

- HEATING AND COOLING PIPELINE
 WATER TRANSPORTATION COMPANIES

ANNUAL REPORT

OF

Island Express Boat Lines, LTD.

(Exact legal name of respondent)

If name was changed during year, show also the
previous name and date of change.

226 West Shoreline Drive, Sandusky, Ohio, 44870

(Address of principal business office at end of year)

TO THE
PUBLIC UTILITIES COMMISSION OF OHIO



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FOR THE
YEAR ENDED DECEMBER 31, 1998

Name, title, address and telephone number (including area code) of the person to be contacted concerning this report.

Donald P. Hanck, CPA

(419) 626-2152

Kraus, Hanck & Co., CPAs, 1437 Sycamore Line, Sandusky, Ohio, 44870-4138

- HEATING AND COOLING PIPELINE
 WATER TRANSPORTATION COMPANIES

ANNUAL REPORT

OF

Island Express Boat Lines, LTD.

PRINCIPAL OFFICE:

226 West Shoreline Drive	Sandusky	Erie	Ohio	44870
(ADDRESS)	(CITY)	(COUNTY)	(STATE)	(ZIP CODE)

TO THE
PUBLIC UTILITIES COMMISSION OF OHIO

FOR THE
YEAR ENDED DECEMBER 31, 1998

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GENERAL INSTRUCTIONS, DEFINITIONS, ETC.

1. The word "Respondent" in the following inquiries means the person, firm, association, or company in whose behalf the report is made.
2. The schedules and questions contained in this report were developed to be generally applicable to all heating and cooling, pipeline and water transportation companies. All instructions shall be followed and each question answered as fully and accurately as possible. Sufficient answer shall appear to show that no schedule, question, or line item has been overlooked. If a particular line item or schedule does not apply to the respondent, indicate this by answering "none", "-0-", or "not applicable", as appropriate, where it truly and completely states the fact.
3. If answers to an inquiry are given elsewhere in the report, incorporation of information by reference is sufficient.
4. Customary abbreviations may be used except that the exact name of the respondent shall be shown in full on the "Title Page" and in the "Verification" page.
5. Where the space provided is insufficient for the required data or it is necessary or desirable to insert additional statements or schedules, the insert pages shall show the number and title of the schedule to which it pertains, as well as the name of the respondent and the year covered, and shall be on 8 1/2" x 11" durable paper.
6. The information required with respect to any statement furnished is the minimum requirement. The respondent may add such further material information as is necessary to ensure that the required statements are not misleading.
7. All copies filed with the Commission must be legible and permanent. All entries shall be made in permanent ink or by a typewriter. Items of a reverse or contrary character shall be enclosed in parentheses, or indicated by a minus sign followed by the amount.
8. Amounts on any schedule (except as otherwise provided therein), may, at the option of the respondent, be rounded off to whole dollars provided that amounts are appropriately adjusted to agree with the rounded total.
9. The annual report shall be signed by a duly elected officer of the respondent and it shall be notarized.
10. The information required in this report, unless otherwise indicated, is to be reported for the entire company and not for the State of Ohio only.
10. Totals should be provided as indicated. The respondent shall ensure that schedule totals and subtotals are mathematically correct.
12. If a line item is supported by a detailed schedule elsewhere in this report, the respondent should ensure that the detailed schedule is completed and that the amounts on both schedules match.

HISTORY

1.	Exact name of company making this report. <u>Island Express Boat Lines, LTD.</u>
2.	Date of organization <u>April 21, 1997</u>
3.	Under the laws of what Government, State or Territory organized? If more than one, name all. <u>Ohio</u>
4.	If a consolidated or merged company, name all constituent and all merged companies. <u>N/A</u>
5.	Date and authority for each consolidation and each merger. <u>N/A</u>
6.	State whether respondent is a corporation, a joint stock association, a firm or partnership, or an individual. <u>Limited Liability Company</u>
7.	If a reorganized company, given name of original corporation, refer to laws under which it was organized, and state the occasion for the reorganization. <u>N/A</u>
8.	State whether or not, the respondent during the year conducted any part of its business under a name, or names, other than shown, in response to inquiry No. 1. If so, give full particulars. <u>N/A</u>
9.	Where are the books and records of the company kept? <u>Island Express Boat Lines, LTD</u> <u>226 West Shoreline Drive, Sandusky, Ohio, 44870</u>
10.	Name below all classes of public service furnished by the respondent. <u>Water Transportation</u>

IDENTITY OF RESPONDENT

1. State whether respondent is a corporation, a joint stock association, a firm or partnership, or an individual. Limited Liability Company Date Organized: April 21, 1997
State Organized: Ohio
2. Date when operations began.
April 21, 1997
3. If a consolidated or merged company, give names of each such incident, date, and Commission authority. If a reorganized company, give name of original corporation.
N/A
4. If incorporated specify (a) Date of filing articles of incorporation,
N/A (b) State in which incorporated,
5. Commission Case Number granting operating authority and date issued. N/A
6. State whether or not the respondent during the year conducted any part of its business under a name or names other than that shown Title Page; if so, give full particulars.
No
7. Description of general service territory.
Put-In-Bay, Ohio, Sandusky, Ohio and surrounding areas, Kellys Island, Ohio
8. List all affiliated companies with whom the respondent does business and their relationship to the respondent. If respondent is a partnership, provide this information for each partner. (Use separate page(s) if needed).
State whether the affiliate is (a) a regulated public utility or, (b) a publicly held corporation.
N/A
9. Did any corporation or corporations, telephone or other, hold control over the respondent at the close of the year? No If control was so held, state: N/A
 - a. The name and address of the controlling corporation or corporations.
 - b. The form of control, whether sole or joint.
 - c. The extent of control.
 - d. Whether control was direct or indirect.
 - e. If indirect, the name and address of the intermediary through which control was established.
10. Did any individual, association, or corporation hold control, as trustee, over the respondent at the close of the year? No If control was so held, state: N/A
 - a. The name and address of the trustee.
 - b. The name and address of the beneficiary or beneficiaries for whom the trust was maintained, if available.

11. Did the respondent hold control over other corporations at the close of the year? No

If so, state: N/A

- a. The name and address of corporation or corporations controlled.
- b. The form of control, whether sole or joint.
- c. Other parties, if any, to joint agreement for control.
- d. The extent of control.
- e. Whether control is direct or indirect.
- f. If indirect, the name and address of the intermediary through which control was established.

IMPORTANT CHANGES DURING THE YEAR

Report important changes of the types listed. Except as otherwise indicated data furnished should apply to the same period the report covers. Answers should be numbered in accordance with the inquiries and if "none" states the fact, it should be used. If information which answers an inquiry is given elsewhere in the report, incorporation of that information by reference will be sufficient.

1. Issuances of Capital Stock or long term debt during the year: Identify the securities, date, consideration received and Commission authorization.

None

2. Changes in franchise rights.

None

3. Changes in ownership or control (shareholders holding 5% or more of outstanding stock).

See changes of 5% or more in 1998 below

4. Other important changes: Give brief particulars of each other important change which is not disclosed elsewhere in this report.

None

1998 Ownership Changes of 5% or More:

<u>Limited Liability Company Member</u>	<u>Beginning Ownership</u>	<u>Ending Ownership</u>
Kevin J. Baxter	14.286 %	33.3333 %
Daniel W. Howell	14.286 %	5.5555 %
Andrews S. Martin	21.429 %	11.1111 %
Duane C. Ohly	14.286 %	34.7222 %

SCHEDULE: 3 N/A

VOTING POWERS AND ELECTIONS

1. In the schedule below, show the particulars called for concerning the stockholders of respondent who, at the date of the latest closing of the stock-book of respondent prior to the actual filing of this report, had the twenty highest voting powers of the respondent. If any such holder held in trust, attach a statement showing the beneficial owners. If the stock-book was not closed within the year, show twenty such stockholders as of the close of the year. In the space provided, show total shares and notes of all stockholders.

Line No.	Name and Address of Stockholders	No. of Shares Held	No. of Voting Shares	Other Vote Empowered Securities
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
	Total listed above			
	Total all stockholders			

SCHEDULE: 4

DIRECTORS, PROPRIETORS, PARTNERS

1. Give the name of director or proprietor. (For partnerships identify each partner, identify which are general or limited partners, and show each partner's percent of interest.

Line No.	Limited Liability Members Name and Address (City and State) (a)	Served Continuously From (b)	Term Expired or Current Term Will Expire (c)
1	Kevin J. Baxter, 1630 Willow Dr., Sandusky, OH 33.3333%	12/31/97	12/31/98
2	Rex Cole, 810 Dutch Lane, Sandusky, OH 2.7777%	12/31/97	12/31/98
3	Joseph C. Fratoe, 1205 Springdale Dr., Sandusky, OH 4.1666%	12/31/97	12/31/98
4	Christopher S. Fresch, 2613 Mulberry Dr., Sandusky, OH 2.7777%	12/31/97	12/31/98
5	Daniel W. Howell, 6506 Old Railroad, Sandusky, OH 5.5555%	12/31/97	12/31/98
6	Andrews S. Martin, 109 Cedar Point Rd., Sandusky, OH 11.1111%	12/31/97	12/31/98
7	Duane C. Ohly, 4309 Autumn Ridge, Sandusky, OH 34.7222%	12/31/97	12/31/98
8	Raymond A. Remy, Jr., 5008 Homegardner Rd., Sandusky, OH 2.7777%	12/31/97	12/31/98
9	Arthur D. Wolfe, 12203 Wikel Rd., Milan, OH 2.7782%	12/31/97	12/31/98
10			
11			
12			
13			
14			
15			

(For corporations, show the data requested; for other forms of business organizations, show names of individuals holding comparable positions.)

- 16 Name of Chairman of the Board 21. Treasurer
- 17 Name of Secretary of Board 22. Controller
- 18 President Managing Members: Kevin J. Baxter, Duane C. Ohly and Andrews S. Martin
- 19 Vice-President
- 20 Secretary

SCHEDULE: 5A

NOTES TO BALANCE SHEET

	Beginning Balance	Ending Balance	Increase or (Decrease)
<u>Other Current Assets</u>			
Prepaid insurance	\$ 9,646	\$ 6,316	\$(3,330)
Refundable deposits	<u>8,300</u>	<u>-</u>	(<u>8,300</u>)
Total Other Current Assets	<u>17,946</u>	<u>6,316</u>	(<u>11,630</u>)
<u>Other Noncurrent Assets</u>			
Organization costs	\$ 5,627	\$ 4,376	\$(1,251)
Deposits	335	128	(207)
Liquor license	-	5,000	5,000
Capital costs	<u>-</u>	<u>66,670</u>	<u>66,670</u>
Total Other Noncurrent Assets	<u>5,962</u>	<u>76,174</u>	<u>70,212</u>
<u>Other Current and Accrued Liabilities</u>			
Sales tax payable	\$ 579	\$ -	\$(579)
Accrued wages	1,576	-	(1,576)
Accrued taxes	8,213	30,082	21,869
Accrued interest expense	1,140	2,804	1,664
Deferred season pass revenue	<u>7,623</u>	<u>10,945</u>	<u>3,322</u>
Total Other Current and Accrued Liabilities	<u>19,131</u>	<u>43,831</u>	<u>24,700</u>

SCHEDULE: 6A

NOTES TO INCOME STATEMENT

Non-Operating Income and Expense	
Gain on sale of vessel	\$ 37,000
Interest income	525
Capital gains	<u>33,664</u>
Total Non-Operating Income & Expense	<u>71,189</u>

SCHEDULE: 10 N/A

CAPITAL STOCK

1. Respondent shall enter the class of stock and a description of any pertinent details such as differences in voting rights, preferences as to dividends or assets, pledges, etc.
2. Respondent shall provide the information specified in column headings (b) through (h) and note any other pertinent information at the bottom of this schedule.

Class and Description of Capital Stock (a)	Par or Stated Value Amount (b)	Number of Shares Authorized (c)	Amount of Stock Issued and Outstanding (d)	Additional Paid In Capital (e)	Total (Col. (d) & (e)) (f)	Number of Shares of Treasury Stock (g)	Amount in Treasury Stock Account (h)
	\$		\$	\$	\$		\$
TOTALS	\$		\$	\$	\$		\$

SCHEDULE: 11

LONG-TERM DEBT

1. List in account number order in column (a) a description of the long-term obligation, including those maturing in the coming year.
2. In the remaining columns (b) - (i) respond shall furnish the appropriate data.

Description of Obligation (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Interest Rate (d)	Original Amount of Debt (e)
City of Sandusky	6/10/97	8/01/02	5%	100,000
Citizens Bank	5/06/97	5/05/07	10%	300,000
Greater Erie County Marketing Group	5/20/97	8/01/02	5%	50,000

SCHEDULE: 12 N/A

NOTES PAYABLE

Name of Creditor	Considerations Reserved	Date of Obligations	Date of Maturity	Credit Balance at Close of Year			
			Total				

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES

Name of Creditor	Considerations Reserved	Date of Obligations	Date of Maturity	Credit Balance at Close of Year			
			Total				

MATURED LONG TERM DEBT

Name of Creditor	Considerations Reserved	Date of Obligations	Date of Maturity	Credit Balance at Close of Year			
			Total				

BASES OF CHARGES FOR DEPRECIATION

1. Provide separate schedules for each jurisdiction in which the respondent operates and for the overall operations of the respondent.
2. Under column (a) provide all subclasses of plant for which a separate depreciation rate is determined and a subtotal for each primary account.
3. Under columns (b) thru (d) provide the life, net salvage, and rate prescribed by the Commission.

Jurisdiction _____
 Overall Operations

SCHEDULE: 14

Classes and Subclasses of Depreciable Plant

	Account Number and Title of Plant Accounts and its Subclasses (a)	Life (Years) (b)	*Net Salvage (%) (c)	Depreciation	
				*Rate (%) (d)	*Reserve (%) (e)
1	Boats	18		5.55%	
2	Docks	20		5%	
3	Equipment	10		10%	
4					
5					
6					
7					
8					
9					
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29					
30					
31					
32					
33					

*Composite rate for all depreciable accounts

*Composite rate for all plant accounts

Ratio to all depreciable accounts

Ratio to all plant accounts

SCHEDULE: 15

STATEMENT OF RETAINED EARNINGS N/A			
Account No.	Item	Page No.	Amount
	Balances-First of Year		
	Changes:		
	Balance Transferred from Income		
	Dividends Declared		
	Miscellaneous Debits to Retained Earnings		
	Miscellaneous Credits to Retained Earnings		
	Balance-End of Year		
	Notes to Statement of Retained Earnings:		

SCHEDULE: 16

PARTNERSHIP CAPITAL STATEMENT ⁽¹⁾ LLC Equity			
Account No.	Item	Page No.	Amount
	Partnership Capital-Beginning of Year		237,885
	Net Income (Loss) for Year		70,441
	Partners' Capital Contributions		50,000
	Miscellaneous Credits		
	Total Credits		358,326
	Partners' Drawings		
	Prior Period Adjustment(s)		14,106
	Miscellaneous Debits		
	Total Debits		14,106
	Partnership Capital-End of Year		344,220

(1) This statement should also be used by sole proprietors.

SCHEDULE: 17

TAXES ACCRUED					
Explain items recorded in column (e). Any amounts included for other than current taxes should be explained by footnote.					
Kind of Tax (a)	Balance First of Year (b)	Amount Accrued During Year (c)	Payments During Year (d)	Other Items Dr. or (Cr.) (e)	Balance End of Year (f)
Excise taxes	8,213	25,860	17,302	-	16,771
Property taxes	-	13,311	-	-	13,311
Payroll taxes	-	12,330	12,330	-	-
Other taxes	-	653	653	-	-
Total	\$ 8,213	\$ 52,154	\$ 30,285	\$ -	\$ 30,082

SCHEDULE: 20

STATEMENT OF INTRASTATE-GROSS EARNINGS (1)				
Line No.	Item	Amount		
		Total Company	Other Than Ohio Intrastate	Ohio Intrastate
1	Operating and Miscellaneous Revenue (Rent Revenue, Special Billings (revenue from work performed for others, rent revenue-nonoperating, return on regulated investment used to provide nonregulated products and services, etc.))	655,706	34,720	620,986
2	Other Revenue, Dividend and Interest Income, Gains From Disposition of Property -Operating and Nonoperating, Other Operating or Nonoperating Gains (foreign currency exchange or transfer, extinguishment of debt, company's share of earnings of affiliated company accounted for on equity method, income from sinking and other funds, etc.)	71,189	-	71,189
3	SUBTOTAL (1) + (2)	726,895	34,720	692,175
4	Earnings or receipts from sales to other public utilities for resale	(-)	(-)	(-)
5	TOTAL (3) + (4)	726,895	34,720	692,175
<p>(1) Intrastate means from one point in Ohio to another point in Ohio, or wholly within Ohio.</p>				

SCHEDULE: 21

IN ORDER TO ENSURE THAT PUCO CORRESPONDENCE IS DIRECTED TO THE APPROPRIATE PERSON AT THE CORRECT ADDRESS, PLEASE COMPLETE THE FOLLOWING.

Name, Title, Address, and Phone Number of the Company's Contact Persons
to Receive Entries and Orders from the Docketing Division

Kevin J. Baxter	Managing Member
Name	Title
226 West Shoreline Drive, Sandusky, Ohio, 44870	
Address	
(419) 627-1500	
Phone Number (Including Area Code)	

Name, Title, Address, and Phone Number of Person to whom Invoice
should be Directed

Kevin J. Baxter	Managing Member
Name	Title
c/o Island Express Boat Lines, LTD., 226 West Shoreline Drive, Sandusky, Ohio, 44870	
Address	
(419) 627-1500	
Phone Number (Including Area Code)	

Name and Address of the President

Kevin J. Baxter	Managing Member
Name	President
226 West Shoreline Drive, Sandusky, Ohio, 44870	
Address	

VERIFICATION

The foregoing report must be verified by the President or Chief Officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

State of Ohio
County of Erie

Kevin J. Baxter makes oath and says that
(Insert here the name of the affiant.)

he is Managing Member
(Insert here the official title of deponent)

of Island Express Boat Lines, LTD.
(Insert here the exact legal title or name of the respondent.)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including January 1, 1998 to and including December 31, 1998.

[Handwritten Signature]
(Signature of affiant.)

Subscribed and sworn to before me, a Kevin J. Baxter in and for the State and county named, this 12th day of March, 1999 My commission expires January 13, 2003

[Handwritten Signature]
(Signature of officer authorized to administer oaths.)

SANDRA S. COLE
NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION EXPIRES JAN 13, 2003

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STATE OF OHIO - DEPARTMENT OF TAXATION
Water Transportation - 1999 Annual Report
(Due March 1, 1999)

COPY



Company Information

NAME: ISLAND EXPRESS BOAT LINES LTD
 FEIN: 31-1523942
 ADDRESS: 226 West Shoreline Drive
 Sandusky, Ohio 44870
 PHONE: 419-627-1500
 FAX: _____

Contact Information

CONTACT NAME: Donald P. Hanck
 ADDRESS: Kraus, Hanck & co., CPAs
 1437 Sycamore Line
 Sandusky, Ohio 44870-4138
 PHONE: 419-626-2152
 FAX: 419-626-5896

Name, Title, and Address of Officers:

(Name, Title)	(Address)
Duane Ohly	Managing Member - Sandusky, Ohio
Kevin Baxter	Managing Member - Sandusky, Ohio
Andrews S. Martin	Managing Member - Sandusky, Ohio

* Abbreviate if necessary

Type of Entity:
 C Corporation
 S* Corp or Partnership
 Cooperative
 Sole Proprietor
 Limited Liability Co.

Organized as:
 For profit business
 Not for profit business
 (See Sec. 1702.01 O.R.C.)

Date of Incorporation: _____
 Ohio Charter Number or Foreign License Number: _____
 If incorporated in a state other than Ohio give the date qualified to do business in Ohio: _____

Please complete the following questions:

- Are you required to file an Annual Report with the Federal Energy Regulatory Commission?
 Yes No
- Are you required to file an Annual Report with the Public Utility Commission of Ohio?
 Yes No
- As of Dec. 31, 1998, did you own any real or tangible personal property that was not reflected on your books and records?
 Yes No
 (If yes, please explain under notes and comments on Declaration page)
- Did you make any write downs to the cost of real or tangible personal property during the preceding year?
 (If yes, please explain under notes and comments on Declaration page)
 Yes No
- Did you sell any real or tangible personal property to a nonutility and lease the property back during the preceding year?
 (If yes, please explain under notes and comments on Declaration page)
 Yes No

List the names of all persons, partnerships, corporations, etc. that own at least 25% of the outstanding voting stock, the number of shares and the percentage of ownership.

Kevin J. Baxter - 192 units - 33.33% ownership
 Duane Ohly - 200 units - 34.72% ownership

FOR USE BY THE DEPARTMENT OF TAXATION ONLY - DO NOT WRITE BELOW

Form LW-1	Date Received	Late	Days	Penalty
County & T.D. Recap				
PUCO Return				
FERC Return				
Other				

Total Penalty: _____ %

SCHEDULE C - 15 YEAR CLASS LIFE (WATERCRAFT ENGINES)

Line	Vintage Year	Ending Balance	Exemptions and Exclusions						Total Exemptions and Exclusions	Net Cost of Taxable Property	Percent Good	True Value of Taxable Property	Line
			Certified Pollution Control Facilities	Real Property	Licensed Motor Vehicles	Capitalized Interest	Other	(h)					
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)		
1	1998									96.7%		1	
2	1997	216,000	-	-	-	-	-	-	216,000	90.0%	194,400	2	
3	1996									83.3%		3	
4	1995									76.7%		4	
5	1994									70.0%		5	
6	1993									63.3%		6	
7	1992									56.7%		7	
8	1991									50.0%		8	
9	1990									43.3%		9	
10	1989									36.7%		10	
11	1988									31.3%		11	
12	1987									27.2%		12	
13	1986									23.1%		13	
14	1985									19.1%		14	
15	1984									15.0%		15	
16	Prior									15.0%		16	
17	Totals	216,000	-	-	-	-	-	-	216,000		194,400	17	

SCHEDULE C - 10 YEAR CLASS LIFE (GENERAL AND AUXILIARY PLANT)

Line	Vintage Year	Ending Balance	Exemptions and Exclusions						Total Exemptions and Exclusions	Net Cost of Taxable Property	Percent Good	True Value of Taxable Property	Line
			Certified Pollution Control Facilities	Real Property	Licensed Motor Vehicles	Capitalized Interest	Other	(h)					
1	1998	6,729	-	-	-	-	-	-	6,729	95.0%	6,393	1	
2	1997									85.0%		2	
3	1996									75.0%		3	
4	1995									65.0%		4	
5	1994									55.0%		5	
6	1993									45.0%		6	
7	1992									35.0%		7	
8	1991									28.3%		8	
9	1990									21.7%		9	
10	1989									15.0%		10	
11	Prior									15.0%		11	
12	Totals	6,729	-	-	-	-	-	-	6,729		6,393	12	

SCHEDULE C - 25 YEAR CLASS LIFE (WATERCRAFT)

Line	Vintage Year (a)	Ending Balance (b)	Exemptions and Exclusions					Total Exemptions and Exclusions (h)	Net Cost of Taxable Property (i)	Percent Good (j)	True Value of Taxable Property (k)	Line
			Certified Pollution Control Facilities (c)	Real Property (d)	Licensed Motor Vehicles (e)	Capitalized Interest (f)	Other (g)					
1	1998											1
2	1997	513,193						513,193	94.0%	482,401	2	
3	1996								90.0%		3	
4	1995								86.0%		4	
5	1994								82.0%		5	
6	1993								78.0%		6	
7	1992								74.0%		7	
8	1991								70.0%		8	
9	1990								66.0%		9	
10	1989								62.0%		10	
11	1988								58.0%		11	
12	1987								54.0%		12	
13	1986								50.0%		13	
14	1985								46.0%		14	
15	1984								42.0%		15	
16	1983								38.0%		16	
17	1982								34.0%		17	
18	1981								30.9%		18	
19	1980								28.6%		19	
20	1979								26.3%		20	
21	1978								24.1%		21	
22	1977								21.8%		22	
23	1976								19.5%		23	
24	1975								17.3%		24	
25	1974								15.0%		25	
26	Prior								15.0%		26	
27	Totals	513,193	-	-	-	-	-	513,193		482,401	27	

SCHEDULE B - LISTING OF OHIO PROPERTY

Line	Account	(a)	Beginning Balance	(b)	Additions	(c)	Retirements	(d)	Transfers and Adjustments		Ending Balance	(g)	Certified Pollution Control Facilities	(h)	Exemptions and Exclusions				Total Exemptions	(m)	Net Cost of Taxable Property and Exclusions	(n)	Accrued Depreciation and Amortization	(o)	Net Book Value of Net Cost of Taxable Property	(p)		
									In	Out					(i)	(j)	(k)	(l)									(q)	
34	Property Held for Future Use																											
35																												
36					Property Held for Future Use Net Book Value of Ending Balance:																							
37	Construction Work in Progress			66,670							66,670																	
38					Construction Work in Progress Net Book Value of Ending Balance:						66,670																	
39	Plant Acquisition Adjustment																											
40					Plant Acquisition Adjustment Net Book Value of Ending Balance:																							
41	Other Utility Plant																											
42					Other Utility Plant Net Book Value of Ending Balance:																							
43	Non Utility Property																											
44					Nonutility Property Net Book Value of Ending Balance:						66,670																	
45					Subtotal of Lines 35 thru 43						66,670																	
46					Total Net Book Value of Ending Balance:						66,670																	
47																												
48																												
49	Fuel Stock		3,105				3,105																					
50																												
51	Materials and Supplies																											
52																												
53	Merchandise																											
54																												
55	Other Materials and Supplies																											
56																												
57			3,105				3,105																					
58																												
59																												
60																												
61																												
62																												
63																												
64																												
65																												
66	GRAND TOTAL OF LINES 33, 45, & 57		737,984		114,079		3,105				848,958			46,366								46,366			802,592	59,001	743,591	

SCHEDULE B - LISTING OF OHIO PROPERTY - OWNED OR OPERATED IN OHIO

Line	Account	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers and Adjustments		Ending Balance (g)	Certified Pollution Control Facilities (h)	Exemptions and Exclusions					Total Exemptions (m)	Net Cost of Taxable Property and Exclusions (n)	Accrued Depreciation and Amortization (o)	Net Book Value of Net Cost of Taxable Property (p)
					In (e)	Out (f)			Real Property (j)	Licensee Motor Vehicles (k)	Capitalized Interest (l)	Other (i)					
1	WATERCRAFT																
2	Watercraft (Less Engines)	472,513	40,680	-	-	-	513,193	-	-	-	-	-	-	513,193	40,694	472,499	
3																	
4																	
5																	
6																	
7	TOTAL WATERCRAFT	472,513	40,680	-	-	-	513,193	-	-	-	-	-	-	513,193	40,694	472,499	
8																	
9																	
10	WATERCRAFT ENGINES																
11	Watercraft Engines	216,000	-	-	-	-	216,000	-	-	-	-	-	-	216,000	18,000	198,000	
12																	
13																	
14	TOTAL WATERCRAFT ENGINES	216,000	-	-	-	-	216,000	-	-	-	-	-	-	216,000	18,000	198,000	
15																	
16																	
17	GENERAL PLANT																
18	Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Land Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	Structures and Improvements	46,366	-	-	-	-	46,366	-	-	-	-	-	-	46,366	-	-	
21	Docks and Piers	-	6,729	-	-	-	6,729	-	-	-	-	-	-	6,729	307	6,422	
22	Auxiliary Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	General Shop Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Licensed Motor Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
25	Office Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27																	
28																	
29																	
30	TOTAL GENERAL PLANT	46,366	6,729	-	-	-	53,095	-	-	-	-	-	-	46,366	46,366	6,729	
31																	
32																	
33	TOTAL WATER TRANSPORTATION PLANT	734,879	47,409	-	-	-	782,288	-	-	-	-	-	-	46,366	46,366	735,922	

Total Net Book Value of General and Auxiliary Plant (Ending Balance): 6,422

Watercraft Engines to be listed & valued on Schedule C - 15 Year Class Life.

General and Auxiliary Plant to be listed & valued on Schedule C - 10 Year Class Life.

SCHEDULE A - BALANCE SHEET
Liabilities and Other Credits

Line	Account	Beginning Balance	Ending Balance	Increase (Decrease)	Line	Account	Beginning Balance	Ending Balance	Increase (Decrease)
PROPRIETARY CAPITAL									
1					36	Interest Accrued			
2	Common Stock Issued	-	-	-	37	Dividends Declared	1,140	2,804	1,664
3	Preferred Stock Issued	-	-	-	38	Matured Long-Term Debt	-	-	-
4	Capital Stock Subscribed	-	-	-	39	Matured Interest	-	-	-
5	Stock Liability for Conversion	-	-	-	40	Tax Collections Payable	-	-	-
6	Premium on Capital Stock	-	-	-	41	Miscellaneous Current and Accrued Liabilities	2,155	-	(2,155)
7	Other Paid-in Capital	-	-	-	42				
8	Installments Received on Capital Stock	-	-	-	43				
9	(Less) Discount on Capital Stock	-	-	-	44	TOTAL (Enter Total of lines 30-43)	91,261	86,873	(4,388)
10	(Less) Capital Stock Expense	-	-	-	45				
11	Retained Earnings	(112,115)	(55,780)	56,335	46				
12	Unappropriated Undistributed Subsidiary Earnings	-	-	-	47	DEFERRED CREDITS			
13	(Less) Reacquired Capital Stock	-	-	-	48	Customer Advances for Construction	-	-	-
14	Members' Equity	350,000	400,000	50,000	49	Accumulated Deferred Investment Tax Credits	-	-	-
15					50	Deferred Gains from Disposition of Utility Plant	-	-	-
16	TOTAL (Enter Total of lines 2-15)	237,885	344,220	106,335	51	Other Deferred Credit	-	-	-
17					52	Unamortized Gain on Reacquired Debt	-	-	-
18	LONG-TERM DEBT				53	Accumulated Deferred Income Taxes	7,623	10,945	3,322
19	Bonds	-	-	-	54	Deferred season pass revenue	-	-	-
20	(Less) Reacquired Bonds	-	-	-	55	TOTAL (Enter Total of lines 47-54)	7,623	10,945	3,322
21	Advances from Associated Companies	-	-	-	56				
22	Other Long - Term Debt	434,447	404,027	(30,420)	57				
23	Unamortized Premium on Long - Term Debt	-	-	-	58	OPERATING RESERVES			
24	(Less) Unamortized Discount on Long - Term Debt - Dr	-	-	-	59	Property Insurance Reserve	-	-	-
25					60	Injuries and Damages Reserve	-	-	-
26					61	Pensions and Benefits Reserve	-	-	-
27	TOTAL (Enter Total of lines 19-26)	434,447	404,027	(30,420)	62	Miscellaneous Operating Reserves	-	-	-
28					63				
29	CURRENT AND ACCRUED LIABILITIES				64	TOTAL (Enter Total of lines 58-63)	-	-	-
30	Notes Payable	55,000	25,153	(29,847)	65				
31	Accounts Payable	24,753	28,834	4,081	66				
32	Notes Payable to Associated Companies	-	-	-	67				
33	Accounts Payable to Associated Companies	-	-	-	68				
34	Customer Deposits	-	-	-	69	TOTAL Liabilities and Other Credits	771,216	846,065	74,849
35	Taxes Accrued	8,213	30,082	21,869		(Total of lines 16, 27, 44, 55, & 64)			

SCHEDULE A - BALANCE SHEET
Assets and Other Debts

Line	Account	Beginning Balance	Ending Balance	Increase (Decrease)	Line	Account	Beginning Balance	Ending Balance	Increase (Decrease)
1	UTILITY PLANT				36	Plant Materials and Operating Supplies	-	-	-
2	Utility Plant	734,879	782,288	47,409	37	Merchandise	-	-	-
3	Construction Work in Progress	-	66,670	66,670	38	Other Materials and Supplies	-	-	-
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)	734,879	848,958	114,079	39	Stores Expenses Undistributed	-	-	-
5	(Less) Accum Prov for Depr Amort Depl	17,792	62,479	44,687	40	Prepayments	17,946	6,316	(11,630)
6	Net Utility Plant (Enter Total of line 4 less 5)	717,087	786,479	69,392	41	Interest and Dividends Receivable	-	-	-
7	Utility Plant Adjustments	-	-	-	42	Rents Receivable	-	-	-
8					43	Accrued Utility Revenues	-	-	-
9					44	Miscellaneous Current and Accrued Assets - Deposits	335	128	(207)
10	TOTAL (Enter Total of lines 6-9)	717,087	786,479	69,392	45	Organization costs - net	5,627	4,376	(1,251)
11					46	Liquor License	-	5,000	5,000
12	OTHER PROPERTY AND INVESTMENTS				47	TOTAL (Enter Total of lines 24-46)	54,129	59,586	5,457
13	Nonutility Property	-	-	-	48				
14	(Less) Accum Prov For Depr and Amort	-	-	-	49				
15	Investments in Associated Companies	-	-	-	50	DEFERRED DEBITS			
16	Investment in Subsidiary Companies	-	-	-	51	Unamortized Debt Expense	-	-	-
17	Other Investments	-	-	-	52	Extraordinary Property Losses	-	-	-
18	Special Funds	-	-	-	53	Clearing Accounts	-	-	-
19					54	Temporary Facilities	-	-	-
20					55	Miscellaneous Deferred Debits	-	-	-
21	TOTAL (Enter Total of lines 13-20)	-	-	-	56	Def Losses from Disposition of Utility Plant	-	-	-
22					57	Research, Devel And Demonstration Expend	-	-	-
23					58	Unamortized Loss on Reacquired Debt	-	-	-
24	CURRENT AND ACCRUED ASSETS				59	Accumulated Deferred Income Taxes	-	-	-
25	Cash	13,098	42,435	29,337	60				
26	Special Deposits	-	-	-	61				
27	Working Funds	-	-	-	62	TOTAL (Enter Total of lines 51-61)	-	-	-
28	Temporary Cash Investments	-	-	-	63				
29	Notes Receivable	-	-	-	64				
30	Customer Accounts Receivable	17,123	1,331	(15,792)	65				
31	Other Accounts Receivable	-	-	-	66				
32	(Less) Accum Prov For Uncollectible Acct - Credit	-	-	-	67				
33	Notes Receivable from Associated Companies	-	-	-	68				
34	Accounts Receivable from Associated Companies	-	-	-	69	Total Assets & Other Debts (Lines 10, 21, 47, & 62)	771,216	846,065	74,849
35	Fuel Stock	-	-	-					
	Fuel Stock Expense Undistributed	-	-	-					

ISLAND EXPRESS BOAT LINES LTD

F/EIN 31-1523942 CLASS: WT

COUNTY AND TAXING DISTRICT RECAP
TAX YEAR 1999

SUMMARY TOTAL FOR ALL COUNTIES:

691,617

683,194



-- Application for Extension of Time to File --
Ohio 1999 Public Utility Personal Property Tax Report
[Call (614) 466-7371 with any Questions]

Company Name: Island Express Boat Lines, Ltd.

Company FEIN: 31-1523942

Person Req. Ext.: Donald P. Hanck, CPA

Phone Number: (419) 626-2152

Date: February 16, 1999

Fax Number: (419) 626-5896 (must provide for confirmation)

The above referenced public utility desires an extension of filing its annual public utility personal property tax return for a period of:

- 15 Days
- 30 Days
- ***45 Days
- ***60 Days

*** An extension beyond 30 days must provide an extenuating reason on the space provided below ***

Extenuating Reason(s): _____

An extension can only be granted if our office receives the request by March 1, 1999. Confirmation of the extension will be sent via the fax number provided above within two business days of receipt (mailed at your risk if a fax number is not provided).

Fax the extension request to the Public Utility Tax Division at (614) 752-2496 or mail your extension to:

Ohio Department of Taxation
Public Utility Tax Division - PUPPEXT
PO Box 530
Columbus, OH 43216-0530

Confirmation of Extension - For use by Public Utility Tax Division Only

Your extension request has been approved for 30 Days; *Due by: March 31, 1999

Your extension has been denied because _____

Katrina Flory
Tax Agent/Supervisor Signature

2/17/99
Date

* As used for this extension request, "Public Utility Personal Property" includes interexchange telecommunication and railroad companies