

OFFICIAL COPY
CLASS "A" OR "B"
DIVISION OF

WATER AND WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

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ANNUAL REPORT

OF

WS072-01-AR
Ferncrest Utilities, Inc.
3015 Southwest 54th Avenue
Ft. Lauderdale, FL 33314-1950

Submitted To The

STATE OF FLORIDA



REGISTRATION DIVISION

02 MAY 10 PM 1:05

STATE OF FLORIDA
REGISTRATION DIVISION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2000

Per FPSC records, this utility is a Class B Utility

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added; provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems".
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

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

YES NO

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the 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 the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified			
1.	2.	3.	4.
X	X	X	X


(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.

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2001

Ferncrest Utilities, Inc.
(Exact Name of Utility)

County: Broward

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

Ferncrest Utilities, Inc.
3015 SW 54th Avenue
Fort Lauderdale, Florida 33314

Telephone: (954) 587-8833

E Mail Address: bsfcu@ammi.net

WEB Site: None

Sunshine State One-Call of Florida, Inc. Member Number 910

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

Andrew Trumbach
P.O. Box 292037
Davie, Florida 33329

Telephone: (954) 587 - 0330

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

Ferncrest Utilities, Inc.
3015 SW 54th Avenue
Fort Lauderdale, Florida 33314

Telephone: (954) 587-8833

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

None

Date of original organization of the utility:
02/28/1969

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	M. Austin Forman	50
2.	Estate of Ollie Cohen	25
3.	Murray Candib	25
4.		
5.		
6.		
7.		
8.		
9.		
10.		

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

A.	The Company was founded in 1969 to serve the existing City of Ferncrest Village. The City of Ferncrest Village was dissolved in 1970 and the Company is now located in the Town of Davie. In 1979, M. Austin Forman acquired 50% ownership of the Company.
B.	Water and Sewer Service.
C.	The major goals of the Company are to continue to provide and improve the highest quality water and wastewater service to its customers.
D.	Major operating Divisions are: <ul style="list-style-type: none">* Water Treatment* Water Distribution* Wastewater Collection* Wastewater Treatment
E.	It is anticipated that Palm Trace Landings apartment complex will be developing additional acreage beginning in August 2002. There will be approximately 400 new apartments, which will be coming on line during the summer of 2003.
F.	There are no transactions that had a material effect on operations.

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
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PARENT / AFFILIATE ORGANIZATION CHART

Current as of March 31, 2001

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

NOT APPLICABLE

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Robert V. Salerno	President	100	\$ 73,086
Fredic Edmondson	Secretary	10	\$ 0

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
None			\$ 0

FINANCIAL SECTION

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 10,000	\$ 10,000
204	Preferred Stock Issued	F-15		
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		120,000	120,000
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(7,095,847)	(7,757,380)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ (6,965,847)	\$ (7,627,380)
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	245,890	266,090
224	Other Long Term Debt	F-17	5,244,496	5,633,980
Total Long Term Debt			\$ 5,490,386	\$ 5,900,070
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		31,255	22,351
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	2,294	2,294
234	Notes Payable to Associated Companies	F-18	1,490,406	1,490,406
235	Customer Deposits		51,924	48,680
236	Accrued Taxes	W/S-3	55,200	100,053
237	Accrued Interest	F-19	1,048,517	1,189,002
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	470,061	476,950
Total Current & Accrued Liabilities			\$ 3,149,657	\$ 3,329,736

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ _____	\$ _____
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____ 0	\$ _____ 0
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 1,512,677	\$ 1,513,377
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,123,174)	(1,171,824)
Total Net C.I.A.C.			\$ _____ 389,503	\$ _____ 341,553
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		_____	_____
Total Accumulated Deferred Income Tax			\$ _____	\$ _____
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ _____ 2,063,699	\$ _____ 1,943,979

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 1,219,803	\$ 1,152,047
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 1,219,803	\$ 1,152,047
401	Operating Expenses	F-3(b)	\$ 1,118,048	\$ 1,076,433
403	Depreciation Expense:	F-3(b)	\$ 148,939	\$ 125,834
	Less: Amortization of CIAC	F-22	58,950	48,650
Net Depreciation Expense			\$ 89,989	\$ 77,184
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3	101,910	99,709
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			\$ 1,309,947	\$ 1,253,326
Net Utility Operating Income			\$ (90,144)	\$ (101,279)
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others		6,250	0
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ (83,894)	\$ (101,279)

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 508,204	\$ 643,843	\$
\$ 508,204	\$ 643,843	\$
\$ 485,826	\$ 590,607	\$
62,615 18,947	63,219 29,703	
\$ 43,668	\$ 33,516	\$
46,825	52,884	
\$ 576,319	\$ 677,007	\$
\$ (68,115)	\$ (33,164)	\$
	0	
\$ (68,115)	\$ (33,164)	\$

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ (83,894)	\$ (101,279)
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income			
421	Nonutility Income		7,275	668
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 7,275	\$ 668
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$	\$
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable To Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 737,262	\$ 560,922
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			\$ 737,262	\$ 560,922
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			\$ (813,881)	\$ (661,533)

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 1,715,856	\$ 2,149,910
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	960,611	1,312,937
110	Accumulated Amortization	F-8	62,809	62,810
271	Contributions In Aid of Construction	F-22	508,418	1,004,959
252	Advances for Construction	F-20		
Subtotal			\$ 184,018	\$ (230,796)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	365,703	806,121
Subtotal			\$ 549,721	\$ 575,325
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	0	0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	0	0
	Working Capital Allowance (3)		60,728	73,851
	Other (Specify):		v	
RATE BASE			\$ 610,449	\$ 649,176
NET UTILITY OPERATING INCOME			\$ (68,115)	\$ (33,164)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-11.16%	-5.11%

NOTES :

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

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 3,841,111	\$ 3,865,766
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,147,714	2,273,548
Net Plant			\$ 1,693,397	\$ 1,592,218
114-115	Utility Plant Acquisition adjustment (Net)	F-7	0	0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 1,693,397	\$ 1,592,218
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ 0	\$ 0
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$	\$
123	Investment In Associated Companies	F-10	0	0
124	Utility Investments	F-10	0	0
125	Other Investments	F-10	0	0
126-127	Special Funds	F-10	0	0
Total Other Property & Investments			\$ 0	\$ 0
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 115,953	\$ 226,812
132	Special Deposits	F-9	0	0
133	Other Special Deposits	F-9	0	0
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	149,056	117,152
145	Accounts Receivable from Associated Companies	F-12	0	0
146	Notes Receivable from Associated Companies	F-12	0	0
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments			
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12	105,057	3,726
Total Current and Accrued Assets			\$ 370,066	\$ 347,690

* Not Applicable for Class B Utilities

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ _____	_____	_____	_____
Preferred Stock	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____
Tax Credits - Zero Cost	_____	_____	_____	_____
Tax Credits - Weighted Cost	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____
Total	N/A \$ _____	N/A _____	_____	N/A _____

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

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

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

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

*** ADUDC WAS NOT CHARGED DURING THE YEAR. SCHEDULE NOT APPLICABLE
APPROVED RETURN ON EQUITY**

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

APPROVED AFUDC RATE
COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

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

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 1,715,856	\$ 2,149,910	\$	\$ 3,865,766
102	Utility Plant Leased to Other				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
106	Completed Construction Not Classified				
	Total Utility Plant	\$ 1,715,856	\$ 2,149,910	\$	\$ 3,865,766

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

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

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
	Total Plant Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
115	Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
	Total Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
	Net Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 897,996	\$ 1,249,718	\$	\$ 2,147,714
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 62,615	\$ 63,219	\$	\$ 125,834
Account 108.2 (2)				
Account 108.3 (2)				
Other Accounts (specify):				
Salvage				
Other Credits (Specify):				
Transfer from Water				
Total Credits	\$ 62,615	\$ 63,219	\$	\$ 125,834
Debits during year:				
Book cost of plant retired				
Cost of Removal				
Other Debits (specify):				
Transfer to Sewer				
Total Debits	\$	\$	\$	\$
Balance end of year	\$ 960,611	\$ 1,312,937	\$	\$ 2,273,548
ACCUMULATED AMORTIZATION Account 110				
Balance first of year	\$ 62,547	\$ 62,546	\$ 0	\$ 125,093
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ 0 263	\$ 0 263	\$ 0	\$ 0 526
Other Accounts (specify):				
Total credits	\$ 263	\$ 263	\$ 0	\$ 526
Debits during year:				
Book cost of plant retired				
Other debits (specify):				
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ 62,810	\$ 62,809	\$ 0	\$ 125,619

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
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**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 66 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
Docket No. 011073-WS Order No. Pending Issued: Pending	\$ 4362		\$ 526
Total	\$ 4,362		\$ 526

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.
Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
	\$ 0	\$ 0	\$ 0	\$ 0
Total Nonutility Property	\$ 0	\$ 0	\$ 0	\$ 0

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

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

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132):	\$ 0
Total Special Deposits	\$ 0
OTHER SPECIAL DEPOSITS (Account 133):	\$ 0
Total Other Special Deposits	\$ 0

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

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): _____ _____ _____	\$ 0	\$ 0
Total Investment in Associated Companies		\$ <u>0</u>
UTILITY INVESTMENTS (Account 124): _____ _____ _____	\$ 0	\$ 0
Total Utility Investment		\$ <u>0</u>
OTHER INVESTMENTS (Account 125): _____ _____ _____	\$ 0	\$ 0
Total Other Investment		\$ <u>0</u>
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): _____ _____ _____		\$ 0
Total Special Funds		\$ <u>0</u>

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
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ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

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

DESCRIPTION (a)	TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):	
Water & Wastewater	\$ 112,914
Other	
Total Customer Accounts Receivable	\$ 112,914
OTHER ACCOUNTS RECEIVABLE (Account 142):	
Due from Employees	\$ 2,721
Due from Affiliate	1,115
Other	402
Total Other Accounts Receivable	\$ 4,238
NOTES RECEIVABLE (Account 144):	
_____	\$ _____
_____	_____
_____	_____
Total Notes Receivable	\$ _____
Total Accounts and Notes Receivable	\$ 117,152
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)	
Balance first of year	\$ 0
Add: Provision for uncollectibles for current year	\$ 22,218
Collection of accounts previously written off	(42)
Utility Accounts	
Others	
Total Additions	\$ 22176
Deduct accounts written off during year:	
Utility Accounts	22,176
Others	
Total accounts written off	\$ 22,176
Balance end of year	\$ 0
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET	\$ 117,152

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ 0
Total	\$ 0

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
	%	\$ 0
	%	
	%	
	%	
	%	
	%	
	%	
	%	
	%	
	%	
Total		\$ 0

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Deposits	\$ 3,726
Total Miscellaneous Current and Accrued Liabilities	\$ 3,726

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):	\$ 0	\$ 0
Total Unamortized Debt Discount and Expense	\$ 0	\$ 0
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ 0	\$ 0
Total Unamortized Premium on Debt	\$ 0	\$ 0

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
	\$ 0
Total Extraordinary Property Losses	\$ 0

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)	\$ 236	\$ 4,071
Total Deferred Rate Case Expense	\$ <u>236</u>	\$ <u>4,071</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$ 0	\$ 0
Total Other Deferred Debits	\$ <u>0</u>	\$ <u>0</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$ 0	\$ 0
Total Regulatory Assets	\$ <u>0</u>	\$ <u>0</u>
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ <u>0</u>	\$ <u>0</u>

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ (7,095,847)
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	\$ _____
	Total Credits:	\$ _____
	Debits: _____	\$ _____
	Total Debits:	\$ _____
435	Balance Transferred from Income (Loss)	\$ (661,533)
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ _____
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ _____
215	Year end Balance	\$ (7,757,380)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
	Total Retained Earnings (Deficit)	\$ (7,757,380)
Notes to Statement of Retained Earnings:		

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232):			\$ 0
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ 0
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
H. Forman	%		\$ 3,879
Canco Enterprises	%		1,179,153
M. Austin Forman	%		290,474
Evergreen Lakes	%		16,900
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ 1,490,406

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Miscellaneous	\$ 2,294
Total	\$ 2,294

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001.

ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt					
HMF Distributee	\$ 56,529		\$ 3,593	\$	\$ 60,122
Blanche Forman Estate	114,691		5,433		120,124
Land Trust Distributee	57,759		2,717		60,476
Charles Forman	47,827		4,577		52,404
C & H Forman	94,075		10,875		104,950
Total Account 237.1	\$ 370,881		\$ 27,195	\$	\$ 398,076
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ 4,804	427	\$ 2,400	\$ 4,204	\$ 3,000
M. Austin Forman	101,948		25,188	15,226	111,910
Canco, Everglades Lakes, H. Forman	570,884		105,132	0	676,016
Total Account 237.2	\$ 677,636		\$ 132,720	\$ 19,430	\$ 790,926
Total Account 237 (1)	\$ 1,048,517		\$ 159,915	\$ 19,430	\$ 1,189,002
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 159,915		(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
Less Capitalized Interest Portion of AFUDC:					(2) Must agree to F-3 (c), Current Year Interest Expense
Net Interest Expensed to Account No. 427 (2)					
Mortgage Interest & Silver Oaks			\$ 159,915		
Total Interest Expense			401,007		
			560,922		

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued Lake Lease Payable	\$ 476,950
Total Miscellaneous Current and Accrued Liabilities	\$ 476,950

ADVANCES FOR CONSTRUCTION
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	ACCT. DEBIT (c)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
			AMOUNT (d)			
	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0

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

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
	\$ 0	\$ 0
Total Regulatory Liabilities	\$ 0	\$ 0
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
	\$	\$ 0
Total Other Deferred Liabilities	\$ 0	\$ 0
TOTAL OTHER DEFERRED CREDITS	\$ 0	\$ 0

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 507,718	\$ 1,004,959	\$	\$ 1,512,677
Add credits during year:	\$ 700	\$	\$	\$ 700
Less debit charged during the year	\$	\$	\$	\$
Total Contribution In Aid of Construction	\$ 508,418	\$ 1,004,959	\$	\$ 1,513,377

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 346,756	\$ 776,418	\$	\$ 1,123,174
Debits during the year:	\$ 18,947	\$ 29,703	\$	\$ 48,650
Credits during the year	\$	\$	\$	\$
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 365,703	\$ 806,121	\$	\$ 1,171,824

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
--

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)

1 The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.

2 If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ (661,533)
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
Book Depreciation in Excess of tax depreciation		6,743
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ (654,790)

Computation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 1,715,856
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	960,611
110	Accumulated Amortization		62,809
271	Contributions In Aid of Construction	W-7	508,418
252	Advances for Construction	F-20	
Subtotal			\$ 184,018
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 365,703
Subtotal			\$ 549,721
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		60,728
	Other (Specify):		
WATER RATE BASE			\$ 610,449
WATER OPERATING INCOME		W-3	\$ (68,115)
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>-11.16%</u>

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

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

(3) Calculation consistent with last rate proceeding.

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
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SYSTEM NAME / COUNTY : Broward County

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ <u>508,204</u>
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		\$ <u>508,204</u>
401	Operating Expenses	W-10(a)	\$ <u>485,826</u>
403	Depreciation Expense	W-6(a)	<u>62,615</u>
	Less: Amortization of CIAC	W-8(a)	<u>18,947</u>
	Net Depreciation Expense		\$ <u>43,668</u>
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income		
	Utility Regulatory Assessment Fee		<u>24,576</u>
408.11	Property Taxes		<u>22,249</u>
408.12	Payroll Taxes		<u>0</u>
408.13	Other Taxes and Licenses		<u>0</u>
408	Total Taxes Other Than Income		\$ <u>46,825</u>
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ <u>576,319</u>
	Utility Operating Income		\$ <u>(68,115)</u>
469	Add Back:		
	Guaranteed Revenue (and AFPI)	W-9	
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ <u>(68,115)</u>

YEAR OF REPORT
December 31, 2001

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 1,845	\$	\$	\$ 1,845
302	Franchises	4,300			4,300
303	Land and Land Rights	20,000			20,000
304	Structures and Improvements	272,954	1,535		274,489
305	Collecting and Impounding Reservoirs	0			
306	Lake, River and Other Intakes	0			
307	Wells and Springs	42,461	2,700		45,161
308	Infiltration Galleries and Tunnels	0			
309	Supply Mains	0			
310	Power Generation Equipment	42,765			42,765
311	Pumping Equipment	176,118			176,118
320	Water Treatment Equipment	349,691			349,691
330	Distribution Reservoirs and Standpipes	199,712			199,712
331	Transmission and Distribution Mains	238,199			238,199
333	Services	132,486			132,486
334	Meters and Meter Installations	63,490			63,490
335	Hydrants	0			
336	Backflow Prevention Devices	0			
339	Other Plant Miscellaneous Equipment	0			
340	Office Furniture and Equipment	36,260			36,260
341	Transportation Equipment	35,572			35,572
342	Stores Equipment	0			
343	Tools, Shop and Garage Equipment	0			
344	Laboratory Equipment	18,847			18,847
345	Power Operated Equipment	20,646	9,443		30,089
346	Communication Equipment	0			
347	Miscellaneous Equipment	21,000			21,000
348	Other Tangible Plant	25,832			25,832
TOTAL WATER PLANT		\$ 1702178	\$ 13678	\$	\$ 1715856

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

W-4(a)
GROUP _____

YEAR OF REPORT
December 31, 2001

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 1,845	\$ 1,845				
302	Franchises	4,300	4,300				
303	Land and Land Rights	20,000			20,000		
304	Structures and Improvements	274,489			218,160		56,329
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	45,161		45,161			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	0					
310	Power Generation Equipment	42,765		42,765			
311	Pumping Equipment	176,118		176,118			
320	Water Treatment Equipment	349,691			349,691		
330	Distribution Reservoirs and Standpipes	199,712				199,712	
331	Transmission and Distribution Mains	238,199				238,199	
333	Services	132,486				132,486	
334	Meters and Meter Installations	63,490				63,490	
335	Hydrants						
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment						
340	Office Furniture and Equipment	36,260					36,260
341	Transportation Equipment	35,572					35,572
342	Stores Equipment						
343	Tools, Shop and Garage Equipment						
344	Laboratory Equipment	18,847					18,847
345	Power Operated Equipment	30,089					30,089
346	Communication Equipment						
347	Miscellaneous Equipment	21,000					21,000
348	Other Tangible Plant	25,832					25,832
	TOTAL WATER PLANT	\$ 1,715,856	\$ 6145	\$ 2,640,444	\$ 587,851	\$ 633,887	\$ 223,929

W-4(b)
GROUP _____

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	33		3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations			
335	Hydrants	20		5.00%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment	15		6.67%
345	Power Operated Equipment	12		8.33%
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	4		25.00%
Water Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

YEAR OF REPORT
December 31, 2001

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 179,612	\$ 8,274	\$	\$ 8,274
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	27,469	1,423		1,423
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	26,406	1,571		1,571
311	Pumping Equipment	54,401	8,346		8,346
320	Water Treatment Equipment	165,317	15,929		15,929
330	Distribution Reservoirs and Standpipes	40,696	5,398		5,398
331	Transmission and Distribution Mains	143,710	5,540		5,540
333	Services	91,825	3,312		3,312
334	Meters and Meter Installations	50,724	3,106		3,106
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	21,108	2,180		2,180
341	Transportation Equipment	28,578	1,823		1,823
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment	16,218	637		637
345	Power Operated Equipment	11,086	1,269		1,269
346	Communication Equipment				
347	Miscellaneous Equipment	21,000	0		0
348	Other Tangible Plant	19,846	3,807		3,807
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 897,996	\$ 62,615	\$ 0	\$ 62,615

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

YEAR OF REPORT
December 31, 2001

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

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

ACCT. NO.	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i)	BALANCE AT END OF YEAR (c+f-k) (l)
304	Structures and Improvements	\$	\$	\$	\$	\$ 187,886
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					28,892
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					27,977
311	Pumping Equipment					62,747
320	Water Treatment Equipment					181,246
330	Distribution Reservoirs and Standpipes					46,094
331	Transmission and Distribution Mains					149,250
333	Services					95,137
334	Meters and Meter Installations					53,830
335	Hydrants					
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment					23,288
341	Transportation Equipment					30,401
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					16,855
345	Power Operated Equipment					12,355
346	Communication Equipment					
347	Miscellaneous Equipment					21,000
348	Other Tangible Plant					23,653
TOTAL WATER ACCUMULATED DEPRECIATION \$						\$ 960,611

W-6(b)
GROUP _____

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

WATER CIAC SCHEDULE "A"

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Plant Capacity Charge		\$	\$ 700
Total Credits			\$ 700

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 346,756
Debits during the year:	
Accruals charged to Account 272	\$ 18,947
Other debits (specify) :	
Total debits	\$ 18,947
Credits during the year (specify) :	
	\$
Total credits	\$ 0
Balance end of year	\$ 365,703

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
		\$ 0
Total Credits		\$ 0

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
--

SYSTEM NAME / COUNTY : Broward County

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	1,397	1,320	316,325
461.2	Sales to Commercial Customers	80	87	185,083
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		1,477	1,407	\$ 501,408
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue				\$
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		1,477	1,407	\$ 501,408
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			6,796
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 6,796
Total Water Operating Revenues				\$ 508,204

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 194,471	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	36,543		
604	Employee Pensions and Benefits	4,330		
610	Purchased Water	28,116	28,116	
615	Purchased Power	40,466		
616	Fuel for Power Purchased			
618	Chemicals	25,482		
620	Materials and Supplies	69,758		
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	19,569		
633	Contractual Services - Legal	2,363		
634	Contractual Services - Mgt. Fees	12,000		
635	Contractual Services - Testing	3,379		
636	Contractual Services - Other	7,265		
641	Rental of Building/Real Property			
642	Rental of Equipment	11,089		
650	Transportation Expenses	8,586		
656	Insurance - Vehicle	1,437		
657	Insurance - General Liability	4,368		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	401		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	263		
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	(42)		
675	Miscellaneous Expenses	15,982		
Total Water Utility Expenses		\$ 485,826	\$ 28,116	\$ 0

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY :

Broward County

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 162,325	\$	\$	\$	\$ 32,146	\$
1,083				1,082	36,543
40,466					2,165
25,482					
1,960	21,409		8,601	15,103	22,685
					0
					19,569
					2,363
					12,000
3,379					
7,265					
					11,089
					8,586
					1,437
					4,368
					0
					401
					263
				(42)	
					15,982
\$ 241,960	\$ 21,409	\$	\$ 8,601	\$ 48,289	\$ 137,451

UTILITY NAME: Fernerest Utilities, Inc.

YEAR OF REPORT December 31, 2001
--

SYSTEM NAME / COUNTY : Broward County

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	2.494	16.194	5.635	13.053	10.636
February	3.038	13.739	5.228	11.549	12.933
March	1.874	15.403	6.079	11.198	8.307
April	1.612	15.161	6.052	10.721	8.320
May	1.590	15.393	6.240	10.743	8.801
June	1.381	14.385	6.049	9.717	10.158
July	1.017	14.899 *	6.155	9.761	8.359
August	1.239	14.819 *	6.020	10.038	10.233
September	1.337	14.597 *	5.692	10.242	15.063
October	1.463	14.402	5.709	10.156	10.293
November	1.379	13.884	5.773	9.490	7.849
December	1.090	14.809	6.022	9.877	7.489
Total for Year	19.514	* Estimated 177.685	70.654	126.545	118.441

If water is purchased for resale, indicate the following:

Vendor _____ Town of Davie
 Point of delivery _____ Customer Meter

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

Not Applicable

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well #1	1200 GPM	300,000	Ground Water
Well #2	1200 GPM	300,000	Ground Water

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,000,000</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):	<u>Catalitice Reactor (Spiractor)</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>2,000 Pounds per Day</u>	Manufacturer: <u>AQUA-CHEM</u>
FILTRATION	
Type and size of area:	
Pressure (in square feet): _____	Manufacturer: _____
Gravity (in GPM/square feet): <u>2GPM/square feet</u>	Manufacturer: <u>DAVCO</u>

W-12

GROUP _____

SYSTEM _____

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
--

SYSTEM NAME / COUNTY : Broward County

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,320	1,320
5/8"	Displacement	1.0	41	41
3/4"	Displacement	1.5	0	
1"	Displacement	2.5	14	35
1 1/2"	Displacement or Turbine	5.0	6	30
2"	Displacement, Compound or Turbine	8.0	16	128
3"	Displacement	15.0	10	150
3"	Compound	16.0	0	
3"	Turbine	17.5	0	
4"	Displacement or Compound	25.0	0	
4"	Turbine	30.0	0	
6"	Displacement or Compound	50.0	0	
6"	Turbine	62.5	0	
8"	Compound	80.0	0	
8"	Turbine	90.0	0	
10"	Compound	115.0	0	
10"	Turbine	145.0	0	
12"	Turbine	215.0	0	
Total Water System Meter Equivalents				<u>1,704</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

ERC Calculation:

(a) $58,636,000 / 1320 / 365 = 122$

UTILITY NAME: Fernerest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve.	2842
2. Maximum number of ERCs * which can be served.	8,196
3. Present system connection capacity (in ERCs *) using existing lines.	6,500
4. Future connection capacity (in ERCs *) upon service area buildout.	6,500
5. Estimated annual increase in ERCs *.	0
6. Is the utility required to have fire flow capacity? If so, how much capacity is required?	No
7. Attach a description of the fire fighting facilities.	
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	Not Applicable
<hr/>	
9. When did the company last file a capacity analysis report with the DEP?	Not Applicable
10. If the present system does not meet the requirements of DEP rules:	Not Applicable
a. Attach a description of the plant upgrade necessary to meet the DEP rules.	
b. Have these plans been approved by DEP?	
c. When will construction begin?	
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order with DEP?	
11. Department of Environmental Protection ID #	4060419
12. Water Management District Consumptive Use Permit #	06-00170-W
a. Is the system in compliance with the requirements of the CUP?	Yes
b. If not, what are the utility's plans to gain compliance?	
<hr/>	
<hr/>	

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

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 2,149,910
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,312,937
110	Accumulated Amortization		62,810
271	Contributions In Aid of Construction	S-7	1,004,959
252	Advances for Construction	F-20	
Subtotal			\$ (230,796)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 806,121
Subtotal			\$ 575,325
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		73,851
	Other (Specify):		
WASTEWATER RATE BASE			\$ 649,176
WASTEWATER OPERATING INCOME		S-3	\$ (33,164)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			-5.11%

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
--

SYSTEM NAME / COUNTY : Broward

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9(a)	\$ 643,843
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
	Net Operating Revenues		\$ 643,843
401	Operating Expenses	S-10(a)	\$ 590,607
403	Depreciation Expense	S-6(a)	63,219
	Less: Amortization of CIAC	S-8(a)	29,703
	Net Depreciation Expense		\$ 33,516
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income		
	Utility Regulatory Assessment Fee		30,376
408.11	Property Taxes		22,508
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 52,884
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 677,007
	Utility Operating Income		\$ (33,164)
530	Add Back:		
	Guaranteed Revenue (and AFPI)	S-9(a)	\$
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ (33,164)

YEAR OF REPORT
December 31, 2001

UTILITY NAME: Eemcrest Utilities, Inc.

SYSTEM NAME / COUNTY: Broward County

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	60,000			60,000
354	Structures and Improvements	409,587	1,535		411,122
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	615,480			615,480
362	Special Collecting Structures				
363	Services to Customers	181,273			181,273
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	367,076			367,076
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	342,165			342,165
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	11,845			11,845
390	Office Furniture and Equipment	29,031			29,031
391	Transportation Equipment	47,554			47,554
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	30,852			30,852
394	Laboratory Equipment	23,070			23,070
395	Power Operated Equipment		9,442		9,442
396	Communication Equipment				
397	Miscellaneous Equipment	21,000			21,000
398	Other Tangible Plant				
Total Wastewater Plant		\$ 2,138,933	\$ 10,977	\$ 0	\$ 2,149,910

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

UTILITY NAME: **Ferncrest Utilities, Inc.**

SYSTEM NAME / COUNTY : Broward County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$						
352	Franchises		60,000					
353	Land and Land Rights			195,440	184,208			31,474
354	Structures and Improvements							
355	Power Generation Equipment							
360	Collection Sewers - Force		615,480					
361	Collection Sewers - Gravity		181,273					
362	Special Collecting Structures							
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			367,076				
371	Pumping Equipment				342,165			
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment				11,845			29,031
390	Office Furniture and Equipment							47,554
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							30,852
395	Power Operated Equipment							23,070
396	Communication Equipment							9,442
397	Miscellaneous Equipment							21,000
398	Other Tangible Plant							
	Total Wastewater Plant	\$	\$ 856,753	\$ 562,516	\$ 538,218	\$	\$	\$ 192,423

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

S-4(b)
GROUP _____

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements	32.00		3.13%
355	Power Generation Equipment			
360	Collection Sewers - Force			
361	Collection Sewers - Gravity	32.00		3.13%
362	Special Collecting Structures			
363	Services to Customers	38.00		2.63%
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells			
371	Pumping Equipment	18.00		5.56%
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment	18.00		5.56%
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment	18.00		5.56%
390	Office Furniture and Equipment	15.00		6.67%
391	Transportation Equipment	6.00		16.67%
392	Stores Equipment			
393	Tools, Shop and Garage Equipment	16.00		6.25%
394	Laboratory Equipment	15.00		6.67%
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant	10.00		10.00%
Wastewater Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

YEAR OF REPORT
December 31, 2001

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 181,479	\$ 13,817	\$	\$ 13,817
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	325,278	13,677		13,677
362	Special Collecting Structures				
363	Services to Customers	108,295	4,770		4,770
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	331,372	7,594		7,594
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	188,775	13,880		13,880
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	10,255	658		658
390	Office Furniture and Equipment	17,416	1,730		1,730
391	Transportation Equipment	30,076	3,920		3,920
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	17,906	1,644		1,644
394	Laboratory Equipment	17,866	1,529		1,529
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant	21,000			
Total Depreciable Wastewater Plant in Service		\$ 1,249,718	\$ 63,219	\$	\$ 63,219

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

S-6(a)
GROUP

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	BALANCE AT BEGINNING OF YEAR	ACCRUALS	OTHER CREDITS *	TOTAL CREDITS (d+e)
(a)	(b)	(c)	(d)	(e)	(f)
354	Structures and Improvements	\$ 181,479	\$ 13,817	\$	\$ 13,817
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	325,278	13,677		13,677
362	Special Collecting Structures				
363	Services to Customers	108,295	4,770		4,770
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	331,372	7,594		7,594
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	188,775	13,880		13,880
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	10,255	658		658
390	Office Furniture and Equipment	17,416	1,730		1,730
391	Transportation Equipment	30,076	3,920		3,920
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	17,906	1,644		1,644
394	Laboratory Equipment	17,866	1,529		1,529
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant	21,000			
Total Depreciable Wastewater Plant in Service		\$ 1,249,718	\$ 63,219	\$	\$ 63,219

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
--

SYSTEM NAME / COUNTY : Broward County

WASTEWATER CIAC SCHEDULE "A"

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
		\$ _____	\$ _____ 0
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
Total Credits			\$ _____ 0

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ _____ 776,418
Debits during the year:	
Accruals charged to Account 272	\$ _____ 29,703
Other debits (specify) :	

Total debits	\$ _____ 29,703
Credits during the year (specify) :	
_____	\$ _____

Total credits	\$ _____ 0
Balance end of year	\$ _____ 806,121

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues			\$
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues			\$
522.1	Measured Revenues: Residential Revenues	1,397	1,320	388,294
522.2	Commercial Revenues	30	31	246,287
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	1,427	1,351	\$ 634,581
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		1,427	1,351	\$ 634,581
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			9,262
Total Other Wastewater Revenues				\$ 9,262

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2001
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SYSTEM NAME / COUNTY : Broward County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues			\$ _____
540.2	Commercial Reuse Revenues			_____
540.3	Industrial Reuse Revenues			_____
540.4	Reuse Revenues From Public Authorities			_____
540.5	Other Revenues			_____
540	Total Flat Rate Reuse Revenues			\$ _____
541.1	Measured Reuse Revenues: Residential Reuse Revenues			_____
541.2	Commercial Reuse Revenues			_____
541.3	Industrial Reuse Revenues			_____
541.4	Reuse Revenues From Public Authorities			_____
541	Total Measured Reuse Revenues			\$ _____
544	Reuse Revenues From Other Systems			_____
Total Reclaimed Water Sales				\$ _____
Total Wastewater Operating Revenues				\$ <u>643,843</u>

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

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY: Broward County

YEAR OF REPORT
December 31, 2001

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	1 COLLECTION EXPENSES- OPERATIONS	2 COLLECTION EXPENSES- MAINTENANCE	3 PUMPING EXPENSES- OPERATIONS	4 PUMPING EXPENSES- MAINTENANCE	5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS	6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
701	Salaries and Wages - Employees	194,415						162,269
703	Salaries and Wages - Officers, Directors and Majority Stockholders	0						
704	Employee Pensions and Benefits	36,543						4,330
710	Purchased Sewage Treatment Sludge Removal Expense	4,330						
711	Purchased Power	0			17,293		55,643	
715	Fuel for Power Purchased	46,575					29,282	
716	Chemicals	0					6,138	
718	Materials and Supplies	6,138		8,067			185	23,314
720	Contractual Services-Engineering	77,046			0	22,906		
731	Contractual Services-Accounting	0						
732	Contractual Services - Accounting	19,570						
733	Contractual Services - Legal	3,876						
734	Contractual Services - Mgt. Fees	12,000						
735	Contractual Services - Testing	3,379						
736	Contractual Services - Other	15,611						
741	Rental of Building/Real Property	36,890					36,890	
742	Rental of Equipment	10,569						
750	Transportation Expenses	8,414						
756	Insurance - Vehicle	1,437						
757	Insurance - General Liability	4,368						
758	Insurance - Workman's Comp.	0						
759	Insurance - Other	401						
760	Advertising Expense	0						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	263						
767	Regulatory Commission Exp.-Other	0						
770	Bad Debt Expense	22,218						
775	Miscellaneous Expenses	30,921						
Total Wastewater Utility Expenses		590,607		8,067	17,293	22,906	128,138	189,913

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (l)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (i)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ 32,146					
703	Salaries and Wages - Officers, Directors and Majority Stockholders		36,543				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies		22,574				
731	Contractual Services-Engineering		0				
732	Contractual Services - Accounting		19,570				
733	Contractual Services - Legal		3,876				
734	Contractual Services - Mgt. Fees		12,000				
735	Contractual Services - Testing		3,379				
736	Contractual Services - Other		15,611				
741	Rental of Building/Real Property						
742	Rental of Equipment		10,569				
750	Transportation Expenses		8,414				
756	Insurance - Vehicle		1,437				
757	Insurance - General Liability		4,368				
758	Insurance - Workman's Comp.						
759	Insurance - Other		401				
760	Advertising Expense						
766	Regulatory Commission Expenses		263				
767	- Amortization of Rate Case Expense						
770	Regulatory Commission Exp -Other						
770	Bad Debt Expense	22,218					
775	Miscellaneous Expenses		30921				
Total Wastewater Utility Expenses		\$ 54,364	\$ 169,926	\$	\$	\$	\$

UTILITY NAME: Fernerest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,320	1,320.0
5/8"	Displacement	1.0	10	10.0
3/4"	Displacement	1.5	0	
1"	Displacement	2.5	4	10.0
1 1/2"	Displacement or Turbine	5.0	2	10.0
2"	Displacement, Compound or Turbine	8.0	8	64.0
3"	Displacement	15.0	0	
3"	Compound	16.0	0	
3"	Turbine	17.5	10	175.0
4"	Displacement or Compound	25.0	0	
4"	Turbine	30.0	0	
6"	Displacement or Compound	50.0	1	50.0
6"	Turbine	62.5	0	
8"	Compound	80.0	0	
8"	Turbine	90.0	0	
10"	Compound	115.0	0	
10"	Turbine	145.0	0	
12"	Turbine	215.0	0	
Total Wastewater System Meter Equivalents				1,639.0

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

NOTE: Total gallons treated includes both treated and purchased treatment.

ERC Calculation:

$$(a) 46,909,000 / 1320 \text{ SFR} / 365 \text{ per Day} = 97$$

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : Broward County

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	.600 MGD		
Basis of Permit Capacity (1)	3 Month ADF		
Manufacturer	DAVCO		
Type (2)	Conventional Activated Sludge		
Hydraulic Capacity			
Average Daily Flow	0.390		
Total Gallons of Wastewater Treated	142,679		
Method of Effluent Disposal	Surface Water		

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit
(i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME: Ferncrest Utilities, Inc.
SYSTEM NAME / COUNTY : Broward County

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs* now being served 4029
2. Maximum number of ERCs* which can be served 6185
3. Present system connection capacity (in ERCs*) using existing lines 4029
4. Future connection capacity (in ERCs*) upon service area buildout 4029
5. Estimated annual increase in ERCs* 0
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.
8. If the utility does not engage in reuse, has a reuse feasibility study been cor Yes
If so, when? 1984
9. Has the utility been required by the DEP or water management district to implement reuse? Yes
If so, what are the utility's plans to comply with this requirement? _____
Utility discharge into lime rock pit is reuse.

10. When did the company last file a capacity analysis report with the DEP? October 2001
11. If the present system does not meet the requirements of DEP rules: Not Applicable
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
12. Department of Environmental Protection ID # 5006P02315

* An ERC is determined based on the calculation on S-11.