTILITY NAME: Palm Cay Utilities, Inc.

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

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)
None	\$		\$		\$	

Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and / or wastewater 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 properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT December 31, 2000

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on 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, and 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 (S)old (d)	AMOUNT (e)
K-4 Ventures, Inc.	Mowing	Open	P	\$ 3,500

UTILITY NAME: Palm Cay Utilities, Inc.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

- Part II. Specific Instructions: Sale, Purchase and Transfer of Assets**
- Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
 - 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 dividends
 - write-off of bad debts or loans
 - The columnar instructions follow:
 - Enter name of related party or company.
 - Describe briefly the type of assets purchased, sold or transferred.
 - Enter the total received or paid. Indicate purchase with "P" and sale with "S".
 - Enter the net book value for each item reported.
 - Enter the net profit or loss for each item reported. (column (c) - column (d))
 - Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe 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		\$	\$	\$	\$

THIS PAGE LEFT

BLANK INTENTIONALLY

FINANCIAL SECTION

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 733,826	\$ 738,741
108-110	Less: Accumulated Depreciation and Amortization	F-8	(193,866)	(215,407)
Net Plant			\$ 539,960	\$ 523,334
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$	\$
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$	\$
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$	\$
123	Investment In Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property & Investments			\$	\$
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 9,459	\$ 7,329
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	16,345	13,889
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments			
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			\$ 25,804	\$ 21,218

* Not Applicable for Class B Utilities

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	_____	_____
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		_____	_____
Total Deferred Debits			\$ _____	\$ _____
TOTAL ASSETS AND OTHER DEBITS			\$ 565,764	\$ 544,552

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 500	\$ 500
204	Preferred Stock Issued	F-15		
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		80,684	86,684
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	2,164	5,443
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 83,348	\$ 92,627
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			\$	\$
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		5,396	1,171
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	20,422	18,915
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		2,240	1,365
236	Accrued Taxes	W/S-3	9,484	9,133
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	1,715	3,281
Total Current & Accrued Liabilities			\$ 39,257	\$ 33,865

* Not Applicable for Class B Utilities

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	\$ _____	\$ _____
253	Other Deferred Credits	F-21	\$ _____	\$ _____
255	Accumulated Deferred Investment Tax Credits		\$ _____	\$ _____
Total Deferred Credits			\$ _____	\$ _____
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		\$ _____	\$ _____
263	Pensions and Benefits Reserve		\$ _____	\$ _____
265	Miscellaneous Operating Reserves		\$ _____	\$ _____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 664,149	\$ 664,149
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	220,990	246,089
Total Net C.I.A.C.			\$ 443,159	\$ 418,060
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		\$ _____	\$ _____
283	Accumulated Deferred Income Taxes - Other		\$ _____	\$ _____
Total Accumulated Deferred Income Tax			\$ _____	\$ _____
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 565,764	\$ 544,552

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 210,768	\$ 202,277
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 210,768	\$ 202,277
401	Operating Expenses	F-3(b)	\$ 185,829	\$ 179,969
403	Depreciation Expense:	F-3(b)	\$ 18,919	\$ 19,841
	Less: Amortization of CIAC	F-22	21,513	25,099
Net Depreciation Expense			\$ (2,594)	\$ (5,258)
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	1,982	1,925
408	Taxes Other Than Income	W/S-3	21,804	23,036
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			\$ 207,021	\$ 199,672
Net Utility Operating Income			\$ 3,747	\$ 2,605
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			574
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 3,747	\$ 3,179

* For each account, Column e should agree with Columns f, g and h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
<u>202,277</u>	\$ _____	\$ _____
\$ <u>202,277</u>	\$ _____	\$ _____
\$ <u>179,969</u>	\$ _____	\$ _____
<u>19,841</u> <u>25,099</u>	_____	_____
\$ <u>(5,258)</u>	\$ _____	\$ _____
<u>1,925</u> <u>23,036</u>	_____	_____
_____	_____	_____
\$ <u>199,672</u>	\$ _____	\$ _____
\$ <u>2,605</u>	\$ _____	\$ _____
<u>574</u>	_____	_____
\$ <u>3,179</u>	\$ _____	\$ _____

* Total of Schedules W-3 / S-3 for all rate groups.

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 3,747	\$ 3,179
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income		129	100
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses		97	
Total Other Income and Deductions			\$	\$
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$	\$
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable To Other Income			\$	\$
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 4,635	\$
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			\$ 4,635	\$
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$	\$
NET INCOME			\$ (856)	\$ 3,279

Explain Extraordinary Income:

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 738,741	\$
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	190,358	
110	Accumulated Amortization	F-8	25,049	
271	Contributions In Aid of Construction	F-22	664,149	
252	Advances for Construction	F-20		
Subtotal			\$ (140,815)	\$
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	246,089	
Subtotal			\$ 105,274	\$
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		22,496	
	Other (Specify):			
RATE BASE			\$ 127,770	\$
NET UTILITY OPERATING INCOME			\$ 3,179	\$
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			2.49%	

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 92,627	98.55%	9.37%	9.23%
Preferred Stock				
Long Term Debt				
Customer Deposits	1,365	1.45%	6.00%	0.09%
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$ 93,992	100.00%		9.32%

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	_____ %
Commission order approving Return on Equity:	_____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	_____ %
Commission order approving AFUDC rate:	_____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

YEAR OF REPORT
December 31, 2000

UTILITY NAME: Palm Cay Utilities, Inc.

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (I) ADJUSTMENTS SPECIFIC (e)	OTHER (I) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 92,627	\$	\$	\$	\$	\$ 92,627
Preferred Stock						
Long Term Debt						
Customer Deposits	1,365					1,365
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
Total	\$ 93,992	\$	\$	\$	\$	\$ 93,992

(1) Explain below all adjustments made in Columns (e) and (f):

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 738,741	\$ _____	\$ _____	\$ 738,741
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	_____	_____	_____	_____
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	\$ 738,741	\$ _____	\$ _____	\$ 738,741

**UTILITY PLANT ACQUISITION ADJUSTMENTS
ACCOUNTS 114 AND 115**

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

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 170,742	\$	\$	\$ 170,742
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 19,841	\$	\$	\$ 19,841
Account 108.2 (2)				
Account 108.3 (2)				
Other Accounts (specify):				
Salvage				
Other Credits (Specify):				
Total Credits	\$ 19,841	\$	\$	\$ 19,841
Debits during year:				
Book cost of plant retired				
Cost of Removal				
Other Debits (specify):				
Accumulated Depreciation on Asset Sold	225			225
Total Debits	\$ 225	\$	\$	\$ 225
Balance end of year	\$ 190,358	\$	\$	\$ 190,358
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 23,124	\$	\$	\$ 23,124
Credit during year:				
Accruals charged to:				
Amort. of Org. Expenses	\$ 1,925	\$	\$	\$ 1,925
Account 110.2 (2)				
Other Accounts (specify):				
Total credits	\$ 1,925	\$	\$	\$ 1,925
Debits during year:				
Book cost of plant retired				
Other debits (specify):				
Total Debits	\$	\$	\$	\$
Balance end of year	\$ 25,049	\$	\$	\$ 25,049

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
None	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	_____	\$ _____

NONUTILITY PROPERTY (ACCOUNT 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 (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
None	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ _____	\$ _____	\$ _____	\$ _____

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): None	\$ _____
_____	_____
_____	_____
Total Special Deposits	\$ _____
OTHER SPECIAL DEPOSITS (Account 133): None	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ _____

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): <u>None</u>	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): <u>None</u>	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): <u>None</u>	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): <u>None</u>		\$ _____
_____		_____
_____		_____
_____		_____
Total Special Funds		\$ _____

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

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

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
<u>Water</u>	\$ 13,889	
<u>Wastewater</u>		
<u>Other</u>		
Total Customer Accounts Receivable		\$ 13,889
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ 0	

Total Other Accounts Receivable		\$
NOTES RECEIVABLE (Account 144):		
_____	\$ 0	

Total Notes Receivable		\$ 13,889
Total Accounts and Notes Receivable		\$ _____
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
<u>Balance first of year</u>	\$ 0	
<u>Add: Provision for uncollectibles for current year</u>	\$ 0	
<u>Collection of accounts previously written off</u>		
<u>Utility Accounts</u>		
<u>Others</u>		

Total Additions		\$
Deduct accounts written off during year:		
<u>Utility Accounts</u>	0	
<u>Others</u>		

Total accounts written off		\$
Balance end of year		\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 13,889

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT December 31, 2000

**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
None	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
None		\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ _____

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
None	\$ _____
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 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 (Account 181); <u>None</u>	\$ _____	\$ _____
	_____	_____
	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251); <u>None</u>	\$ _____	\$ _____
	_____	_____
	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
<u>None</u>	\$ _____

Total Extraordinary Property Losses	\$ _____

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1) <u>None</u>	\$ _____ _____ _____	\$ _____ _____ _____
Total Deferred Rate Case Expense	\$ _____	\$ _____
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): <u>None</u>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Deferred Debits	\$ _____	\$ _____
REGULATORY ASSETS (Class A Utilities: Account. 186.3): <u>None</u>	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Regulatory Assets	\$ _____	\$ _____
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ _____	\$ _____

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share		\$ 1
Shares authorized		500
Shares issued and outstanding		500
Total par value of stock issued		\$ 500
Dividends declared per share for year		\$ 0
PREFERRED STOCK		
Par or stated value per share		\$ N/A
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued		\$
Dividends declared per share for year		\$

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
None	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

* For variable rate obligations, provide the basis for the rate. (i.e., prime + 2%, etc.)

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as 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	\$ 2,164
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits:	\$ _____
	Total Credits:	\$ _____
	Debits:	\$ _____
	Total Debits:	\$ _____
435	Balance Transferred from Income	\$ 3,279
436	Appropriations of Retained Earnings:	_____
	Total Appropriations of Retained Earnings	\$ _____
437	Dividends Declared: Preferred Stock Dividends Declared	_____
438	Common Stock Dividends Declared	_____
	Total Dividends Declared	\$ _____
215	Year end Balance	\$ 5,443
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ 5,443
Notes to Statement of Retained Earnings:		

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
None	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232): None	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): None	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
K-4 Ventures, Inc.	\$ 5,175
Jon Kurtz, Trustee	13,740
Total	\$ 18,915

UTILITY NAME: Palm Cay Utilities, Inc.

**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (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 None	\$ _____		\$ _____	\$ _____	\$ _____
Total Account 237.1	\$ _____		\$ _____	\$ _____	\$ _____
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Customer Deposits None	\$ _____	427	\$ _____	\$ _____	\$ _____
Total Account 237.2	\$ _____		\$ _____	\$ _____	\$ _____
Total Account 237 (1)	\$ _____		\$ _____	\$ _____	\$ _____
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ _____		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ _____		\$ _____

(1) Must agree to F-2 (e), Beginning and Ending Balance of Accrued Interest.

(2) Must agree to F-3 (c), Current Year Interest Expense

YEAR OF REPORT
December 31, 2000

UTILITY NAME: Palm Cay Utilities, Inc.

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Payroll Tax Withholding	\$ 3,281
Total Miscellaneous Current and Accrued Liabilities	\$ 3,281

ADVANCES FOR CONSTRUCTION
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
None	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$

* Report advances separately by reporting group, designating water or wastewater in column (a).

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1): <u>None</u>	\$ _____	\$ _____
	_____	_____
	_____	_____
	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2): <u>None</u>	\$ _____	\$ _____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 664,149	\$ _____	\$ _____	\$ 664,149
Add credits during year:	\$ _____	\$ _____	\$ _____	\$ _____
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ 664,149	\$ _____	\$ _____	\$ 664,149

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 220,990	\$ _____	\$ _____	\$ 220,990
Debits during the year:	\$ 25,099	\$ _____	\$ _____	\$ 25,099
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 246,089	\$ _____	\$ _____	\$ 246,089

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

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 computations 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, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 3,279
Reconciling items for the year:		
Taxable income not reported on books:		
<u>Prior year earned revenue, received in current year</u>		<u>14,105</u>
<u>Taxable gain on asset disposal</u>		<u>817</u>
Deductions recorded on books not deducted for return:		
<u>Book Depreciation - current year</u>		<u>21,766</u>
<u>Expenses accrued for current year, not yet paid</u>		<u>10,304</u>
<u>50% of meals and entertainment</u>		<u>50</u>
Income recorded on books not included in return:		
<u>Current year revenues earned but not received</u>		<u>(12,525)</u>
<u>Book gain on asset disposal</u>		<u>(574)</u>
Deduction on return not charged against book income:		
<u>Tax depreciation - current year</u>		<u>(39,294)</u>
<u>Expenses accrued in prior year, paid in current year</u>		<u>(5,396)</u>
Federal tax net income		\$ <u>(7,468)</u>

Computation of tax :

None. The utility is organized as an S corporation, with the shareholders paying tax on their personal returns.

**WATER
OPERATION
SECTION**

UTILITY NAME:

Palm Cay Utilities, Inc.

YEAR OF REPORT December 31, 2000

WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-15) must be filed for each system in the group.

All of the following water pages (W-2 through W-15) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
<u>Palm Cay Utilities / Marion</u>	<u>601-W</u>	<u>1</u>

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 738,741
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	190,358
110	Accumulated Amortization		25,049
271	Contributions In Aid of Construction	W-7	664,149
252	Advances for Construction	F-20	
Subtotal			\$ (140,815)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 246,089
Subtotal			\$ 105,274
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		22,496
	Other (Specify):		
WATER RATE BASE			\$ 127,770
WATER OPERATING INCOME		W-3	\$ 3,179
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>2.49%</u>

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 202,277
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		\$ 202,277
401	Operating Expenses	W-10(a)	\$ 179,969
403	Depreciation Expense	W-6(a)	19,841
	Less: Amortization of CIAC	W-8(a)	25,099
	Net Depreciation Expense		\$ (5,258)
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	1,925
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		9,133
408.11	Property Taxes		3,346
408.12	Payroll Taxes		8,977
408.13	Other Taxes and Licenses		1,580
408	Total Taxes Other Than Income		\$ 23,036
409.1	Income Taxes		
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 Expenses		\$ 199,672
	Utility Operating Income		\$ 2,605
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		574
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 3,179

YEAR OF REPORT
December 31, 2000

UTILITY NAME: Palm Cay Utilities, Inc.

SYSTEM NAME / COUNTY: Palm Cay / Marion

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 67,386	\$	\$	\$ 67,386
302	Franchises				
303	Land and Land Rights	47,470			47,470
304	Structures and Improvements	24,366			24,366
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	42,753			42,753
308	Infiltration Galleries and Tunnels				
309	Supply Mains	11,053			11,053
310	Power Generation Equipment	21,117			21,117
311	Pumping Equipment	33,650			33,650
320	Water Treatment Equipment	10,696			10,696
330	Distribution Reservoirs and Standpipes	22,525			22,525
331	Transmission and Distribution Mains	335,123			335,123
333	Services	70,046			70,046
334	Meters and Meter Installations	29,504			29,504
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	3,801	5,765		9,566
341	Transportation Equipment	8,786		850	7,936
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	5,550			5,550
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTAL WATER PLANT	\$ 733,826	\$ 5,765	\$ 850	\$ 738,741

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

YEAR OF REPORT
December 31, 2000

UTILITY NAME: Palm Cay Utilities, Inc.

SYSTEM NAME / COUNTY: Palm Cay / Marion

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 INTANGIBLE PLANT	.2 SOURCE OF SUPPLY AND PUMPING PLANT	.3 WATER TREATMENT PLANT	.4 TRANSMISSION AND DISTRIBUTION PLANT	.5 GENERAL PLANT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
301	Organization	\$ 67,386	\$ 67,386				
302	Franchises						
303	Land and Land Rights	47,470		47,470			
304	Structures and Improvements	24,366		24,366			
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	42,753		42,753			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	11,053		11,053			
310	Power Generation Equipment	21,117		21,117			
311	Pumping Equipment	33,650		33,650			
320	Water Treatment Equipment	10,696			10,696		
330	Distribution Reservoirs and Standpipes	22,525				22,525	
331	Transmission and Distribution Mains	335,123				335,123	
333	Services	70,046				70,046	
334	Meters and Meter Installations	29,504				29,504	
335	Hydrants						
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment						
340	Office Furniture and Equipment	9,566					9,566
341	Transportation Equipment	7,936					7,936
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	5,550					5,550
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment						
347	Miscellaneous Equipment						
348	Other Tangible Plant						
TOTAL WATER PLANT		\$ 738,741	\$ 67,386	\$ 180,409	\$ 10,696	\$ 457,198	\$ 23,052

W-4(b)
GROUP 1

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

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	33	0	3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30	0	3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	35	0	2.86%
310	Power Generation Equipment	20	0	5.00%
311	Pumping Equipment	20	0	5.00%
320	Water Treatment Equipment	22	0	4.55%
330	Distribution Reservoirs and Standpipes	37	0	2.70%
331	Transmission and Distribution Mains	43	0	2.33%
333	Services	40	0	2.50%
334	Meters and Meter Installations	20	0	5.00%
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment	25	0	4.00%
340	Office Furniture and Equipment	15	0	6.67%
341	Transportation Equipment	6	0	16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	12	0	8.33%
346	Communication Equipment	10	0	10.00%
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 made on this line only.

YEAR OF REPORT
December 31, 2000

UTILITY NAME: Palm Cay Utilities, Inc.

SYSTEM NAME / COUNTY: Palm Cay / Marion

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	\$ 7,806	\$ 739		\$ 739
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	16,114	1,425		1,425
308	Infiltration Galleries and Tunnels				
309	Supply Mains	1,404	316		316
310	Power Generation Equipment	11,087	1,056		1,056
311	Pumping Equipment	4,744	1,683		1,683
320	Water Treatment Equipment	5,440	486		486
330	Distribution Reservoirs and Standpipes	6,851	609		609
331	Transmission and Distribution Mains	81,556	7,813		7,813
333	Services	19,088	1,751		1,751
334	Meters and Meter Installations	15,070	1,475		1,475
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	252	713		713
341	Transportation Equipment	1,298	1,405		1,405
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment	32	370		370
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 170,742	\$ 19,841	\$	\$ 19,841

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

W-6(a)
GROUP 1

YEAR OF REPORT
December 31, 2000

UTILITY NAME: Palm Cay Utilities, Inc.

SYSTEM NAME / COUNTY: Palm Cay / Marion

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i)	BALANCE AT END OF YEAR (c+f-k)
(a)	(b)	\$	\$	\$	\$	\$
304	Structures and Improvements					8,545
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					17,539
308	Infiltration Galleries and Tunnels					
309	Supply Mains					1,720
310	Power Generation Equipment					12,143
311	Pumping Equipment					6,427
320	Water Treatment Equipment					5,926
330	Distribution Reservoirs and Standpipes					7,460
331	Transmission and Distribution Mains					89,369
333	Services					20,839
334	Meters and Meter Installations					16,545
335	Hydrants					
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment					965
341	Transportation Equipment	225			225	2,478
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					402
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					
347	Miscellaneous Equipment					
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 225	\$	\$	\$ 225	\$ 190,358

W-6(b)
GROUP 1

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>664,149</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ _____
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	\$ _____
Total Credits		\$ _____
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>664,149</u>

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

Explain all debits charged to Account 271 during the year below:

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

WATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
None		\$	\$
Total Credits			\$

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 220,990
Debits during the year:	
Accruals charged to Account 272	\$ 25,099
Other debits (specify):	
Total debits	\$ 25,099
Credits during the year (specify):	
	\$
Total credits	\$
Balance end of year	\$ 246,089

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

WATER CIAC SCHEDULE "B"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
None		\$ _____

Total Credits		\$ _____

UTILITY NAME:

Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY :

Palm Cay / Marion

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	796	791	198,150
461.2	Sales to Commercial Customers	23	1	4,127
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		819	792	\$ 202,277
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue				\$
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		819	792	\$ 202,277
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$
Total Water Operating Revenues				\$ 202,277

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 81,093	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	17,308		
604	Employee Pensions and Benefits	177		
610	Purchased Water			
615	Purchased Power	10,668	10,668	
616	Fuel for Power Purchased			
618	Chemicals			
620	Materials and Supplies	2,277		1,443
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	9,426		
633	Contractual Services - Legal			
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Testing	7,720		
636	Contractual Services - Other			
641	Rental of Building/Real Property	13,780		
642	Rental of Equipment			
650	Transportation Expenses			
656	Insurance - Vehicle			
657	Insurance - General Liability	2,331	437	
658	Insurance - Workman's Comp.	463		
659	Insurance - Other	7,015		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense			
675	Miscellaneous Expenses	27,711	4,156	
Total Water Utility Expenses		\$ 179,969	\$ 15,261	\$ 1,443

UTILITY NAME:

Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY :

Palm Cay / Marion

WATER EXPENSE ACCOUNT MATRIX

3 WATER TREATMENT EXPENSES - OPERATIONS (f)	4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (b)	6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	7 CUSTOMER ACCOUNTS EXPENSE (j)	8 ADMIN. & GENERAL EXPENSES (k)
\$	\$	\$ 18,628	\$ 24,216	\$ 10,557	\$ 27,692
					17,308
					177
	834				
					9,426
6,948		772			
		2,756		2,756	8,268
437		437	437	583	
		185	93	93	92
		1,326	1,726	751	3,212
		4,155	41	2,078	17,281
\$ 7,385	\$ 834	\$ 28,259	\$ 26,513	\$ 16,818	\$ 83,456

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

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		7,482,000		7,482,000	6,764,510
February		6,568,400		6,568,400	5,090,400
March		8,929,700		8,929,700	8,128,290
April		8,929,000		8,929,000	8,955,461
May		9,134,000		9,134,000	8,959,909
June		9,339,000		9,339,000	8,407,192
July		5,927,000		5,927,000	5,854,380
August		6,564,000		6,564,000	5,896,890
September		6,722,000		6,722,000	5,651,060
October		6,413,000		6,413,000	5,848,020
November		5,932,000		5,932,000	5,554,940
December		5,463,000		5,463,000	4,705,910
Total for Year		87,403,100		87,403,100	79,816,962

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:

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well #1	936,000		Well
Well #2	936,000		Well

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>370,000</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Storage Tanks</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Chemical</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>N/A</u>	Manufacturer: _____
FILTRATION	
Type and size of area:	
Pressure (in square feet): <u>N/A</u>	Manufacturer: _____
Gravity (in GPM/square feet): <u>N/A</u>	Manufacturer: _____

W-12
GROUP 1
SYSTEM _____

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	791	791
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0	1	8
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				799

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC)

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
ERC = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC Calculation:

$$(79,816,962 / 365) \div 350 = 625$$

UTILITY NAME: Palm Cay Utilities, Inc.

YEAR OF REPORT
December 31, 2000

SYSTEM NAME / COUNTY : Palm Cay / Marion

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERC's * the system can efficiently serve. 625

2. Maximum number of ERCs * which can be served. 625

3. Present system connection capacity (in ERCs *) using existing lines. 625

4. Future connection capacity (in ERCs *) upon service area buildout. 625

5. Estimated annual increase in ERCs *. None

6. Is the utility required to have fire flow capacity? No
If so, how much capacity is required? _____

7. Attach a description of the fire fighting facilities.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. None

9. When did the company last file a capacity analysis report with the DEP? N/A

10. If the present system does not meet the requirements of DEP rules:

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? _____

c. When will construction begin? _____

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? _____

11. Department of Environmental Protection ID # PWS 6424649

12. Water Management District Consumptive Use Permit # 208423.06

a. Is the system in compliance with the requirements of the CUP? Yes

b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on the calculation on the bottom of Page W-13.