

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WS651 54  
Buffalo Bluff Utilities, Inc.  
Star Route 1, Box 450 (SR 309B)  
Satsuma, FL 32189

542-W 470-S  
Certificate Number(s)

Submitted To The

STATE OF FLORIDA



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MAY - 6 1999  
Florida Public Service Commission  
Division of Water and Wastewater

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1998

OFFICIAL COPY

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**TAYLOR & WAINIO, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

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**ACCOUNTANTS COMPILATION REPORT**

Mr. Arthur H. Runk, Sr.  
Buffalo Bluff Utilities, Inc.  
Satsuma, Florida

We have compiled the balance sheets of Buffalo Bluff Utilities, Inc. as of December 31, 1998 and 1997 and the related statements of income and retained earnings for the year ended December 31, 1998 included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information on pages F-2, F-3, F-4, F-5, F-6, F-7, F-8, W-1, W-2, S-1, S-2 and the schedules of operations and maintenance expense on pages W-3 and S-3 of the accompanying prescribed form.

Our compilation was limited to presenting in the form prescribed by the Florida Public Service Commission information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information referred to above are presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, the financial statements and supplementary information are not designed for those who are not informed about such differences.

The supplementary information contained on pages F-9, F-10, W-4, W-5, W-6, S-4, S-5, V-1, and the customer schedules on pages W-3 and S-3 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

*Taylor & Wainio, P.A.*

St. Augustine, Florida  
April 21, 1999

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**FINANCIAL  
SECTION**

REPORT OF

BUFFALO BLUFF UTILITIES, INC.

(EXACT NAME OF UTILITY) \*

1985 MIZELL ROAD  
ST. AUGUSTINE, FL 32084

Mailing Address

STAR ROUTE 1, BOX 450  
SATSUMA, FL 32189 PUTNAM  
County

Street Address

County

Telephone Number 904-471-8272

Date Utility First Organized 8/9/84

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: 1985 MIZELL ROAD  
ST. AUGUSTINE, FL 32084

Name of subdivisions where services are provided: BAYOU CLUB

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>ARTHUR H. RUNK, SR.</u>	<u>SHAREHOLDER</u>	<u>1985 MIZELL ROAD</u> <u>ST. AUGUSTINE, FL 32084</u>	
Person who prepared this report: <u>TAYLOR &amp; WANIG, P.A.</u>	<u>CPA FIRM</u>	<u>100 SOUTH PARK BLVD</u> <u>SUITE 414</u> <u>ST. AUGUSTINE, FL</u> <u>32086</u>	
Officers and Managers: <u>ARTHUR H. RUNK, SR.</u>	<u>OFFICER</u>	<u>1985 MIZELL ROAD</u> <u>ST. AUGUSTINE, FL</u> <u>32084</u>	\$ <u>NONE</u>
<u>PIERRE D. THOMPSON</u>	<u>OFFICER</u>	<u>P.O. DRAWER 70</u> <u>ST. AUGUSTINE, FL</u>	\$ <u>NONE</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>PIERRE D. THOMPSON</u>	<u>41.67%</u>	<u>P.O. DRAWER 70</u> <u>ST. AUGUSTINE, FL 32085</u>	\$ <u>NONE</u>
<u>ARTHUR H. RUNK, SR.</u>	<u>33.34%</u>	<u>1985 MIZELL ROAD</u> <u>ST. AUGUSTINE, FL 32084</u>	\$ <u>NONE</u>
<u>ARTHUR H. RUNK, JR.</u>	<u>8.33%</u>	<u>SAME</u>	\$ <u>NONE</u>
<u>CHRISTOPHER RUNK</u>	<u>8.33%</u>	<u>SAME</u>	\$ <u>NONE</u>
<u>P. BRAD RUNK</u>	<u>8.33%</u>	<u>SAME</u>	\$ <u>NONE</u>

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		\$ 7,989	\$ 5,686	\$ _____	\$ 13,675
Commercial		_____	_____	_____	_____
Industrial		_____	_____	_____	_____
Multiple Family		_____	_____	_____	_____
Guaranteed Revenues		_____	_____	_____	_____
Other (Specify)		_____	_____	_____	_____
<b>Total Gross Revenue</b>		<b>\$ 7,989</b>	<b>\$ 5,686</b>	<b>\$ _____</b>	<b>\$ 13,675</b>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 10,411	\$ 9,963	\$ _____	\$ 20,374
Depreciation Expense	F-5	2,218	1,636	_____	3,854
CIAC Amortization Expense	F-8	-	-	_____	-
Taxes Other Than Income	F-7	1,528	1,183	_____	2,711
Income Taxes	F-7	-	-	_____	-
<b>Total Operating Expense</b>		<b>\$ 14,157</b>	<b>\$ 12,782</b>	<b>\$ _____</b>	<b>\$ 26,939</b>
<b>Net Operating Income (Loss)</b>		<b>\$ &lt;6,168&gt;</b>	<b>\$ &lt;7,096&gt;</b>	<b>\$ _____</b>	<b>\$ &lt;13,264&gt;</b>
Other Income:					
Nonutility Income		\$ _____	\$ _____	\$ _____	\$ _____
<u>OPTIONAL INCOME</u>		800	800	_____	1,600
Other Deductions:					
Miscellaneous Nonutility Expenses		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense		_____	_____	_____	_____
<b>Net Income (Loss)</b>		<b>\$ &lt;5,368&gt;</b>	<b>\$ &lt;6,296&gt;</b>	<b>\$ _____</b>	<b>\$ &lt;11,664&gt;</b>

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET, A

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ <u>125,837</u>	\$ <u>125,837</u>
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	<u>43,934</u>	<u>40,080</u>
Net Utility Plant -----		\$ <u>81,903</u>	\$ <u>85,757</u>
Cash -----		<u>5,477</u>	<u>4,676</u>
Customer Accounts Receivable (141) -----			
Other Assets (Specify): -----			
-----			
-----			
<b>Total Assets</b> -----		\$ <u>87,380</u>	\$ <u>90,433</u>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201) -----	F-6	<u>500</u>	<u>500</u>
Preferred Stock Issued (204) -----	F-6	<u>130,734</u>	<u>130,734</u>
Other Paid in Capital (211) -----		<u>144,692</u>	<u>133,028</u>
Retained Earnings (215) -----	F-6		
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
<b>Total Capital</b> -----		\$ <u>213,458</u>	\$ <u>211,794</u>
Long Term Debt (224) -----	F-6	\$ -----	\$ -----
Accounts Payable (231) -----		<u>100,223</u>	<u>91,621</u>
Notes Payable (232) -----			
Customer Deposits (235) -----			
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----		<u>615</u>	<u>606</u>
<u>ASSESSMENT FEE PAYABLE</u>			
-----			
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8		
<b>Total Liabilities and Capital</b> -----		\$ <u>87,380</u>	\$ <u>90,433</u>

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	\$ <u>69,955</u>	\$ <u>55,882</u>	\$ _____	\$ <u>125,837</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>69,955</u>	\$ <u>55,882</u>	\$ _____	\$ <u>125,837</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>22,661</u>	\$ <u>17,419</u>	\$ _____	\$ <u>40,080</u>
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account _____	\$ <u>2,218</u>	\$ <u>1,636</u>	\$ _____	\$ <u>3,854</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
Total Credits _____	\$ <u>2,218</u>	\$ <u>1,636</u>	\$ _____	\$ <u>3,854</u>
<b>Deduct Debits During Year:</b>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ <u>NONE</u>	\$ <u>NONE</u>	\$ _____	\$ <u>NONE</u>
Balance End of Year _____	\$ <u>24,879</u>	\$ <u>19,055</u>	\$ _____	\$ <u>43,934</u>



UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

CAPITAL STOCK ( 201 - 204 ) \*

	Common Stock	Preferred Stock
Par or stated value per share _____	<u>1.00</u>	<u>NONE</u>
Shares authorized _____	<u>500</u>	<u>  </u>
Shares issued and outstanding _____	<u>500</u>	<u>  </u>
Total par value of stock issued _____	<u>500</u>	<u>  </u>
Dividends declared per share for year _____	<u>NONE</u>	<u>  </u>

RETAINED EARNINGS ( 215 )

	Appropriated	Un-Appropriated
Balance first of year _____	\$ <u>NONE</u>	\$ <u>&lt;133,028&gt;</u>
Changes during the year (Specify): <u>NET LOSS</u>	<u>  </u>	<u>&lt;11,664&gt;</u>
Balance end of year _____	\$ <u>NONE</u>	\$ <u>&lt;144,692&gt;</u>

PROPRIETARY CAPITAL ( 218 )

	Proprietor Or Partner	Partner
Balance first of year _____	\$ <u>  </u>	\$ <u>  </u>
Changes during the year (Specify): <u>  </u>	<u>  </u>	<u>  </u>
Balance end of year _____	\$ <u>NONE</u>	\$ <u>NONE</u>

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>  </u>	<u>  </u>	\$ <u>  </u>
_____	<u>  </u>	<u>  </u>	\$ <u>  </u>
Total _____	<u>  </u>	<u>  </u>	\$ <u>NONE</u>

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

TAXES ACCRUED ( 236 )

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ 350	\$ 256	\$	\$ 606
Add Accruals charged:				
State ad valorem tax	\$ 844	\$ 602	\$	\$ 1,446
Local property tax				
Federal income tax				
State income tax	359	256		615
Regulatory assessment fee	275	275		5
Other (Specify) <u>SEC OF STATE</u> <u>DEP PERMIT</u>	50	50		100
2. Total Taxes Accrued	\$ 1,528	\$ 1,183	\$	\$ 2,711
Deduct Taxes Paid:				
State ad valorem tax	\$ 844	\$ 602	\$	\$ 1,446
Local property tax				
Federal income tax				
State income tax	350	256		606
Regulatory assessment fee	275	275		550
Other (Specify) <u>SEC OF STATE</u> <u>DEP PERMIT</u>	50	50		100
3. Total Taxes Paid	\$ 1,519	\$ 1,183	\$	\$ 2,702
4. Balance end of year (1 + 2 - 3 = 4)	\$ 359	\$ 256	\$	\$ 615

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>TAYLOR &amp; WAINIO, P.A.</u>	\$ 1,100	\$ 1,100	<u>ACCOUNTING / TAX PREP</u>
<u>FL GEN'IC ENVIRONMENTAL</u>	\$ 4,825	\$ 5,202	<u>WATER TESTING / OTHER</u>
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
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	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ <u>NONE</u>	\$ <u>NONE</u>	\$ <u>NONE</u>
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 _____	\$ <u>NONE</u>	\$ <u>NONE</u>	\$ <u>NONE</u>

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 _____	_____	\$ <u>NONE</u>	\$ <u>NONE</u>
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.) _____			\$ <u>NONE</u> \$ <u>NONE</u>

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.) _____	\$ <u>NONE</u>	\$ <u>NONE</u>	\$ <u>NONE</u>

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

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

**SCHEDULE "A"**

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

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

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

APPROVED AFUDC RATE N/A

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

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

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

### SCHEDULE "B"

### SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

N/A

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	\$ <u>NONE</u>	\$ <u>NONE</u>	\$ <u>NONE</u>	\$ <u>NONE</u>	\$ <u>NONE</u>

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

N/A

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**WATER  
OPERATING  
SECTION**

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises	_____	_____	_____	_____
303	Land and Land Rights	_____	_____	_____	_____
304	Structures and Improvements	<u>54,576</u>	_____	_____	<u>54,576</u>
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____	_____	_____
307	Wells and Springs	<u>1,188</u>	_____	_____	<u>1,188</u>
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____
309	Supply Mains	_____	_____	_____	_____
310	Power Generation Equipment	_____	_____	_____	_____
311	Pumping Equipment	<u>1,677</u>	_____	_____	<u>1,677</u>
320	Water Treatment Equipment	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes	<u>300</u>	_____	_____	<u>300</u>
331	Transmission and Distribution Lines	<u>8,156</u>	_____	_____	<u>8,156</u>
333	Services	_____	_____	_____	_____
334	Meters and Meter Installations	<u>1,920</u>	_____	_____	<u>1,920</u>
335	Hydrants	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment	<u>2,138</u>	_____	_____	<u>2,138</u>
340	Office Furniture and Equipment	_____	_____	_____	_____
341	Transportation Equipment	_____	_____	_____	_____
342	Stores Equipment	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____
344	Laboratory Equipment	_____	_____	_____	_____
345	Power Operated Equipment	_____	_____	_____	_____
346	Communication Equipment	_____	_____	_____	_____
347	Miscellaneous Equipment	_____	_____	_____	_____
348	Other Tangible Plant	_____	_____	_____	_____
	Total Water Plant	\$ <u>69,955</u>	\$ <u>NONE</u>	\$ <u>NONE</u>	\$ <u>69,955</u>

YEAR OF REPORT  
DECEMBER 31, 1958

UTILITY NAME: SUFFALO BUFF UTILITIES, INC.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage In Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (i-g+h=i)
304	Structures and Improvements	35	%	2.5	\$ 17,670	\$	\$ 4,575	\$ 19,245
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes	27	%	3.7	230		23	243
307	Wells and Springs		%					
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%		401		99	500
311	Pumping Equipment	17	%	5.9				
320	Water Treatment Equipment		%					
330	Distribution Reservoirs & Standpipes	17	%	5.9	74		18	92
331	Trans. & Dist. Mains	32	%	3.1	2,536		255	2,791
333	Services		%					
334	Meter & Meter Installations	VARIOUS	%	10.0	1,315		141	1,456
335	Hydrants		%					
339	Other Plant and Miscellaneous Equipment	20	%	5.0	445		107	552
340	Office Furniture and Equipment		%					
341	Transportation Equipment		%					
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment		%					
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 22,661	\$	\$ 2,218	\$ 24,879

\* This amount should tie to Sheet F-5.



UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
604	Employee Pensions and Benefits	_____
610	Purchased Water	766
615	Purchased Power	_____
616	Fuel for Power Production	645
618	Chemicals	1,271
620	Materials and Supplies	_____
630	Contractual Services:	1,234
	Operator and Management	5,050
	Testing	1,312
	Other <u>ENGINEERING / ACCOUNTING</u>	_____
640	Rents	_____
650	Transportation Expense	52
655	Insurance Expense	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
670	Bad Debt Expense	81
675	Miscellaneous Expenses	_____
	Total Water Operation And Maintenance Expense	\$ <u>10,411</u>

\* 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	59	57	57
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
4"	D,C	25.0	_____	_____	_____
4"	T	30.0	_____	_____	_____
6"	D,C	50.0	_____	_____	_____
6"	T	62.5	_____	_____	_____
Other (Specify): _____ _____	_____ _____	_____ _____	_____ _____	_____ _____	_____ _____
Unmetered Customers			_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	59	57
				57	57

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

SYSTEM NAME: \_\_\_\_\_

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	(f) Water Sold To Customers (Omit 000's)
January		281		281	281
February		352		352	352
March		274		274	274
April		581		581	581
May		672		672	672
June		788		788	788
July		495		495	495
August		434		434	434
September		310		310	310
October		440		440	440
November		385		385	385
December		348		348	348
Total for Year		5,360		5,360	5,360

If water is purchased for resale, indicate the following:  
Vendor NOT APPLICABLE  
Point of delivery \_\_\_\_\_

If water is sold to other water utilities for redistribution, list names of such utilities below:  
NOT APPLICABLE

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6"	1,150			1,150
PVC	4"	6,480			6,480
PVC	2"	250			250

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

SYSTEM NAME: \_\_\_\_\_

WELLS AND WELL PUMPS  
(If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1982</u>	<u>1987</u>	_____	_____
Types of Well Construction and Casing _____	<u>ROTARY GALV.</u>	<u>ROTARY GALV.</u>	_____	_____
Depth of Wells _____	<u>85'</u>	<u>85'</u>	_____	_____
Diameters of Wells _____	<u>4"</u>	<u>4"</u>	_____	_____
Pump - GPM _____	<u>25</u>	<u>25</u>	_____	_____
Motor - HP _____	<u>1</u>	<u>1</u>	_____	_____
Motor Type * _____	<u>SUBM./CENTR.</u>	<u>SUBM./CENTR.</u>	_____	_____
Yields of Wells in GPD _____	<u>36,000</u>	<u>36,000</u>	_____	_____
Auxiliary Power _____	<u>N/A</u>	<u>N/A</u>	_____	_____

\* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>PNEUMATIC</u>	_____	_____	_____
Capacity of Tank _____	<u>2,500</u>	_____	_____	_____
Ground or Elevated _____	<u>GROUND</u>	_____	_____	_____

HIGH SERVICE PUMPING  
N/A

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

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

**SOURCE OF SUPPLY**

List for each source of supply ( Ground, Surface, Purchased Water etc. )			
Gals. per day of source	<u>14,685 ADF</u>		
Type of Source	<u>GROUNDWATER</u>		

**WATER TREATMENT FACILITIES**

List for each Water Treatment Facility:			
Type	<u>CHLORINATION</u>		
Make	<u>PULSAFEEDER</u>		
Gals. per day capacity	<u>55,000</u>		
High service pumping	<u>N/A</u>		
Gallons per minute	<u>N/A</u>		
Reverse Osmosis	<u>N/A</u>		
Lime Treatment			
Unit Rating	<u>N/A</u>		
Filtration			
Pressure Sq. Ft.	<u>N/A</u>		
Gravity GPD/Sq.Ft.	<u>N/A</u>		
Disinfection			
Chlorinator	<u>Hypochlorinator</u>		
Ozone	<u>N/A</u>		
Other	<u>N/A</u>		
Auxiliary Power	<u>N/A</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 42
- Maximum ERCs \*\* that system can efficiently serve 157
- Present system connection capacity (in ERC's) using existing lines 75
- Future connection capacity (in ERC's) upon service area buildout 240
- Estimated annual increase in ERCs \* NO ESTIMATE AVAILABLE
- List fire fighting facilities and capacities (including number of fire hydrants) N/A
- List percent of certificating area where service connections are installed (total for each county)  
27%
- What is the current need for system upgrading and/or expansion? 26 ADDITIONAL LOTS TO BE DEVELOPED UPON RECEIPT OF STRUMD PERMIT.
- What are plans for future system upgrading and/or expansion? AERATION, GROUND STORAGE, & HIGH SERVICE PUMPING
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)  
YES, HILL, BORING & BAUNN, 7550 BELFORT PKWAY, STE. 1600, JAX, FLORIDA
- Has an application for a construction permit been filed with the DEP? (if so, explain) YES  
WATER PERMIT NO. 0080357-001-056P
- Department of Environmental Protection ID # 2544266  
Water Management District ID # NOT APPLICABLE

\* ERC = ( Total Gallons Sold / 365 days ) / 350 Gallons Per Day  
\*\* Total Plant Capacity / 350 gallons

**WASTEWATER  
OPERATING  
SECTION**

UTILITY NAME: SUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises	_____	_____	_____	_____
353	Land and Land Rights	_____	_____	_____	* 54,582
354	Structures and Improvements	* 54,582	_____	_____	_____
360	Collection Sewers - Force	_____	_____	_____	_____
361	Collection Sewers - Gravity	_____	_____	_____	_____
362	Special Collecting Structures	_____	_____	_____	_____
363	Services to Customers	_____	_____	_____	_____
364	Flow Measuring Devices	_____	_____	_____	_____
365	Flow Measuring Installations	_____	_____	_____	_____
370	Receiving Wells	_____	950	979	1,300
371	Pumping Equipment	1,329	_____	_____	_____
380	Treatment and Disposal Equipment	_____	_____	_____	_____
381	Plant Sewers	_____	_____	_____	_____
382	Outfall Sewer Lines	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment	_____	_____	_____	_____
390	Office Furniture and Equipment	_____	_____	_____	_____
391	Transportation Equipment	_____	_____	_____	_____
392	Stores Equipment	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment	_____	_____	_____	_____
394	Laboratory Equipment	_____	_____	_____	_____
395	Power Operated Equipment	_____	_____	_____	_____
396	Communication Equipment	_____	_____	_____	_____
397	Miscellaneous Equipment	_____	_____	_____	_____
398	Other Tangible Plant	_____	_____	_____	_____
	Total Wastewater Plant	\$ 55,911	\$ 950	\$ 979	\$ 55,882*

\* This amount should tie to sheet F-5.

\* COMPLETE DETAIL OF SEWER PLANT NOT AVAILABLE.

YEAR OF REPORT  
DECEMBER 31, 1998

UTILITY NAME: BUFFALO BRUFF UTILITIES, INC.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

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)
354	Structures and Improvements		%	2.9	\$ 17,294	\$	\$ 1,559	\$ 18,853
360	Collection Sewers - Force	35	%					
361	Collection Sewers - Gravity		%					
362	Special Collecting Structures		%					
363	Services to Customers		%					
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells		%	5.5	125		77	202
371	Pumping Equipment	17	%					
380	Treatment and Disposal Equipment		%					
381	Plant Sewers		%					
382	Outfall Sewer Lines		%					
389	Other Plant and Miscellaneous Equipment		%					
390	Office Furniture and Equipment		%					
391	Transportation Equipment		%					
392	Stores Equipment		%					
393	Tools, Shop and Garage Equipment		%					
394	Laboratory Equipment		%					
395	Power Operated Equipment		%					
396	Communication Equipment		%					
397	Miscellaneous Equipment		%					
398	Other Tangible Plant		%					
	Totals				\$ 17,419	\$	\$ 1,636	\$ 19,055

\* This amount should tie to Sheet F-5.

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
704	Employee Pensions and Benefits	_____
710	Purchased Wastewater Treatment	200
711	Sludge Removal Expense	850
715	Purchased Power	_____
716	Fuel for Power Production	_____
718	Chemicals	4,272
720	Materials and Supplies	_____
730	Contractual Services:	993
	Operator and Management	5,201
	Testing	1,313
	Other <u>ENGINEERING/ACCOUNTING</u>	_____
740	Rents	_____
750	Transportation Expense	52
755	Insurance Expense	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	82
775	Miscellaneous Expenses	_____
	Total Wastewater Operation And Maintenance Expense	\$ <u>9,963</u>

\* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
5/8"	D	1.0	59	57	57
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			59	57	57

\*\* D = Displacement  
C = Compound  
T = Turbine



UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

PUMPING EQUIPMENT

Lift Station Number	1	1				
Make or Type and nameplate data on pump	HYDRO-MATIC	HYDRO-MATIC				
Year installed	1992	1992				
Rated capacity	50 GPM	50 GPM				
Size	2 HP	2 HP				
Power:						
Electric	230 V 3φ	230 V 3φ				
Mechanical	N/A	N/A				
Nameplate data of motor	UNKNOWN	UNKNOWN				

SERVICE CONNECTIONS

Size (inches)	4"					
Type (PVC, VCP, etc.)	PVC					
Average length	20'					
Number of active service connections						
Beginning of year	59					
Added during year						
Retired during year						
End of year	59					
Give full particulars concerning inactive connections						

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches)	8"				4"			
Type of main	PVC				PVC			
Length of main (nearest foot)								
Beginning of year	4,030				1500			
Added during year								
Retired during year								
End of year	4,030				1500			

MANHOLES

Size (inches)	48"			
Type of Manhole	CONC.			
Number of Manholes:				
Beginning of year	11			
Added during year	0			
Retired during year	0			
End of Year	11			

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

SYSTEM NAME: \_\_\_\_\_

TREATMENT PLANT

Manufacturer _____	AMERICAN	_____	_____
Type _____	ENVIRPORT	_____	_____
"Steel" or "Concrete" _____	EXT. AERATION	_____	_____
Total Capacity _____	STEEL	_____	_____
Average Daily Flow _____	0.0285 MGD	_____	_____
Effluent Disposal _____	0.0047 MG	_____	_____
Total Gallons of Wastewater treated _____	2 PER POUNDS	_____	_____
	1,7203 MG	_____	_____

MASTER LIFT STATION PUMPS N/A

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

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>000</u>	NONE	<u>000</u>
February _____	<u>220</u>		<u>220</u>
March _____	<u>204</u>		<u>204</u>
April _____	<u>189</u>		<u>189</u>
May _____	<u>126</u>		<u>126</u>
June _____	<u>99</u>		<u>99</u>
July _____	<u>105</u>		<u>105</u>
August _____	<u>87</u>		<u>87</u>
September _____	<u>93</u>		<u>93</u>
October _____	<u>81</u>		<u>81</u>
November _____	<u>102</u>		<u>102</u>
December _____	<u>99</u>		<u>99</u>
Total for year _____	<u>1,507</u>	<u>NONE</u>	<u>1,507</u>

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

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC

YEAR OF REPORT  
DECEMBER 31, 1998

SYSTEM NAME: \_\_\_\_\_

### OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present ERCs \* now being served 15
2. Maximum ERCs \*\* that system can efficiently serve 102
3. Present system connection capacity (in ERC's) using existing lines 75
4. Future connection capacity (in ERC's) upon service area buildout 240
5. Estimated annual increase in ERCs \* NO ESTIMATE AVAILABLE
6. State any plans and estimated completion dates for any enlargements of this system.  
26 ADDITIONAL LOTS TO BE DEVELOPED UPON RECEIPT OF SJRWMD PERMIT.
7. List percent of certificated area where service connections are installed (total for each county)  
18%
8. If present systems do not meet the requirements of DEP Rule 62-4, Florida Administrative Code, submit the following: N/A
  - a. Evaluation of the present plant or plants in regard to meeting the DEP's rules.
  - b. Plans for funding and construction of the required upgrading.
  - c. Have these plans been coordinated with the DEP? \_\_\_\_\_
  - d. Do they concur? \_\_\_\_\_
  - e. When will construction begin? \_\_\_\_\_
9. Do you discharge effluent to surface waters? NO
10. Department of Environmental Protection ID # 011717  
Water Management District ID # N/A

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

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

\*\* Total Plant Capacity / 280 gallons

UTILITY NAME: BUFFALO BLUFF UTILITIES, INC.

YEAR OF REPORT  
DECEMBER 31, 1998

## 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.

  
(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 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.