

CLASS "A" OR "B"  
WATER AND/OR WASTEWATER UTILITIES  
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

WS072-03-AR  
Ferncrest Utilities, Inc.  
3015 Southwest 54th Avenue  
Ft. Lauderdale, FL 33314-1950

13-W & 10-S  
Certificate Number(s)

Submitted To The  
STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2003

**Per FPSC records, this utility is a Class B Utility**

04 MAY 10 AM 11:12  
ECONOMIC REGULATION  
PUBLIC SERVICE

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# **EXECUTIVE SUMMARY**

### CERTIFICATION OF ANNUAL REPORT

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

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.

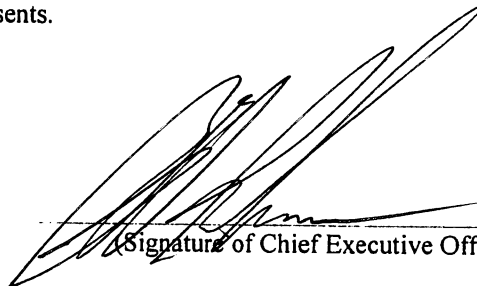
YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified

1.	2.	3.	4.
X	X	X	X

1.	2.	3.	4.



(Signature of Chief Executive Officer of the utility) \*

(Signature of Chief Financial Officer of the utility) \*

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

**NOTICE:**

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

ANNUAL REPORT OF

YEAR OF REPORT  
December 31, 2003

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: trumbach@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	84
2.	Estate of Ollie Cohen	8
3.	Murray Candib	8
4.		
5.		
6.		
7.		
8.		
9.		
10.		

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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

<b>NAME OF COMPANY REPRESENTATIVE (1)</b>	<b>TITLE OR POSITION (2)</b>	<b>ORGANIZATIONAL UNIT TITLE (3)</b>	<b>USUAL PURPOSE FOR CONTACT WITH FPSC</b>
Robert V. Salerno	President		Rate Proceedings
			Rule Clarification
David B. Erwin	Attorney (954) 222-7206	Young Van Assenderp et al	Complaint Response
Andrew E. Trumbach	Accountant Consultant (954) 587-0330	American Marketing & Management, Inc.	Regulatory Matters
			Rate Proceedings
			Regulatory Matters
			Annual Report

(1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.  
(2) Provide individual telephone numbers if the person is not normally reached at the company.  
(3) Name of company employed by if not on general payroll.

### 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:
  - \* 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 274 new apartments, which will be coming on line during the summer of 2004.
- F. There are no transactions that had a material effect on operations.



UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2003
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**PARENT / AFFILIATE ORGANIZATION CHART**

**Current as of March 31, 2004**

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	\$ 68,004
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

**BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES**

List all contracts, agreements, or other business arrangements\* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

<b>NAME OF OFFICER, DIRECTOR OR AFFILIATE</b> (a)	<b>IDENTIFICATION OF SERVICE OR PRODUCT</b> (b)	<b>AMOUNT</b> (c)	<b>NAME AND ADDRESS OF AFFILIATED ENTITY</b> (d)
None		\$ 0	

\* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**AFFILIATION OF OFFICERS AND DIRECTORS**

For each of the officials listed on page E-6, list the principle occupation or business affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
None			

**YEAR OF REPORT**  
December 31, 2003

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

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

Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

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

### BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6, identifying the parties, amounts, dates and product, and asset, or service involved.

**Part I. Specific Instructions: Services and Products Received or Provided**

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
  - management, legal and accounting services
  - computer services
  - engineering & construction services
  - repairing and servicing of equipment
  - material and supplies furnished
  - leasing of structures, land, and equipment
  - rental transactions
  - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY <small>(a)</small>	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT <small>(b)</small>	CONTRACT OR AGREEMENT EFFECTIVE DATES <small>(c)</small>	ANNUAL CHARGES	
			(P)urchased (S)old <small>(d)</small>	AMOUNT <small>(e)</small>
Not Applicable				\$

UTILITY NAME: Ferncrest Utilities, Inc.

**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

- Part II. Specific Instructions: Sale, Purchase and Transfer of Assets**
3. The columnar instructions follow:
- (a) Enter name of related party or company.
  - (b) Describe briefly the type of assets purchased, sold or transferred.
  - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
  - (d) Enter the net book value for each item reported.
  - (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
  - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

<b>(a) NAME OF COMPANY OR RELATED PARTY</b>	<b>(b) DESCRIPTION OF ITEMS</b>	<b>(c) SALE OR PURCHASE PRICE</b>	<b>(d) NET BOOK VALUE</b>	<b>(e) GAIN OR LOSS</b>	<b>(f) FAIR MARKET VALUE</b>
Not Applicable		\$	\$	\$	\$

# **FINANCIAL SECTION**



**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 4,543,847	\$ 4,629,008
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,410,053	2,549,777
Net Plant			\$ 2,133,794	\$ 2,079,231
114-115	Utility Plant Acquisition adjustment (Net)	F-7	0	0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,133,794	\$ 2,079,231
<b>OTHER PROPERTY AND INVESTMENTS</b>				
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
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 143,120	\$ 166,898
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	124,226	125,198
145	Accounts Receivable from Associated Companies	F-12	0	0
146	Notes Receivable from Associated Companies	F-12	63,499	20,950
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	3,523	63,878
Total Current and Accrued Assets			\$ 334,368	\$ 376,924

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ 0	\$ 0
182	Extraordinary Property Losses	F-13	0	0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Misc. Deferred Debits	F-14	23,966	18,422
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		\$ 23,966	\$ 18,422
	TOTAL ASSETS AND OTHER DEBITS		\$ 2,492,128	\$ 2,474,577

\* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 7,219,057	\$ 7,219,057
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	(6,435,338)	(6,467,903)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 903,719	\$ 871,154
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	0	0
224	Other Long Term Debt	F-17	155,682	110,448
Total Long Term Debt			\$ 155,682	\$ 110,448
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		24,020	6,722
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	15,262	16,900
235	Customer Deposits		9,499	56,890
236	Accrued Taxes	W/S-3	54,884	56,980
237	Accrued Interest	F-19	25,260	26,182
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	437,758	522,066
Total Current & Accrued Liabilities			\$ 568,977	\$ 688,034

\* 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)
<b>DEFERRED CREDITS</b>				
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			\$ _____	\$ _____
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____ 0	\$ _____ 0
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 2,084,851	\$ 2,090,222
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,221,101)	(1,285,281)
Total Net C.I.A.C.			\$ 863,750	\$ 804,941
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
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			\$ _____	\$ _____
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ 2,492,128	\$ 2,474,577

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 1,219,633	\$ 1,205,725
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 1,219,633	\$ 1,205,725
401	Operating Expenses	F-3(b)	\$ 957,960	\$ 1,002,324
403	Depreciation Expense:	F-3(b)	\$ 136,883	\$ 139,724
	Less: Amortization of CIAC	F-22	62,667	64,180
Net Depreciation Expense			\$ 74,216	\$ 75,544
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		5,544
408	Taxes Other Than Income	W/S-3	136,561	140,788
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			\$ 1,168,737	\$ 1,224,200
Net Utility Operating Income			\$ 50,896	\$ (18,475)
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others		0	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)]			\$ 50,896	\$ (18,475)

\* 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)
\$ 527,003	\$ 678,722	\$ _____
\$ 527,003	\$ 678,722	\$ _____
\$ 467,595	\$ 534,729	\$ _____
68,591	71,133	_____
27,725	36,455	_____
\$ 40,866	\$ 34,678	\$ _____
2,772	2,772	_____
66,980	73,808	_____
_____	_____	_____
_____	_____	_____
\$ 578,213	\$ 645,987	\$ _____
\$ (51,210)	\$ 32,735	\$ _____
_____	0	_____
_____	_____	_____
\$ (51,210)	\$ 32,735	\$ _____

\* 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)]			\$ 50,896	\$ (18,475)
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income			
421	Nonutility Income		3,343	1,872
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 3,343	\$ 1,872
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
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
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 14,676	\$ 15,962
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			\$ 14,676	\$ 15,962
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
<b>NET INCOME</b>			\$ 39,563	\$ (32,565)

Explain Extraordinary Income:

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**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	\$ 2,053,806	\$ 2,575,202
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,075,172	1,474,605
110	Accumulated Amortization	F-8	67,312	67,312
271	Contributions In Aid of Construction	F-22	827,388	1,262,834
252	Advances for Construction	F-20		
Subtotal			\$ 83,934	\$ (229,549)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	418,715	866,566
Subtotal			\$ 502,649	\$ 637,017
	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)		58,449	66,841
	Other (Specify):		v	
RATE BASE			\$ 561,098	\$ 703,858
NET UTILITY OPERATING INCOME			\$ (51,210)	\$ 32,735
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-9.13%	4.65%

**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.



**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)	_____	_____	_____	_____
<b>Total</b>	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.

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

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (I) ADJUSTMENTS SPECIFIC (e)	OTHER (I) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Preferred Stock						
Long Term Debt						
Customer Deposits						
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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

Blank area for explaining adjustments in columns (e) and (f).

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2003
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**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	\$ 2,053,806	\$ 2,575,202	\$	\$ 4,629,008
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				
	<b>Total Utility Plant</b>	<u>\$ 2,053,806</u>	<u>\$ 2,575,202</u>	<u>\$</u>	<u>\$ 4,629,008</u>

**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
	<b>Total Plant Acquisition Adjustments</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
115	Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
	<b>Total Accumulated Amortization</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
	<b>Net Acquisition Adjustments</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b> Account 108				
Balance first of year	\$ 1,028,467	\$ 1,381,586	\$	\$ 2,410,053
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 68,591	\$ 71,133	\$	\$ 139,724
Account 108.2 (2)				
Account 108.3 (2)				
Other Accounts (specify):				
Correction of reserves	(21,886)	21,886		
Salvage				
Other Credits (Specify):				
Transfer from Water				
<b>Total Credits</b>	\$ 46,705	\$ 93,019	\$	\$ 139,724
Debits during year:				
Book cost of plant retired				
Cost of Removal				
Other Debits (specify):				
Transfer to Sewer				
<b>Total Debits</b>	\$	\$	\$	\$
<b>Balance end of year</b>	\$ <u>1,075,172</u>	\$ <u>1,474,605</u>	\$	\$ <u>2,549,777</u>
<b>ACCUMULATED AMORTIZATION</b> Account 110				
Balance first of year	\$ 64,540	\$ 64,540	\$ 0	\$ 129,080
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ 0	\$ 0	\$ 0	\$ 0
Other Accounts (specify):	2772	2772		5,544
<b>Total credits</b>	\$ 2,772	\$ 2,772	\$ 0	\$ 5,544
Debits during year:				
Book cost of plant retired				
Other debits (specify):				
<b>Total Debits</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>Balance end of year</b>	\$ <u>67,312</u>	\$ <u>67,312</u>	\$ 0	\$ <u>134,624</u>

- (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 666 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	\$ 0	0407-3010	\$ 2,772
Order No. Withdrawn		0407-3020	2,772
Issued: Withdrawn			
Total	\$		\$ 5,544

**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): <hr/> <hr/> <hr/> <hr/>	\$ 0 <hr/> <hr/> <hr/> <hr/>	\$ 0 <hr/> <hr/> <hr/> <hr/>
Total Investment in Associated Companies		\$ 0
UTILITY INVESTMENTS (Account 124): <hr/> <hr/> <hr/> <hr/>	\$ 0 <hr/> <hr/> <hr/> <hr/>	\$ 0 <hr/> <hr/> <hr/> <hr/>
Total Utility Investment		\$ 0
OTHER INVESTMENTS (Account 125): <hr/> <hr/> <hr/> <hr/>	\$ 0 <hr/> <hr/> <hr/> <hr/>	\$ 0 <hr/> <hr/> <hr/> <hr/>
Total Other Investment		\$ 0
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): <hr/> <hr/> <hr/> <hr/>		\$ 0 <hr/> <hr/> <hr/> <hr/>
Total Special Funds		\$ 0

**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)
<b>CUSTOMER ACCOUNTS RECEIVABLE (Account 141):</b>		
Water & Wastewater	\$ 125,198	
Other		
<b>Total Customer Accounts Receivable</b>		\$ 125,198
<b>OTHER ACCOUNTS RECEIVABLE ( Account 142):</b>		
Due from Employees	\$ 3,421	
Due from Affiliate	16,864	
Other	665	
<b>Total Other Accounts Receivable</b>		\$ 20,950
<b>NOTES RECEIVABLE (Account 144 ):</b>		
	\$	
<b>Total Notes Receivable</b>		\$
<b>Total Accounts and Notes Receivable</b>		\$ 146,148
<b>ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143 )</b>		
Balance first of year	\$ 0	
Add: Provision for uncollectibles for current year	\$ 476	
Collection of accounts previously written off		
Utility Accounts		
Others		
<b>Total Additions</b>		\$ 476
Deduct accounts written off during year:		
Utility Accounts	476	
Others		
<b>Total accounts written off</b>		\$ 476
<b>Balance end of year</b>		\$ 0
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>		<b>\$ 146,148</b>

**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)
Due from Employees	%	\$ 3,421
Due from Affiliate	%	16,864
Other	%	665
	%	
	%	
	%	
	%	
	%	
	%	
Total		\$ 20,950

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS  
ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Deposits	\$ 3,523
Construction in Progress	60,355
Total Miscellaneous Current and Accrued Liabilities	\$ 63,878



UTILITY NAME: Ferncrest Utilities, Inc.

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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

UTILITY NAME: Ferncrest Utilities, Inc.

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**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)	\$ 5,544	\$ 18,422
<b>Total Deferred Rate Case Expense</b>	\$ <u>5,544</u>	\$ <u>18,422</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$ 0	\$ 0
<b>Total Other Deferred Debits</b>	\$ <u>0</u>	\$ <u>0</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$ 0	\$ 0
<b>Total Regulatory Assets</b>	\$ <u>0</u>	\$ <u>0</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ <u>0</u>	\$ <u>0</u>

**CAPITAL STOCK  
ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	%	\$ 10
Shares authorized		1,000
Shares issued and outstanding		1,000
Total par value of stock issued	%	\$ 7,219,057
Dividends declared per share for year	%	\$ 0
<b>PREFERRED STOCK</b>		
Par or stated value per share	%	\$ Not Applicable
Shares authorized		Not Applicable
Shares issued and outstanding		Not Applicable
Total par value of stock issued	%	\$ 0
Dividends declared per share for year	%	\$ 0

\* Account 204 not applicable for Class B utilities.

**BONDS  
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
None	%		\$ 0
	%		0
	%		0
	%		0
	%		0
	%		0
	%		0
<b>Total</b>			\$ 0

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

UTILITY NAME: Ferncrest Utilities, Inc.

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**STATEMENT OF RETAINED EARNINGS**

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- 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	\$ (6,435,338)
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)	\$ (32,565)
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	\$ (6,467,903)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
	Total Retained Earnings (Deficit)	\$ (6,467,903)
Notes to Statement of Retained Earnings:		

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
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**ADVANCES FROM ASSOCIATED COMPANIES**  
**ACCOUNT 223**

Report each advance separately.

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

**OTHER LONG-TERM DEBT**  
**ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
Lease Payable - GE Capital	15 %	Fixed	\$ 11,483
Lease Payable - GE Capital	15 %	Fixed	98,965
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 110,448

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

UTILITY NAME: Ferncrest Utilities, Inc.

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**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):			
	%		\$
	%		
Everglades Lakes		Prime +2% Variable	16,900
	%		
	%		
	%		
	%		
Total Account 234			\$ 16,900

\* 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

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	\$ 0			\$ 0	0
Total Account 237.1	\$ 0		0	\$ 0	0
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ 5,400	427	0	\$	5,400
Everglades Lakes	19,860		922		20,782
Total Account 237.2	\$ 25,260		922	\$	26,182
Total Account 237 (1)	\$ 25,260		922	\$	26,182
INTEREST EXPENSED:					
Total accrual Account 237		237	922		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)					
Mortgage Interest & Other					
Total Interest Expense			922		
			15040		
			15962		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.  
(2) Must agree to F-3 (c), Current Year Interest Expense

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT  
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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued Lake Lease Payable	\$ 489,703
Deferred Interest on Lease	(31,356)
Real Estate Taxes	50,317
Note Payable - Equitable bank	13,402
Total Miscellaneous Current and Accrued Liabilities	\$ 522,066

ADVANCES FOR CONSTRUCTION  
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
	\$ 0		\$ 0	\$ 0	\$ 0
Total	\$ 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
_____	_____	_____
_____	_____	_____
<b>Total Regulatory Liabilities</b>	\$ _____ 0	\$ _____ 0
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____ 0
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Other Deferred Liabilities</b>	\$ _____ 0	\$ _____ 0
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ _____ 0	\$ _____ 0

UTILITY NAME: Ferncrest Utilities, Inc.

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**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	\$ 826,858	\$ 1,257,994	\$	\$ 2,084,852
Add credits during year:	\$ 530	\$ 4,840	\$	\$ 5,370
Less debit charged during the year	\$	\$	\$	\$
Total Contribution In Aid of Construction	\$ 827,388	\$ 1,262,834	\$	\$ 2,090,222

**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	\$ 390,990	\$ 830,111	\$	\$ 1,221,101
Debits during the year:	\$ 27,725	\$ 36,455	\$	\$ 64,180
Credits (PSC Audit Adjustment)	\$ 0	\$ 0	\$	\$ 0
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 418,715	\$ 866,566	\$	\$ 1,285,281

UTILITY NAME: Ferncrest Utilities, Inc.

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**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)	\$ (32,565)
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		0
_____		_____
_____		_____
Income recorded on books not included in return:		
Tax Depreciation in Excess of Book Depreciation		(15,074)
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ (47,639)

Computation of tax :

**WATER  
OPERATION  
SECTION**

UTILITY NAME: Ferncrest Utilities, Inc.

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### WATER LISTING OF SYSTEM GROUPS

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

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

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

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

**SYSTEM NAME / COUNTY**

**CERTIFICATE  
NUMBER**

**GROUP  
NUMBER**

Ferncrest Utilities, Inc. / Broward

13-W

1

UTILITY NAME: Ferncrest Utilities, Inc.

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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)	\$ 2,053,806
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,075,172
110	Accumulated Amortization		67,312
271	Contributions In Aid of Construction	W-7	827,388
252	Advances for Construction	F-20	
	Subtotal		\$ 83,934
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 418,715
	Subtotal		\$ 502,649
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		58,449
	Other (Specify):		
	WATER RATE BASE		\$ 561,098
	WATER OPERATING INCOME	W-3	\$ (51,210)
	ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)		-9.13%

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.

<b>YEAR OF REPORT</b> December 31, 2003
--

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>527,003</u>
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		\$ <u>527,003</u>
401	Operating Expenses	W-10(a)	\$ 467,595
403	Depreciation Expense	W-6(a)	68,591
	Less: Amortization of CIAC	W-8(a)	27,725
	Net Depreciation Expense		\$ 40,866
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	2,772
408.10	Taxes Other Than Income		
	Utility Regulatory Assessment Fee		25,076
408.11	Property Taxes		25,159
408.12	Payroll Taxes		16,293
408.13	Other Taxes and Licenses		452
408	Total Taxes Other Than Income		\$ 66,980
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>578,213</u>
	Utility Operating Income		\$ <u>(51,210)</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>(51,210)</u>

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT  
December 31, 2003

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	1,800			1,800
303	Land and Land Rights	20,000			20,000
304	Structures and Improvements	234,804	7,755		242,559
305	Collecting and Impounding Reservoirs	0			
306	Lake, River and Other Intakes	0			
307	Wells and Springs	45,161	3,950		49,111
308	Infiltration Galleries and Tunnels	0			
309	Supply Mains	0			
310	Power Generation Equipment	43,931			43,931
311	Pumping Equipment	192,432	6,292		198,724
320	Water Treatment Equipment	435,060	3,680		438,740
330	Distribution Reservoirs and Standpipes	201,441			201,441
331	Transmission and Distribution Mains	461,516	2,874		461,516
333	Services	132,486	6,944		135,360
334	Meters and Meter Installations	63,490	22,800		70,434
335	Hydrants	0			22,800
336	Backflow Prevention Devices	0			
339	Other Plant Miscellaneous Equipment	0			
340	Office Furniture and Equipment	36,945	2,768		39,713
341	Transportation Equipment	47,411			47,411
342	Stores Equipment	0			
343	Tools, Shop and Garage Equipment	0			
344	Laboratory Equipment	16,847			16,847
345	Power Operated Equipment	31,139			31,139
346	Communication Equipment	0			
347	Miscellaneous Equipment	0			
348	Other Tangible Plant	25,832	4,603		30,435
TOTAL WATER PLANT		\$ 1,992,140	\$ 61,666	\$	\$ 2,053,806

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

W-4(a)  
GROUP



UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

**WATER UTILITY PLANT MATRIX**

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 INTANGIBLE PLANT	.2 SOURCE OF SUPPLY AND PUMPING PLANT	.3 WATER TREATMENT PLANT	.4 TRANSMISSION AND DISTRIBUTION PLANT	.5 GENERAL PLANT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
301	Organization	\$ 1,845	\$ 1,845				
302	Franchises	1,800	1,800				
303	Land and Land Rights	20,000			20,000		
304	Structures and Improvements	242,559			177,570		64,989
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	49,111		49,111			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	0					
310	Power Generation Equipment	43,931		43,931			
311	Pumping Equipment	198,724		198,724			
320	Water Treatment Equipment	438,740			438,740		
330	Distribution Reservoirs and Standpipes	201,441				201,441	
331	Transmission and Distribution Mains	461,516				461,516	
333	Services	135,360				135,360	
334	Meters and Meter Installations	70,434				70,434	
335	Hydrants	22,800				22,800	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	39,713					39,713
341	Transportation Equipment	47,411					47,411
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	0					
344	Laboratory Equipment	16,847					16,847
345	Power Operated Equipment	31,139					31,139
346	Communication Equipment						
347	Miscellaneous Equipment						
348	Other Tangible Plant	30,435					30,435
	<b>TOTAL WATER PLANT</b>	<b>\$ 2053806</b>	<b>\$ 3645</b>	<b>\$ 291766</b>	<b>\$ 636310</b>	<b>\$ 891551</b>	<b>\$ 230534</b>

W-4(b)  
GROUP \_\_\_\_\_

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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	20		5.00%
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, 2003

**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	\$ 187,817	\$ 7,373	\$	\$ 7,373
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	30,397	1,516		1,516
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	29,563	1,630		1,630
311	Pumping Equipment	72,193	9,345		9,345
320	Water Treatment Equipment	201,205	18,187		18,187
330	Distribution Reservoirs and Standpipes	51,532	5,444		5,444
331	Transmission and Distribution Mains	165,149	10,733		10,733
333	Services	98,449	3,318		3,318
334	Meters and Meter Installations	54,540	810		810
335	Hydrants	0	712		712
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	25,446	2,199		2,199
341	Transportation Equipment	33,912	4,016		4,016
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment	16,045	109		109
345	Power Operated Equipment	14,499	2,144		2,144
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	47,721	1,055		1,055
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 1,028,468</b>	<b>\$ 68,591</b>	<b>\$</b>	<b>\$ 68,591</b>

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

W-6(a)  
GROUP \_\_\_\_\_

**YEAR OF REPORT**  
December 31, 2003

**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	\$	\$	\$	\$	\$ 195,190
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					31,913
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					31,193
311	Pumping Equipment					81,538
320	Water Treatment Equipment					219,392
330	Distribution Reservoirs and Standpipes					56,976
331	Transmission and Distribution Mains					175,882
333	Services					101,767
334	Meters and Meter Installations					55,350
335	Hydrants					712
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment					27,645
341	Transportation Equipment					37,928
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					16,154
345	Power Operated Equipment					16,643
346	Communication Equipment					
347	Miscellaneous Equipment					
348	Other Tangible Plant			(21,887)	(21,887)	26,889
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		\$ 0	\$ 0	\$ (21,887)	\$ (21,887)	\$ 1,075,172

W-6(b)  
GROUP \_\_\_\_\_

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

SYSTEM NAME / COUNTY : Broward County

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ 826858
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 530
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		\$ 530
Less debits charged during the year (All debits charged during the year must be explained below)		\$ 0
Total Contributions In Aid of Construction		\$ 827388

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

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

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UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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	2	\$ 265	\$ 530
Total Credits			\$ 530

**ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 390,990
Debits during the year:	
Accruals charged to Account 272	\$ 27,725
Other debits (specify) :	
Total debits	\$ 27,725
Credits during the year (specify) :	
	\$
Total credits	\$ 0
Balance end of year	\$ 418,715

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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, 2003

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	1,357	1,357	347,895
461.2	Sales to Commercial Customers	88	88	163,808
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		1,445	1,445	\$ 511,703
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		1,445	1,445	\$ 511,703
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			15,300
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 15,300
Total Water Operating Revenues				\$ 527,003

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



UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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	\$ 179,195	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	34,002		
604	Employee Pensions and Benefits	16,677		
610	Purchased Water	8,309	8,309	
615	Purchased Power	38,436		
616	Fuel for Power Purchased	0		
618	Chemicals	27,421		
620	Materials and Supplies	65,175		
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	19,757		
633	Contractual Services - Legal	563		
634	Contractual Services - Mgt. Fees	12,180		
635	Contractual Services - Testing	10,953		
636	Contractual Services - Other	7,289		
641	Rental of Building/Real Property			
642	Rental of Equipment	322		
650	Transportation Expenses	11,774		
656	Insurance - Vehicle	2,876		
657	Insurance - General Liability	4,830		
658	Insurance - Workman's Comp.	7,963		
659	Insurance - Other	3,795		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	238		
675	Miscellaneous Expenses	15,840		
Total Water Utility Expenses		\$ 467,595	\$ 8,309	\$ 0

UTILITY NAME:

Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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)
\$ 149,805	\$	\$	\$	\$ 29,390	\$
11,719				2,298	34,002
38,436					2,660
27,421					
8,704	17,601		4,889	1,719	32,262
					0
					19,757
					563
10,953					12,180
7,289					
					322
					11,774
					2,876
					4,830
5,596				1,097	1,270
					3,795
				238	
					15,840
\$ 259,923	\$ 17,601	\$	\$ 4,889	\$ 34,742	\$ 142,131

UTILITY NAME: Fernerest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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	2.606	13.921	5.607	10.920	10.112
February	2.099	10.624	0.546	12.177	11.172
March	2.029	14.389	5.364	11.054	10.236
April	0.822	11.580	1.717	10.685	10.523
May	1.339	16.697	8.760	9.276	8.246
June	1.365	16.084	8.692	8.757	8.859
July	0.944	15.135 *	4.574	11.505	10.365
August	0.781	15.013 *	7.620	8.174	7.569
September	0.963	15.250 *	6.807	9.406	8.630
October	1.657	15.250	7.461	9.446	8.587
November	2.006	15.245	6.360	10.891	9.992
December	2.274	13.107	4.869	10.512	9.470
Total for Year	18.885	* Estimated 172.295	68.377	122.803	113.761

If water is purchased for resale, indicate the following:

Vendor Town of Davie  
Point of delivery Customer Meter - Oaks Road

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	250,000	Ground Water
Well #2	1200 GPM	250,000	Ground Water

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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>
<b>LIME TREATMENT</b>	
Unit rating (i.e., GPM, pounds per gallon): <u>2,000 Pounds per Day</u>	Manufacturer: <u>AQUA-CHEM</u>
<b>FILTRATION</b>	
Type and size of area:	
Pressure (in square feet): _____	Manufacturer: _____
Gravity (in GPM/square feet): <u>2GPM/square feet</u>	Manufacturer: <u>DAVCO</u>

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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	1,392	1,392
5/8"	Displacement	1.0	44	44
3/4"	Displacement	1.5	0	
1"	Displacement	2.5	15	38
1 1/2"	Displacement or Turbine	5.0	8	40
2"	Displacement, Compound or Turbine	8.0	15	120
3"	Displacement	15.0	0	
3"	Compound	16.0	0	
3"	Turbine	17.5	10	175
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				1,809

**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)  $61,970,000 / 1392 / 365 = 122$

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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. 7965
- 2. Maximum number of ERCs \* which can be served. 8,850
- 3. Present system connection capacity (in ERCs \*) using existing lines. 6,960
- 4. Future connection capacity (in ERCs \*) upon service area buildout. 7,260
- 5. Estimated annual increase in ERCs \*. 300
- 6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
- 7. Attach a description of the fire fighting facilities.
- 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. \_\_\_\_\_  
New Apartments Completed August 2004

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? \_\_\_\_\_

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

**WASTEWATER  
OPERATION  
SECTION**

UTILITY NAME:

Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2003
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### WASTEWATER LISTING OF SYSTEM GROUPS

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

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

The wastewater engineering schedules (S-11 and S-12) must be filed for each system in the group.

All of the following wastewater pages (S-2 through S-12) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Ferncrest Utilities, Inc. / Broward	10S	1



UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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)	\$ 2,575,202
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,474,605
110	Accumulated Amortization		67,312
271	Contributions In Aid of Construction	S-7	1,262,834
252	Advances for Construction	F-20	
Subtotal			\$ (229,549)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 866,566
Subtotal			\$ 637,017
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		66,841
	Other (Specify):		
WASTEWATER RATE BASE			\$ 703,858
WASTEWATER OPERATING INCOME		S-3	\$ 32,735
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			4.65%

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, 2003

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)	\$ 678,722
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
	Net Operating Revenues		\$ 678,722
401	Operating Expenses	S-10(a)	\$ 534,729
403	Depreciation Expense	S-6(a)	71,133
	Less: Amortization of CIAC	S-8(a)	36,455
	Net Depreciation Expense		\$ 34,678
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	2,772
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		31,904
408.11	Property Taxes		25,159
408.12	Payroll Taxes		16,283
408.13	Other Taxes and Licenses		462
408	Total Taxes Other Than Income		\$ 73,808
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		\$ 645,987
	Utility Operating Income		\$ 32,735
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		\$ 32,735

**YEAR OF REPORT**  
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**UTILITY NAME:** Ferncrest 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	479,500	13,928		493,428
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	763,660			763,660
362	Special Collecting Structures				
363	Services to Customers	181,273			181,273
364	Flow Measuring Devices	2,482			2,482
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	502,626	1,859		504,485
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	373,378			373,378
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	13,845			13,845
390	Office Furniture and Equipment	29,641	2,768		32,409
391	Transportation Equipment	59,392			59,392
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	30,852			31,188
394	Laboratory Equipment	23,070	336		23,070
395	Power Operated Equipment	10,492			10,492
396	Communication Equipment				
397	Miscellaneous Equipment	0			0
398	Maintenance Expense	21,496	4,604		26,100
	Total Wastewater Plant	\$ 2,551,707	\$ 23,495	\$ 0	\$ 2,575,202

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

UTILITY NAME: Evercrest 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			199,590	262,274			31,564
354	Structures and Improvements							
355	Power Generation Equipment							
360	Collection Sewers - Force		763,660					
361	Collection Sewers - Gravity							
362	Special Collecting Structures		181,273					
363	Services to Customers		2,482					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment			504,485				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System				373,378			
380	Treatment and Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment				13,845			32,409
390	Office Furniture and Equipment							59,392
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							31,188
396	Communication Equipment							23,070
397	Miscellaneous Equipment							10,492
398	Other Tangible Plant							26,100
	Total Wastewater Plant	\$	\$ 1,007,415	\$ 704,075	\$ 649,497	\$	\$	\$ 214,215

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, 2003

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	45.00		2.22%
362	Special Collecting Structures			
363	Services to Customers	38.00		2.63%
364	Flow Measuring Devices	5.00		20.00%
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	12.00		8.33%
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant	4.00		25.00%
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.

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

YEAR OF REPORT  
 December 31, 2003

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION**

ACCT. NO.	ACCOUNT NAME	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
(a)	(b)				
354	Structures and Improvements	\$ 205,004	\$ 15,125	\$	\$ 15,125
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	359,219	16,970		16,970
362	Special Collecting Structures				
363	Services to Customers	117,835	4,771		4,771
364	Flow Measuring Devices	1,241	496		496
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	363,478	9,823		9,823
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	218,997	14,732		14,732
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	12,460	287		287
390	Office Furniture and Equipment	20,818	1,110		1,110
391	Transportation Equipment	39,604	6,114		6,114
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	21,036	1,493		1,493
394	Laboratory Equipment	19,890	493		493
395	Power Operated Equipment	874	874		874
396	Communication Equipment				
397	Miscellaneous Equipment	0			
398	Other Tangible Plant	1,129	(1,155)	21,887	20,732
Total Depreciable Wastewater Plant in Service		\$ 1,381,585	\$ 71,133	\$ 21,887	\$ 93,020

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

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT  
December 31, 2003

SYSTEM NAME / COUNTY :

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i)	BALANCE AT END OF YEAR (e+f-j) (k)
354	Structures and Improvements	\$	\$	\$	\$	\$
355	Power Generation Equipment					220,129
360	Collection Sewers - Force					
361	Collection Sewers - Gravity					376,189
362	Special Collecting Structures					
363	Services to Customers					
364	Flow Measuring Devices					122,606
365	Flow Measuring Installations					1,737
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					
371	Pumping Equipment					
375	Reuse Transmission and Distribution System					373,301
380	Treatment and Disposal Equipment					
381	Plant Sewers					233,729
382	Outfall Sewer Lines					
389	Other Plant Miscellaneous Equipment					12,747
390	Office Furniture and Equipment					21,928
391	Transportation Equipment					45,718
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					22,529
394	Laboratory Equipment					
395	Power Operated Equipment					20,383
396	Communication Equipment					1,748
397	Miscellaneous Equipment					
398	Other Tangible Plant					21,861
Total Depreciable Wastewater Plant in Service						\$ 1,474,605

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

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

SYSTEM NAME / COUNTY : Broward County

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>1,257,994</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>4840</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	_____
Total Credits		\$ <u>4840</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>0</u>
Total Contributions In Aid of Construction		\$ <u>1,262,834</u>

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

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UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2003
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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)
Plant Capacity Charges	19	\$ 255	\$ 4,840
<b>Total Credits</b>			\$ 4,840

**ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 830,111
Debits during the year:	
Accruals charged to Account 272	\$ 36,455
Other debits (specify) :	
<b>Total debits</b>	\$ 36,455
Credits during the year (specify) :	
<b>Total credits</b>	\$ 0
Balance end of year	\$ 866,566

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
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SYSTEM NAME / COUNTY : Broward County

**WASTEWATER 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, 2003

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)
<b>WASTEWATER SALES</b>				
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	1,357	1,357	442,233
522.2	Commercial Revenues	31	31	221,381
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	1,388	1,388	\$ 663,614
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		1,388	1,388	\$ 663,614
<b>OTHER WASTEWATER REVENUES</b>				
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)			15,108
Total Other Wastewater Revenues				\$ 15,108

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

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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>678,722</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, 2003

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES- OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 179,195						\$ 149,805
703	Salaries and Wages - Officers, Directors and Majority Stockholders	0						
704	Employee Pensions and Benefits	34,002						
710	Purchased Sewage Treatment	16,677						11,719
711	Sludge Removal Expense	0						
715	Purchased Power	60,827			5,056		60,827	
716	Fuel for Power Purchased	43,493					38,437	
718	Chemicals	0						
720	Materials and Supplies	9,827						
731	Contractual Services-Engineering	47,947		2,178		14,077	9,827	
732	Contractual Services - Accounting	0					6,063	7,259
733	Contractual Services - Legal	19,757						
734	Contractual Services - Mgt. Fees	138						
735	Contractual Services - Testing	12,000						
736	Contractual Services - Other	11,134						
741	Contractual Services - Other	16,974						
742	Rental of Building/Real Property	37,105					37,105	
742	Rental of Equipment	73						
750	Transportation Expenses	73						
756	Insurance - Vehicle	11,775						
757	Insurance - General Liability	2,876						
758	Insurance - Workman's Comp.	4,830						
759	Insurance - Other	7,963						
760	Insurance - Other	3,795						5,596
766	Advertising Expense	0						
766	Regulatory Commission Expenses	0						
766	- Amortization of Rate Case Expense	0						
767	Regulatory Commission Exp.-Other	0						
770	Bad Debt Expense	0						
775	Miscellaneous Expenses	238						
		14,103						
Total Wastewater Utility Expenses		\$ 534,729	\$	\$ 2,178	\$ 5,056	\$ 14,077	\$ 152,259	\$ 174,379

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

SYSTEM NAME / COUNTY: **Broward County**

**WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX**

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE	.8 ADMIN. & GENERAL EXPENSES	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE
(a)	(b)	(f)	(k)	(l)	(m)	(n)	(o)
701	Salaries and Wages - Employees	\$ 29,390					
703	Salaries and Wages - Officers, Directors and Majority Stockholders		34,002				
704	Employee Pensions and Benefits	2,299	2,659				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies		18,370				
731	Contractual Services-Engineering						
732	Contractual Services - Accounting		19,757				
733	Contractual Services - Legal		138				
734	Contractual Services - Mgt. Fees		12,000				
735	Contractual Services - Testing		11,134				
736	Contractual Services - Other		16,974				
741	Rental of Building/Real Property						
742	Rental of Equipment		73				
750	Transportation Expenses		11,775				
756	Insurance - Vehicle		2,876				
757	Insurance - General Liability		4,830				
758	Insurance - Workman's Comp.		1,270				
759	Insurance - Other	1,097	3,795				
760	Advertising Expense						
766	Regulatory Commission Expenses						
767	- Amortization of Rate Case Expense						
770	Regulatory Commission Exp.-Other						
775	Bad Debt Expense	238					
	Miscellaneous Expenses		14103				
	Total Wastewater Utility Expenses	\$ 33,024	\$ 153,756	\$	\$	\$	\$

S-10(b)  
GROUP

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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	1,392	1,392.0
5/8"	Displacement	1.0	6	6.0
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				1,707.0

**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)  $156,832,000 / 280 / 365 \text{ per Day} = 1535$

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

SYSTEM NAME / COUNTY : Broward County

**WASTEWATER TREATMENT PLANT INFORMATION**  
Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	<u>.600 MGD</u>		
Basis of Permit Capacity (1)	<u>3 Month ADF</u>		
Manufacturer	<u>DAVCO</u>		
Type (2)	<u>Conventional Activated Sludge</u>		
Hydraulic Capacity			
Average Daily Flow			
Total Gallons of Wastewater Treated	<u>156,832</u>		
Method of Effluent Disposal	<u>Surface Water</u>		

(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.

**YEAR OF REPORT**  
December 31, 2003

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 \_\_\_\_\_ 1535
- 2. Maximum number of ERCs\* which can be served \_\_\_\_\_ 2143
- 3. Present system connection capacity (in ERCs\*) using existing lines \_\_\_\_\_ 2143
- 4. Future connection capacity (in ERCs\*) upon service area buildout \_\_\_\_\_ 1849
- 5. Estimated annual increase in ERCs\* \_\_\_\_\_ 300
- 6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
New Apartments Complete in August 2004
- 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 completed? 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.