

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

ANNUAL REPORT

WS641
Lake Groves Utilities, Inc.
P. O. Box 915505
Longwood, FL 32791-5505

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WATER AND SEWER

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Florida Public Service Commission
Division of Water and Wastewater

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1996

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA), Commission Rules and the definitions on next page.
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.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
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 in the report. Additional pages 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 statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceding year ending December 31.

Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Water and Wastewater, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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**FINANCIAL
SECTION**

REPORT OF

Lake Groves Utilities, Inc.

(EXACT NAME OF UTILITY)

P.O. Box 915505
Longwood, FL 32791

Mailing Address

Street Address

Lake
County

Telephone Number (407) 862-9688

Date Utility First Organized 3/22/90

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: 1105 Kensington Park Drive
Altamonte Springs, FL 32714

Name of subdivisions where services are provided: Greater Groves

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Robert A. Mandell</u>	<u>Vice President</u>	<u>P.O. Box 3873</u> <u>Longwood, FL 32791</u>	
Person who prepared this report: <u>Gina M. Grasty</u>	<u>Sr. Accountant</u>	<u>Same</u>	
Officers and Managers: <u>Lester N. Mandell</u>	<u>President</u>	<u>Same</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>Lake Holding, Inc.</u>	<u>100</u>	<u>Same</u>	\$ <u>None</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		\$ 142,723	\$ 109,608	\$ _____	\$ 252,331
Commercial		2,099	2,132	_____	4,231
Industrial		_____	_____	_____	_____
Multiple Family		_____	_____	_____	_____
Guaranteed Revenues		_____	_____	_____	_____
Other (Specify) <u>Irr.</u>		22	_____	_____	22
Misc. Service Charges		2,558	2,558	_____	5,116
Total Gross Revenue		\$ 147,402	\$ 114,298	\$ _____	\$ 261,700
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 59,442	\$ 81,769	\$ _____	\$ 141,211
Depreciation Expense	F-5	44,406	47,444	_____	91,850
Amortization of Organiz.		384	384	_____	768
CIAC Amortization Expense	F-8	(19,195)	(16,329)	_____	(35,524)
Taxes Other Than Income	F-7	18,281	17,094	_____	35,375
Income Taxes	F-7	(34,197)	(43,254)	_____	(77,451)
Total Operating Expense		\$ 69,121	\$ 87,108	\$ _____	\$ 156,229
Net Operating Income (Loss)		\$ 78,281	\$ 27,190	\$ _____	\$ 105,471
Other Income:					
Nonutility Income		\$ _____	\$ _____	\$ _____	\$ _____
Interest Income		801	801	_____	1,602
Miscellaneous Income		500	500	_____	1,000
Other Deductions:					
Miscellaneous Nonutility Expenses		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense		111,771	122,367	_____	234,138
Amort. of Loan Fees		5,972	6,537	_____	12,509
Net Income (Loss)		\$ (38,161)	\$ (100,413)	\$ _____	\$ (138,574)

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 3,765,799	\$ 2,915,831
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	(284,478)	(192,628)
Net Utility Plant -----		\$ 3,481,321	\$ 2,723,203
Cash -----		166,756	35,432
Customer Accounts Receivable (141) -----		30,934	21,701
Other Assets (Specify): Deposits (132) -----		1,250	1,350
Materials and Supplies (151) -----		6,853	6,288
Prepaid Expenses (162) -----		4,195	5,359
Unamortized Loan Costs (181) -----		19,807	32,317
Accounts Receivable Other (142) -----		144,017	
Total Assets -----		\$ 3,855,133	\$ 2,825,650
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	100	100
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----		29,900	29,900
Retained Earnings (215) -----	F-6	(781,907)	(643,333)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ (751,907)	\$ (613,333)
Long Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----		37,917	5,567
Notes Payable (232) -----	***	9,634	
Customer Deposits (235) -----		13,613	9,153
Accrued Taxes (236) -----		36,836	(88,951)
Other Liabilities (Specify) Notes Payable Affiliates (234) -----		2,751,664	2,376,648
Deferred Income Taxes (283) -----		101,283	73,289
Accrued Expenses Payable (241) -----		64,577	57,150
Accrued Interest Payable (237) -----		9,332	42,021
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	1,582,184	964,106
Total Liabilities and Capital -----		\$ 3,855,133	\$ 2,825,650

F-4

*** In prior years, this account was included in accrued expenses payable (241).

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
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GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)_____	\$ <u>1,821,457</u>	\$ <u>1,879,376</u>	\$ _____	\$ <u>3,700,833</u>
Construction Work in Progress (105)_____	<u>20,924</u>	<u>44,042</u>	_____	<u>64,966</u>
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u><u>1,842,381</u></u>	\$ <u><u>1,923,418</u></u>	\$ _____	\$ <u><u>3,765,799</u></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>108,465</u>	\$ <u>84,163</u>	\$ _____	\$ <u>192,628</u>
Add Credits During Year:				
Accruals charged to depreciation account_____	\$ <u>44,406</u>	\$ <u>47,444</u>	\$ _____	\$ <u>91,850</u>
Salvage_____	_____	_____	_____	_____
Other Credits (specify)_____	_____	_____	_____	_____
Total Credits _____	\$ <u><u>44,406</u></u>	\$ <u><u>47,444</u></u>	\$ _____	\$ <u><u>91,850</u></u>
Deduct Debits During Year:				
Book cost of plant retired_____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year_____	\$ <u><u>152,871</u></u>	\$ <u><u>131,607</u></u>	\$ _____	\$ <u><u>284,478</u></u>

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
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CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1	_____
Shares authorized _____	100	_____
Shares issued and outstanding _____	100	_____
Total par value of stock issued _____	100	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ (643,333)
Changes during the year (Specify):		
Net Loss _____	_____	(138,574)
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ (781,907)

PROPRIETARY CAPITAL (218)

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

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ _____

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ (44,134)	\$ (44,817)	\$ _____	\$ (88,951)
Add Accruals charged:				
State ad valorem tax	\$ _____	\$ _____	\$ _____	\$ _____
Local property tax	10,364	10,687	_____	21,051
Federal income tax	(29,199)	(36,932)	_____	(66,131)
State income tax	(4,998)	(6,322)	_____	(11,320)
Regulatory assessment fee	6,633	5,123	_____	11,756
Other (Specify)	_____	_____	_____	_____
Permits	1,284	1,284	_____	2,568
2. Total Taxes Accrued	\$ (15,916)	\$ (26,160)	\$ _____	\$ (42,076)
Deduct Taxes Paid:				
State ad valorem tax	\$ _____	\$ _____	\$ _____	\$ _____
Local property tax	10,364	10,687	_____	21,051
Federal income tax	(81,145)	(88,878)	_____	(170,023)
State income tax	(13,890)	(15,214)	_____	(29,104)
Regulatory assessment fee	4,174	3,471	_____	7,645
Other (Specify)	_____	_____	_____	_____
Permits	1,284	1,284	_____	2,568
3. Total Taxes Paid	\$ (79,213)	\$ (88,650)	\$ _____	\$ (167,863)
4. Balance end of year (1 + 2 - 3 = 4)	\$ 19,163	\$ 17,673	\$ _____	\$ 36,836

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
Ernst & Young, LLP	\$ 3,283	\$ 3,283	Accounting Services
Lowndes, Drosdick, Doster, Kantor & Reed	\$ 1,031	\$ 1,025	Legal Services
Guastella & Assoc., Inc.	\$ 1,032	\$ 1,032	Consulting Services
Lake County Bd Cty Comm.	\$ 21,653	\$ 21,652	Consulting Services
George Billings, Jr.	\$ 500	\$ 500	Accounting Services
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$ 567,543	\$ 441,586	\$ 1,009,129
2) Add credits during year			
3) Total	\$ 276,832	\$ 381,134	\$ 657,966
4) Deduct charges during the year Capitalized Tax	844,375	822,720	1,667,095
	4,364		4,364
5) Balance end of year	840,011	822,720	1,662,731
6) Less Accumulated Amortization	45,146	35,401	80,547
7) Net CIAC	\$ 794,865	\$ 787,319	\$ 1,582,184

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
Titan U.S. 27		Property	72,979	105,227
Titan U.S. 27		Cash	36,764	29,016
Condev Properties		Property	89,505	158,800
Greater Const. Corp.		Cash	16,261	12,834
Weatherly 27		Property	45,484	71,909
		Cash	4,242	3,348
Sub-total			\$ 265,235	\$ 381,134
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		
3/4" Meters	142	\$ 81.67	\$ 11,597	\$
Total Credits During Year (Must agree with line # 2 above.)			\$ 276,832	\$ 381,134

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year	\$ 25,951	\$ 19,072	\$ 45,023
Add Credits During Year:	19,195	16,329	35,524
Deduct Debits During Year:			
Balance End of Year (Must agree with line #6 above.)	\$ 45,146	\$ 35,401	\$ 80,547

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

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 1996

SCHEDULE "A"

NOT APPLICABLE

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

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

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

APPROVED AFUDC RATE

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

**WATER
OPERATING
SECTION**

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 9,845	\$	\$ 384	\$ 9,461
302	Franchises				
303	Land and Land Rights	420,635			420,635
304	Structures and Improvements	106,892	227		107,119
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	212,588			212,588
308	Infiltration Galleries and Tunnels				
309	Supply Mains	39,121			39,121
310	Power Generation Equipment	40,219			40,219
311	Pumping Equipment	18,028			18,028
320	Water Treatment Equipment	44,911			44,911
330	Distribution Reservoirs and Standpipes	43,514			43,514
331	Transmission and Distribution Lines	492,278	196,904		689,182
333	Services	45,428	52,241		97,669
334	Meters and Meter Installations	26,658	12,118		38,776
335	Hydrants	23,060	26,975		50,035
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment	106			106
341	Transportation Equipment	7,598			7,598
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	664			664
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment		230		230
347	Miscellaneous Equipment	1,151			1,151
348	Other Tangible Plant	450			450
	Total Water Plant	\$1,533,146	\$ 288,695	\$ 384	\$ 1,821,457

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements	28/22	%	3.57	\$ 13,450	\$	\$ 3,909	\$ 17,359
305	Collecting and Impounding Reservoirs		%	4.55				
306	Lake, River and Other Intakes		%					
307	Wells and Springs		%					
308	Infiltration Galleries & Turnnels	27	%	3.70	27,558		7,874	35,432
309	Supply Mains	32	%	3.13	4,280		1,222	5,502
310	Power Generating Equipment	17	%	5.88	8,281		2,366	10,647
311	Pumping Equipment	17	%	5.88	3,711		1,060	4,771
320	Water Treatment Equipment	17	%	5.88	9,247		2,642	11,889
330	Distribution Reservoirs & Standpipes	30	%	3.33	5,076		1,450	6,526
331	Trans. & Dist Mains	35	%	2.86	25,502		17,316	42,818
333	Services	35	%	2.86	3,660		2,169	5,829
334	Meter & Meter Installations	17	%	5.88	3,542		1,984	5,526
335	Hydrants	40	%	2.50	1,931		970	2,901
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment	15	%	6.67	4		7	11
341	Transportation Equipment	6	%	16.67	1,899		1,266	3,165
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment	15	%	6.67	65		44	109
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment	15	%	6.67	0		5	5
347	Miscellaneous Equipment	15	%	6.67	101		77	178
348	Other Tangible Plant	10	%	10.00	158		45	203
	Totals				\$ 108,465	\$	\$ 44,406	\$ 152,871

* This amount should tie to Sheet F-5.

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January	0	3,953	112.8	3,840.2	3,531.8
February	0	4,676	131.3	3,544.7	3,994.2
March	0	4,579	110.1	4,468.9	4,330.3
April	0	6,941	246.1	6,694.9	5,883.2
May	0	7,963	388.5	7,574.5	7,537.1
June	0	6,584	724.8	5,823.2	6,323.0
July	0	9,205	624.1	8,580.9	5,974.6
August	0	7,095	1,100.4	5,994.6	7,030.1
September	0	7,774	542.9	7,231.1	6,815.9
October	0	8,177	642.3	7,534.7	6,019.9
November	0	8,157	717.3	7,439.7	7,091.2
December	0	18,500	7,939.6	10,560.4	6,069.9
Total for Year	0	93,568	13,280.2	80,287.8	70,601.2

If water is purchased for resale, indicate the following:

Vendor N/A
Point of delivery N/A

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

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	4"	4,395	2,915	0	7,310
PVC	6"	5,050	7,600	0	12,650
PVC	8"	4,420	9,113	0	13,533
PVC	12"	2,020	2,730	0	4,750
PVC	14"	705	0	0	705
PVC	16"	5,450	0	0	5,450
PVC	18"	1,275	0	0	1,275

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 1996

SYSTEM NAME: _____

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

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1991</u>	<u>1992</u>	_____	_____
Types of Well Construction and Casing _____	<u>Rotary</u>	<u>Rotary</u>	_____	_____
Casing Depth _____	<u>277'</u>	<u>270'</u>	_____	_____
Casing DIA _____	<u>18"</u>	<u>18"</u>	_____	_____
Depth of Wells _____	<u>740'</u>	<u>750'</u>	_____	_____
Diameters of Wells _____	<u>17"</u>	<u>17"</u>	_____	_____
Pump - GPM _____	<u>800</u>	<u>1,500</u>	_____	_____
Motor - HP _____	<u>50</u>	<u>100</u>	_____	_____
Motor Type * _____	<u>Turbine</u>	<u>Turbine</u>	_____	_____
Yields of Wells in GPD _____	<u>1,152,000</u>	<u>2,160,000</u>	_____	_____
Auxiliary Power _____	<u>Yes</u>	<u>Yes</u>	_____	_____

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>Pneumatic</u>	<u>Pneumatic</u>	_____	_____
Capacity of Tank _____	<u>5,000 gal.</u>	<u>10,000 gal.</u>	_____	_____
Ground or Elevated _____	<u>Ground</u>	<u>Ground</u>	_____	_____

HIGH SERVICE PUMPING N/A

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

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source	<u>1.152 MGD</u>	<u>2.160 MGD</u>	_____
Type of Source	<u>Groundwater</u>	<u>Groundwater</u>	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type	<u>Primary</u>	_____	_____
Make	<u>N/A</u>	_____	_____
Gals. per day capacity	<u>0.523 MGD</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>Yes</u>	_____	_____
Ozone	<u>N/A</u>	_____	_____
Other	<u>N/A</u>	_____	_____
Auxiliary Power	<u>Yes</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 70,601,200/365/350 = 553
- Maximum ERCs ** that system can efficiently serve 665 By DEP Permit
- Present system connection capacity (in ERC's) using existing lines 639
- Future connection capacity (in ERC's) upon service area buildout 5683
- Estimated annual increase in ERCs * 140
- List fire fighting facilities and capacities (including number of fire hydrants) Minimum Design and Flowtested Capacity of 500 GPM (42)
- List percent of certificated area where service connections are installed (total for each county)
11.24%
- What is the current need for system upgrading and/or expansion? Next Phase of Water Plant Yielding 1.080 MGD
- What are plans for future system upgrading and/or expansion? Phase III Expansion is Permitted with County and Permit is Applied for with FDEP. We Intend to Expand the Facility BTW 7/97 and 8/97.
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)
Yes, Conklin, Porter & Holmes 1104 E. Robinson St. Orlando, FL 32801
- Has an application for a construction permit been filed with the DEP? (if so, explain)
Yes, Submitted Jan. 29, 1997. Still Under Review.
- Department of Environmental Protection ID # 3035P05055
Water Management District ID # 2-069-1075N

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

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	\$ 9,845	\$	\$ 384	\$ 9,461
352	Franchises				
353	Land and Land Rights	467,370			467,370
354	Structures and Improvements	189,081	1,967		191,048
360	Collection Sewers - Force	236,396	82,067		318,463
361	Collection Sewers - Gravity	274,317	263,029		537,346
362	Special Collecting Structures				
363	Services to Customers				
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment	128,180	133,226		261,406
380	Treatment and Disposal Equipment	48,832	16,471		65,303
381	Plant Sewers				
382	Outfall Sewer Lines	16,718			16,718
389	Other Plant and Miscellaneous Equipment	222			222
390	Office Furniture and Equipment	106			106
391	Transportation Equipment	7,598			7,598
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	515			515
394	Laboratory Equipment	1,904	85		1,989
395	Power Operated Equipment				
396	Communication Equipment		230		230
397	Miscellaneous Equipment	1,151			1,151
398	Other Tangible Plant	450			450
	Total Wastewater Plant	\$ 1,382,685	\$ 497,075	\$ 384	\$ 1,879,376 *

* This amount should tie to sheet F-5.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
354	Structures and Improvements	27	%	3.70	\$ 20,889		\$ 7,097	\$ 27,986
360	Collection Sewers - Force	22	%	4.55	\$ 11,953		\$ 9,952	\$ 21,905
361	Collection Sewers - Gravity	40	%	3.70	\$ 17,541		\$ 10,694	\$ 28,235
362	Special Collecting Structures		%	2.50				
363	Services to Customers		%					
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells		%					
371	Pumping Equipment	15	%	6.67	\$ 18,237		\$ 13,726	\$ 31,963
380	Treatment and Disposal Equipment	15	%	6.67	\$ 11,117		\$ 3,838	\$ 14,955
381	Plant Sewers		%					
382	Outfall Sewer Lines	30	%	3.33	\$ 1,748		\$ 558	\$ 2,306
389	Other Plant and Miscellaneous Equipment	15	%	6.67	\$ 22		\$ 15	\$ 37
390	Office Furniture and Equipment	15	%	6.67	\$ 4		\$ 7	\$ 11
391	Transportation Equipment	6	%	16.67	\$ 1,899		\$ 1,266	\$ 3,165
392	Stores Equipment		%					
393	Tools, Shop and Garage Equipment	15	%	6.67	\$ 50		\$ 34	\$ 84
394	Laboratory Equipment	15	%	6.67	\$ 444		\$ 129	\$ 573
395	Power Operated Equipment		%					
396	Communication Equipment	15	%	6.67	\$ 0		\$ 6	\$ 6
397	Miscellaneous Equipment	15	%	6.67	\$ 101		\$ 77	\$ 178
398	Other Tangible Plant	10	%	10.00	\$ 158		\$ 45	\$ 203
	Totals				\$ 84,163	\$	\$ 47,444	\$ 131,607

* This amount should tie to Sheet F-5.

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	_____
704	Employee Pensions and Benefits	_____
710	Purchased Wastewater Treatment	_____
711	Sludge Removal Expense	5,788
715	Purchased Power	13,193
716	Fuel for Power Production	_____
718	Chemicals	618
720	Materials and Supplies	13,431
730	Contractual Services:	
	Operator and Management	15,972
	Testing	278
	Other	23,413
740	Rents	_____
750	Transportation Expense	2,229
755	Insurance Expense	2,288
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	_____
770	Bad Debt Expense	113
775	Miscellaneous Expenses	4,446
	Total Wastewater Operation And Maintenance Expense	\$ 81,769

* 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	341	483	483
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	341	483
				483	483

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT
DECEMBER 31, 1996

PUMPING EQUIPMENT

	GG1	GG2	WC1	ER1	SAV1	
Lift Station Number	1	2	3	4	5	
Make or Type and nameplate data on pump	FLYGT	ABS	FLYGT	KSB	FLYGT	
Manufacturer	CP 3102	AF 60	CP 3102	B15/204X	CP/CS-31	
Model Number	435	CB65	435	255MM	461	
Impeller Number	1991	1992	1994	1994	1994	
Year installed	307/37	266/58	150/46.5	325/96	109/71	
Rated capacity GPM @ TDH	4"	4"	4"	4"	4"	
Size	Elec.	Elec.	Elec.	Elec.	Elec.	
Power:	230/460	230/460	230/460	230/460	230/460	
Electric	60HZ	60HZ	60HZ	60HZ	60HZ	
Mechanical	3PH	3PH	3PH	3PH	3PH	
Nameplate data of motor						

SERVICE CONNECTIONS

Size (inches)	6"					
Type (PVC, VCP, etc.)	PVC					
Average length	25'					
Number of active service connections	341					
Beginning of year	142					
Added during year	0					
Retired during year	483					
End of year	N/A					
Give full particulars concerning inactive connections						

COLLECTING AND FORCE MAINS

	Collecting Mains			Force Mains			
	8"	8"	10"	6"	8"	14"	
Size (inches)	8"	8"	10"	6"	8"	14"	
Type of main	PVC	DI	PVC	PVC	PVC	PVC	
Length of main (nearest foot)							
Beginning of year	13228	160	0	2905	150	7200	
Added during year	17101	0	350	4688	3760	0	
Retired during year	0	0	0	0	0	0	
End of year	30329	160	350	7593	3910	7200	

MANHOLES

Size (inches)	48"			
Type of Manhole	Precast			
Number of Manholes:				
Beginning of year	49			
Added during year	74			
Retired during year	0			
End of Year	123			

UTILITY NAME: Lake Groves Utilities, Inc.

YEAR OF REPORT DECEMBER 31, 1996

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>DAVCO</u>	_____	_____
Type _____	<u>Contract Stabiliza-</u>	_____	_____
"Steel" or "Concrete" _____	<u>Steel</u>	_____	_____
Total Capacity _____	<u>0.075 MGD</u>	_____	_____
Average Daily Flow _____	<u>0.058 MGD</u>	_____	_____
Effluent Disposal _____	<u>Percolation Ponds</u>	_____	_____
Total Gallons of Wastewater treated _____	<u>17.415 MGD</u>	_____	_____

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>1.115</u>	_____	<u>1.115</u>
February _____	<u>1.058</u>	_____	<u>1.058</u>
March _____	<u>1.217</u>	_____	<u>1.217</u>
April _____	<u>1.218</u>	_____	<u>1.218</u>
May _____	<u>1.218</u>	_____	<u>1.218</u>
June _____	<u>1.195</u>	_____	<u>1.195</u>
July _____	<u>1.524</u>	_____	<u>1.524</u>
August _____	<u>1.892</u>	_____	<u>1.892</u>
September _____	<u>1.630</u>	_____	<u>1.630</u>
October _____	<u>1.841</u>	_____	<u>1.841</u>
November _____	<u>1.713</u>	_____	<u>1.713</u>
December _____	<u>1.794</u>	_____	<u>1.794</u>
Total for year _____	<u>17.415</u>	<u>0</u>	<u>17.415</u>

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

UTILITY NAME: Lake Groves Utilities, Inc

YEAR OF REPORT
DECEMBER 31, 1996

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 17,415,000/365/280 = 171
2. Maximum ERCs ** that system can efficiently serve 75,000/280 = 267
3. Present system connection capacity (in ERC's) using existing lines 639
4. Future connection capacity (in ERC's) upon service area buildout 5683
5. Estimated annual increase in ERCs * 140
6. State any plans and estimated completion dates for any enlargements of this system.
Current project to expand capacity from .075 MGD to .175 MGD.
Expected complete and operational by 7/97
7. List percent of certificated area where service connections are installed (total for each county)
11.24%
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 # 359-1121
Water Management District ID # 2-117-00611R

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

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

** $\text{Total Plant Capacity} / 280 \text{ gallons}$

CERTIFICATION OF ANNUAL REPORT

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

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


Items Certified

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



 (signature of chief executive officer of the utility)

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



 (signature of chief financial officer of the utility)
 General Manager

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

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