

CLASS "A" OR "B"

OFFICIAL COPY
Public Service Commission
1901 North Broadway Avenue, Suite 1000

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

ANNUAL REPORT

OF

WS072-06-AR

FERNCREST UTILITIES, INC.

3015 Southwest 54th Avenue, Fort Lauderdale, Florida 33314

Exact Legal Name of Respondent

13-W &10-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
DIVISION OF
ECONOMIC REGULATION
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PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2006

Per FPSC records, this utility is a Class B Utility

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EXECUTIVE SUMMARY

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2006

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.

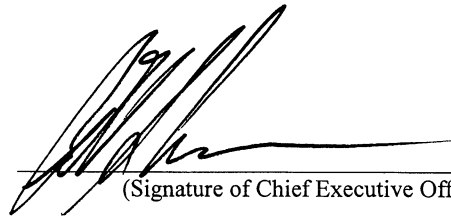
YES NO
 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

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, 2006
--

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:

Dr. Andrew E. 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.	_____	_____

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

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

UTILITY NAME: Ferncrest Utilities, Inc.

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. Mr. Forman, subsequently acquired an additional 34%.
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.	No other additional service requirement is anticipated for the future.
F.	There are no transactions that had a material effect on operations.

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	\$ 75,954
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.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (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.

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

YEAR OF REPORT
December 31, 2006

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.

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

UTILITY NAME: Ferncrest Utilities, Inc.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

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

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.

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.

2. Below are examples of some types of transactions to include:
 -purchase, sale or transfer of equipment
 -purchase, sale or transfer of land and structures
 -purchase, sale or transfer of securities
 -noncash transfers of assets
 -noncash dividends other than stock dividends
 -write-off of bad debts or loans

FINANCIAL SECTION

**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	\$ 4,872,019	\$ 4,839,383
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,846,867	2,908,228
Net Plant			\$ 2,025,152	\$ 1,931,155
114-115	Utility Plant Acquisition adjustment (Net)	F-7	0	0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,025,152	\$ 1,931,155
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		\$ 352,881	\$ 234,114
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	142,612	167,351
145	Accounts Receivable from Associated Companies	F-12	0	0
146	Notes Receivable from Associated Companies	F-12	20,249	20,249
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	4,097	3,523
Total Current and Accrued Assets			\$ 519,839	\$ 425,237

* 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	7,398	1,946
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 7,398	\$ 1,946
TOTAL ASSETS AND OTHER DEBITS			\$ 2,552,389	\$ 2,358,338

* Not Applicable for Class B Utilities

<p><u>NOTES TO THE BALANCE SHEET</u></p> <p>The space below is provided for important notes regarding the balance sheet.</p>

**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	\$ 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	(6,301,104)	(6,476,016)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 1,037,953	\$ 863,041
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	0	0
224	Other Long Term Debt	F-17	39,432	11,814
Total Long Term Debt			\$ 39,432	\$ 11,814
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		53,828	119,362
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	16,900	16,900
235	Customer Deposits		78,710	82,724
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	28,616	25,286
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	448,546	458,227
Total Current & Accrued Liabilities			\$ 628,894	\$ 704,793

* 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	\$ 0	\$ 0
252	Advances For Construction	F-20		
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ 0	\$ 0
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	\$ 2,265,270	\$ 2,265,270
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,419,160)	(1,486,580)
Total Net C.I.A.C.			\$ 846,110	\$ 778,690
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			\$ 0	\$ 0
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 2,552,389	\$ 2,358,338

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)	\$ 1,415,806	\$ 1,322,763
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 1,415,806	\$ 1,322,763
401	Operating Expenses	F-3(b)	\$ 1,059,312	\$ 1,255,946
403	Depreciation Expense:	F-3(b)	\$ 150,729	\$ 154,862
	Less: Amortization of CIAC	F-22	67,808	67,419
Net Depreciation Expense			\$ 82,921	\$ 87,443
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	5,481	4,889
408	Taxes Other Than Income	W/S-3	136,980	151,630
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			\$ 1,284,694	\$ 1,499,908
Net Utility Operating Income			\$ 131,112	\$ (177,145)
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		0	0
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 131,112	\$ (177,145)

* 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)
\$ 577,368	\$ 745,394	\$ _____
\$ 577,368	\$ 745,394	\$ _____
\$ 623,455	\$ 632,491	\$ _____
74,899	79,963	_____
28,981	38,438	_____
\$ 45,918	\$ 41,525	\$ _____
2,444	2,445	_____
70,823	80,807	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
\$ 742,640	\$ 757,268	\$ _____
\$ (165,272)	\$ (11,874)	\$ _____
_____	_____	_____
_____	_____	_____
\$ (165,272)	\$ (11,874)	\$ _____

* 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)]			\$ 131,112	\$ (177,145)
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		_____	7,818
421	Nonutility Income		3,330	10,000
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 3,330	\$ 17,818
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	\$ 11,917	\$ 15,587
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 11,917	\$ 15,587
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			<u>\$ 122,525</u>	<u>\$ (174,914)</u>

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	\$ 2,133,437	\$ 2,705,948
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,238,545	1,669,683
110	Accumulated Amortization	F-8	75,550	75,550
271	Contributions In Aid of Construction	F-22	925,610	1,339,660
252	Advances for Construction	F-20		
Subtotal			\$ (106,268)	\$ (378,945)
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	504,807	981,772
Subtotal			\$ 398,539	\$ 602,827
	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)		77,932	79,061
	Other (Specify):		v	v

RATE BASE			\$ 476,471	\$ 681,888
NET UTILITY OPERATING INCOME			\$ (165,272)	\$ (11,874)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-34.69%	-1.74%

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)	_____	_____	_____	_____
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.

*** AFUDC 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

AFUDC rate: _____ %
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.

**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 (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) 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):

**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	\$ 2,133,437	\$ 2,705,948	\$ _____	\$ 4,839,385
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	\$ <u>2,133,437</u>	\$ <u>2,705,948</u>	\$ _____	\$ <u>4,839,385</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
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	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	\$ <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)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 1,217,725	\$ 1,629,309	\$	\$ 2,847,034
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 74,899	\$ 79,963	\$	\$ 154,862
Account 108.2 (2)				
Account 108.3 (2)				
Other Accounts (specify):				
Correction of reserves				
Salvage				
Other Credits (Specify):	4,001			4,001
Transfer from Water				
Total Credits	\$ 78,900	\$ 79,963	\$	\$ 158,863
Debits during year:				
Book cost of plant retired	(53,015)	(39,589)		(92,604)
Cost of Removal	(5,064)			(5,064)
Other Debits (specify):				
Transfer to Sewer				
Total Debits	\$ (58,079)	\$ (39,589)	\$	\$ (97,668)
Balance end of year	\$ <u>1,238,546</u>	\$ <u>1,669,683</u>	\$ <u>0</u>	\$ <u>2,908,229</u>
ACCUMULATED AMORTIZATION Account 110				
Balance first of year	\$ 72,824	\$ 72,824	\$ 0	\$ 145,648
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ 0	\$ 0	\$ 0	\$ 0
Other Accounts (specify):	2444	2445		4,889
Prior yr adjustment	282	281		563
Total credits	\$ 2,726	\$ 2,726	\$ 0	\$ 5,452
Debits during year:				
Book cost of plant retired				
Other debits (specify):				
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>75,550</u>	\$ <u>75,550</u>	\$ <u>0</u>	\$ <u>151,100</u>

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

**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	\$ 2,444
Order No. Withdrawn		0407-3020	2,445
Issued: Withdrawn			
Total	\$ _____		\$ 4,889

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>

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	\$ 167,351
Other	
Total Customer Accounts Receivable	\$ 167,351
OTHER ACCOUNTS RECEIVABLE (Account 142):	
_____	\$ _____
_____	_____
_____	_____
Total Other Accounts Receivable	\$ _____
NOTES RECEIVABLE (Account 144):	
_____	\$ _____
_____	_____
_____	_____
Total Notes Receivable	\$ _____
Total Accounts and Notes Receivable	\$ 167,351
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)	
Balance first of year	\$ 0
Add: Provision for uncollectibles for current year	\$ 19,121
Collection of accounts previously written off	_____
Utility Accounts	_____
Others	_____
_____	_____
Total Additions	\$ 19121
Deduct accounts written off during year:	
Utility Accounts	19,121
Others	_____
_____	_____
Total accounts written off	\$ 19,121
Balance end of year	\$ 0
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET	\$ 167,351

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ 0
Total	\$ <u>0</u>

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	%	\$ 2,721
Due from Affiliate	%	16,863
Other	%	665
	%	
	%	
	%	
	%	
	%	
Total		\$ <u>20,249</u>

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Deposits	\$ 3,523
Total Miscellaneous Current and Accrued Liabilities	\$ <u>3,523</u>

**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	\$ <u>0</u>	\$ <u>0</u>
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ 0	\$ 0
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ <u>0</u>	\$ <u>0</u>

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ 0
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ <u>0</u>

**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)		
	\$ 4,889	\$ 1,946
Total Deferred Rate Case Expense	\$ 4,889	\$ 1,946
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$ 0	\$ 0
Total Other Deferred Debits	\$ 0	\$ 0
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$ 0	\$ 0
Total Regulatory Assets	\$ 0	\$ 0
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 0	\$ 1,946

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
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
PREFERRED STOCK		
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
	%		0
	%		0
Total			\$ 0

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

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	\$ (6,301,104)
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)	\$ (174,913)
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	\$ (6,476,017)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings (Deficit)		\$ (6,476,017)
Notes to Statement of Retained Earnings:		

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

**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	\$ 11,814
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 11,814

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

**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			\$ <u>0</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			\$
_____	%		
_____	%		
_____	%		
Everglades Lakes		Prime +2% Variable	16,900
_____	%		
_____	%		
_____	%		
Total Account 234			\$ <u>16,900</u>

* 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	\$ <u>2,294</u>

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

**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	\$	427	0	\$	
Everglades Lakes	28,616		2,070	5,400	25,286
Total Account 237.2	\$ 28,616		2,070	5,400 \$	25,286
Total Account 237 (1)	\$ 28,616		2,070	5,400 \$	25,286
INTEREST EXPENSED:					
Total accrual Account 237		237	2,070		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)					
Mortgage Interest & Other					
Total Interest Expense					

(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

YEAR OF REPORT
December 31, 2006

UTILITY NAME: Ferncrest Utilities, Inc.

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

(a) DESCRIPTION - Provide itemized listing	BALANCE END OF YEAR (b)
Accrued Lake Lease Payable	\$ 431,016
Deferred Interest on Lease	(4,852)
Note Payable - GM	16,129
Note Payable - Ford	15,934
Total Miscellaneous Current and Accrued Liabilities	\$ 458,227

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

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

**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	\$ 925,610	\$ 1,339,660	\$ _____	\$ 2,265,270
Add credits during year:	\$ 0	\$ 0	\$ _____	\$ _____
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ <u>925,610</u>	\$ <u>1,339,660</u>	\$ _____	\$ <u>2,265,270</u>

**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	\$ 475,826	\$ 943,334	\$ _____	\$ 1,419,160
Debits during the year:	\$ 28,981	\$ 38,438	\$ _____	\$ 67,419
Credits (PSC Audit Adjustment)	\$ 0	\$ 0	\$ _____	\$ 0
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>504,807</u>	\$ <u>981,772</u>	\$ _____	\$ <u>1,486,579</u>

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)	\$ (174,914)
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		(856)
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ <u>(175,770)</u>

Computation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2006

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.

YEAR OF REPORT December 31, 2006
--

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)	\$ 2,133,435
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,238,545
110	Accumulated Amortization		75,550
271	Contributions In Aid of Construction	W-7	925,610
252	Advances for Construction	F-20	
	Subtotal		\$ (106,270)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 504,807
	Subtotal		\$ 398,537
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		77,932
	Other (Specify):		
	WATER RATE BASE		\$ 476,469
	WATER OPERATING INCOME	W-3	\$ (165,272)
	ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)		-34.69%

- 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, 2006
--

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>577,368</u>
469	Less: Guaranteed Revenue and AFPI	W-9	
Net Operating Revenues			\$ <u>577,368</u>
401	Operating Expenses	W-10(a)	\$ 623,455
403	Depreciation Expense	W-6(a)	74,899
	Less: Amortization of CIAC	W-8(a)	28,981
Net Depreciation Expense			\$ 45,918
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	2,444
408.10	Taxes Other Than Income		0
	Utility Regulatory Assessment Fee		23,554
408.11	Property Taxes		28,524
408.12	Payroll Taxes		18,720
408.13	Other Taxes and Licenses		25
408	Total Taxes Other Than Income		\$ 70,823
409.1	Income Taxes		0
410.10	Deferred Federal Income Taxes		0
410.11	Deferred State Income Taxes		0
411.10	Provision for Deferred Income Taxes - Credit		0
412.10	Investment Tax Credits Deferred to Future Periods		0
412.11	Investment Tax Credits Restored to Operating Income		0
Utility Operating Expenses			\$ <u>742,640</u>
Utility Operating Income			\$ <u>(165,272)</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>(165,272)</u>

YEAR OF REPORT
December 31, 2006

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	1,800			1,800
303	Land and Land Rights	20,000			20,000
304	Structures and Improvements	308,640			308,640
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	49,111			49,111
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	0			0
310	Power Generation Equipment	43,931	5,031		48,962
311	Pumping Equipment	207,429		1,934	205,495
320	Water Treatment Equipment	457,587		2,796	454,791
330	Distribution Reservoirs and Standpipes	202,175			202,175
331	Transmission and Distribution Mains	461,516			461,516
333	Services	135,668			135,668
334	Meters and Meter Installations	71,656	6,261		77,917
335	Hydrants	24,014			24,014
336	Backflow Prevention Devices	0			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	42,938		7,750	35,188
341	Transportation Equipment	53,602	19,145	46,367	26,380
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	0			0
344	Laboratory Equipment	18,361			18,361
345	Power Operated Equipment	31,139			31,139
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	30,435			30,435
TOTAL WATER PLANT		\$ 2,161,847	\$ 30,437	\$ 58,847	\$ 2,133,437

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

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	308,640			234,000		74,640
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	48,962		48,962			
311	Pumping Equipment	205,495		205,495			
320	Water Treatment Equipment	454,791			454,791		
330	Distribution Reservoirs and Standpipes	202,175				202,175	
331	Transmission and Distribution Mains	461,516				461,516	
333	Services	135,668				135,668	
334	Meters and Meter Installations	77,917				77,917	
335	Hydrants	24,014				24,014	
336	Backflow Prevention Devices	0					
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	35,188					35,188
341	Transportation Equipment	26,380					26,380
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	0					
344	Laboratory Equipment	18,361					18,361
345	Power Operated Equipment	31,139					31,139
346	Communication Equipment						
347	Miscellaneous Equipment						
348	Other Tangible Plant	30,435					30,435
	TOTAL WATER PLANT	2133437	3645	303568	708791	901290	216143

W-4(b)
GROUP _____

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2006
--

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, 2006

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	\$ 209,771	\$ 9,473	\$ 3,997	\$ 13,470
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	35,187	1,450		1,450
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	34,453	1,797		1,797
311	Pumping Equipment	100,745	9,912		9,912
320	Water Treatment Equipment	257,919	19,150		19,150
330	Distribution Reservoirs and Standpipes	67,889	5,464		5,464
331	Transmission and Distribution Mains	197,348	10,733		10,733
333	Services	108,537	3,386		3,386
334	Meters and Meter Installations	57,503	1,301		1,301
335	Hydrants	3,104	1,201		1,201
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	31,397	1,254		1,254
341	Transportation Equipment	46,410	6,478		6,478
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment	16,490	159		159
345	Power Operated Equipment	20,839	1,990		1,990
346	Communication Equipment				
347	Miscellaneous Equipment			4	4
348	Other Tangible Plant	30,132	1,151		1,151
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,217,724	\$ 74,899	\$ 4,001	\$ 78,900

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

W-6(a)
GROUP _____

YEAR OF REPORT
December 31, 2006

UTILITY NAME: Fernerest 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) (j)	BALANCE AT END OF YEAR (c+f-k) (l)
304	Structures and Improvements	\$	\$	\$	\$	\$ 223,241
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					36,637
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					36,250
311	Pumping Equipment	(463)			(463)	110,194
320	Water Treatment Equipment	(1,017)		(1,090)	(2,107)	274,962
330	Distribution Reservoirs and Standpipes					73,353
331	Transmission and Distribution Mains					208,081
333	Services					111,923
334	Meters and Meter Installations					58,804
335	Hydrants					4,305
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment	(5,760)			(5,760)	26,891
341	Transportation Equipment	(45,775)			(45,775)	7,113
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					16,649
345	Power Operated Equipment					22,829
346	Communication Equipment					
347	Miscellaneous Equipment					4
348	Other Tangible Plant			(3,974)	(3,974)	27,309
TOTAL WATER ACCUMULATED DEPRECIATION						\$ 1,238,545

W-6(b)
GROUP _____

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>925610</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>0</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u> </u>
Total Credits		\$ <u>0</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>925610</u>

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:

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2006
--

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	0	\$ 0	\$ 0
Total Credits			\$ <u>0</u>

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 475,826
Debits during the year:	
Accruals charged to Account 272	\$ 28,981
Other debits (specify) :	
Total debits	\$ 28,981
Credits during the year (specify) :	
Total credits	\$ 0
Balance end of year	\$ <u>504,807</u>

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2006

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, 2006
--

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	1,447	1,347	333,596
461.2	Sales to Commercial Customers	109	114	231,758
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
	Total Metered Sales	<u>1,556</u>	<u>1,461</u>	\$ <u>565,354</u>
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	<u>1,556</u>	<u>1,461</u>	\$ <u>565,354</u>
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			12,014
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ <u>12,014</u>
	Total Water Operating Revenues			\$ <u><u>577,368</u></u>

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2006

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	\$ 188,153	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	37,977		
604	Employee Pensions and Benefits	18,276		
610	Purchased Water	58,745	58,745	
615	Purchased Power	63,485		
616	Fuel for Power Purchased	0		
618	Chemicals	41,391		
620	Materials and Supplies	62,910		
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	18,251		
633	Contractual Services - Legal	18,984		
634	Contractual Services - Mgt. Fees	12,671		
635	Contractual Services - Testing	8,801		
636	Contractual Services - Other	11,123		
641	Rental of Building/Real Property			
642	Rental of Equipment	681		
650	Transportation Expenses	11,049		
656	Insurance - Vehicle	3,387		
657	Insurance - General Liability	8,479		
658	Insurance - Workman's Comp.	8,993		
659	Insurance - Other	4,821		
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	9,561		
675	Miscellaneous Expenses	35,717		
Total Water Utility Expenses		\$ 623,455	\$ 58,745	\$ 0

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2006
--

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)
\$ 151,749	\$	\$	\$	\$ 36,404	\$
12,428				2,925	37,977
63,485					2,923
41,391					
24,216	14,417		6,178	6,171	11,928
					0
					18,251
					18,984
8,801					12,671
					11,123
					681
					11,049
					3,387
					8,479
6,116				1,439	1,438
					4,821
				9,561	
					35,717
\$ 308,186	\$ 14,417	\$	\$ 6,178	\$ 56,500	\$ 179,429

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2006
--

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	1.672	18.359	6.375	13.656	10.620
February	2.015	15.536	6.307	11.244	10.244
March	2.019	18.016	9.875	10.160	9.703
April	1.033	17.821	6.956	11.898	10.110
May	1.031	17.978	7.847	11.162	9.583
June	1.001	16.941	6.876	11.066	12.494
July	0.892	16.831 *	7.254	10.469	9.397
August	1.154	17.569 *	6.283	12.440	12.218
September	1.356	15.767 *	7.144	9.979	8.785
October	1.888	17.569	8.768	10.689	10.332
November	1.455	17.569	6.072	12.952	13.603
December	2.314	17.163	7.297	12.180	9.171
Total for Year	17.83	* Estimated 207.119	87.054	137.895	126.26

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, 2006

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>Catalitic 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): <u> </u>	Manufacturer: <u> </u>
Gravity (in GPM/square feet): <u>2GPM/square feet</u>	Manufacturer: <u>DAVCO</u>

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2006
--

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	1,347	1,347
5/8"	Displacement	1.0	46	46
3/4"	Displacement	1.5	0	
1"	Displacement	2.5	17	43
1 1/2"	Displacement or Turbine	5.0	10	50
2"	Displacement, Compound or Turbine	8.0	31	248
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				<u>1,909</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) $59,782,000 / 1347 / 365 = 122$

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

YEAR OF REPORT
December 31, 2006

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. _____ 8547
2. Maximum number of ERCs * which can be served. _____ 8,850
3. Present system connection capacity (in ERCs *) using existing lines. _____ 7,260
4. Future connection capacity (in ERCs *) upon service area buildout. _____ 7,760
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. _____
None
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.

YEAR OF REPORT December 31, 2006
--

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, 2006
--

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)	\$ 2,705,948
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,669,683
110	Accumulated Amortization		75,550
271	Contributions In Aid of Construction	S-7	1,339,660
252	Advances for Construction	F-20	
	Subtotal		\$ (378,945)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 981,772
	Subtotal		\$ 602,827
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		79,061
	Other (Specify):		
	WASTEWATER RATE BASE		\$ <u>681,888</u>
	WASTEWATER OPERATING INCOME	S-3	\$ <u>(11,874)</u>
	ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)		<u>-1.74%</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, 2006
--

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)	\$ 745,395
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 745,395
401	Operating Expenses	S-10(a)	\$ 632,491
403	Depreciation Expense	S-6(a)	79,963
	Less: Amortization of CIAC	S-8(a)	38,438
Net Depreciation Expense			\$ 41,525
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	2,445
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		33,538
408.11	Property Taxes		28,524
408.12	Payroll Taxes		18,720
408.13	Other Taxes and Licenses		25
408	Total Taxes Other Than Income		\$ 80,807
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			\$ 757,268
Utility Operating Income			\$ (11,873)
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			\$ (11,873)

YEAR OF REPORT
December 31, 2006

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	565,102			565,102
355	Power Generation Equipment				0
360	Collection Sewers - Force				0
361	Collection Sewers - Gravity	763,660			763,660
362	Special Collecting Structures				0
363	Services to Customers	181,273			181,273
364	Flow Measuring Devices	2,482			2,482
365	Flow Measuring Installations				0
366	Reuse Services				0
367	Reuse Meters and Meter Installations				0
370	Receiving Wells				0
371	Pumping Equipment	537,516	7,076		544,592
374	Reuse Distribution Reservoirs				0
375	Reuse Transmission and Distribution System				0
380	Treatment and Disposal Equipment	382,568	2,676	(1,398)	383,846
381	Plant Sewers				0
382	Outfall Sewer Lines				0
389	Other Plant Miscellaneous Equipment	15,675			15,675
390	Office Furniture and Equipment	43,114		(7,499)	35,615
391	Transportation Equipment	65,582	25,656	(33,902)	57,336
392	Stores Equipment				0
393	Tools, Shop and Garage Equipment	31,188	1,332		32,520
394	Laboratory Equipment	25,421			25,421
395	Power Operated Equipment	10,492	1,834		12,326
396	Communication Equipment				0
397	Miscellaneous Equipment	0			0
398	Maintenance Expense	26,100			26,100
	Total Wastewater Plant	\$ 2,710,173	\$ 38,574	\$ (42,799)	\$ 2,705,948

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 (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (i)	.7 GENERAL PLANT (k)
351	Organization							
352	Franchises							
353	Land and Land Rights		60,000					
354	Structures and Improvements			205,182	280,701			79,219
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			544,592				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				383,846			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment				15,675			35,615
390	Office Furniture and Equipment							57,336
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							32,520
394	Laboratory Equipment							25,421
395	Power Operated Equipment							12,326
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							26,100
	Total Wastewater Plant	\$	\$ 1,007,415	\$ 749,774	\$ 680,222	\$	\$	\$ 268,537

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, 2006
--

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.

YEAR OF REPORT
December 31, 2006

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	\$ 254,453	\$ 16,599	\$	\$ 16,599
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	410,129	16,970		16,970
362	Special Collecting Structures				
363	Services to Customers	132,146	4,770		4,770
364	Flow Measuring Devices	2,481			
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	394,871	12,046		12,046
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	264,022	15,365		15,365
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	13,178	241		241
390	Office Furniture and Equipment	25,198	1,771		1,771
391	Transportation Equipment	58,394	7,312		7,312
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	25,509	1,355		1,355
394	Laboratory Equipment	21,489	511		511
395	Power Operated Equipment	3,496	964		964
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant	23,943	2,059		2,059
Total Depreciable Wastewater Plant in Service		\$ 1,629,309	\$ 79,963	\$	\$ 79,963

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

YEAR OF REPORT
December 31, 2006

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : _____

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

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-j) (k)
354	Structures and Improvements					271,052
355	Power Generation Equipment					
360	Collection Sewers - Force					427,099
361	Collection Sewers - Gravity					
362	Special Collecting Structures					136,916
363	Services to Customers					2,481
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					406,917
371	Pumping Equipment					
375	Reuse Transmission and Distribution System					
380	Treatment and Disposal Equipment	621			621	278,766
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant Miscellaneous Equipment					13,419
390	Office Furniture and Equipment	5,658			5,658	21,311
391	Transportation Equipment	33,310			33,310	32,396
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					26,864
394	Laboratory Equipment					22,000
395	Power Operated Equipment					4,460
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					26,002
Total Depreciable Wastewater Plant in Service		39,589			39,589	1,669,683

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

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

YEAR OF REPORT
December 31, 2006

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ 1,339,660
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ 0
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	_____
Total Credits		\$ 0
Less debits charged during the year (All debits charged during the year must be explained below)		\$ 0
Total Contributions In Aid of Construction		\$ 1,339,660

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2006
--

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	0	0	\$ 0
Total Credits			\$ 0

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 943,334
Debits during the year:	
Accruals charged to Account 272	\$ 38,438
Other debits (specify) :	
Total debits	\$ 38,438
Credits during the year (specify) :	
Total credits	\$ 0
Balance end of year	\$ 981,772

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2006

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, 2006

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	1,447	1,347	453,628
522.2	Commercial Revenues	46	46	279,752
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	1,493	1,393	\$ 733,380
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		1,493	1,393	\$ 733,380
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)			12,014
Total Other Wastewater Revenues				\$ 12,014

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2006
--

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>745,394</u>

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

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY: Broward County

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	\$ 188,153						\$ 151,749
703	Salaries and Wages - Officers, Directors and Majority Stockholders	37,977						
704	Employee Pensions and Benefits	18,276						12,428
710	Purchased Sewage Treatment	6,150					6,150	
711	Sludge Removal Expense	92,630					92,630	
715	Purchased Power	70,616			12,536		58,080	
716	Fuel for Power Purchased	0						
718	Chemicals	7,575					7,575	
720	Materials and Supplies	49,017		3,328	603	12,828	7,385	12,065
731	Contractual Services-Engineering	0						
732	Contractual Services - Accounting	18,251						
733	Contractual Services - Legal	300						
734	Contractual Services - Mgt. Fees	12,671						
735	Contractual Services - Testing	17,713						
736	Contractual Services - Other	10,988						
741	Rental of Building/Real Property	33,319					33,319	
742	Rental of Equipment	781						
750	Transportation Expenses	11,456						
756	Insurance - Vehicle	3,385						
757	Insurance - General Liability	8,479						
758	Insurance - Workman's Comp.	9,135						
759	Insurance - Other	4,822						6,212
760	Advertising Expense	0						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	0						
767	Regulatory Commission Exp.-Other	0						
770	Bad Debt Expense	9,560						
775	Miscellaneous Expenses	21,237						
	Total Wastewater Utility Expenses	\$ 632,491	\$ 13,139	\$ 3,328	\$ 12,828	\$ 205,139	\$ 182,454	

UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE (i)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.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	\$ 36,404					
703	Salaries and Wages - Officers, Directors and Majority Stockholders		37,977				
704	Employee Pensions and Benefits	2,925	2,923				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies		12,808				
731	Contractual Services-Engineering		0				
732	Contractual Services - Accounting		18,251				
733	Contractual Services - Legal		300				
734	Contractual Services - Mgt. Fees		12,671				
735	Contractual Services - Testing		17,713				
736	Contractual Services - Other		10,988				
741	Rental of Building/Real Property						
742	Rental of Equipment		781				
750	Transportation Expenses		11,456				
756	Insurance - Vehicle		3,385				
757	Insurance - General Liability		8,479				
758	Insurance - Workman's Comp.	1,462	1,461				
759	Insurance - Other		4,822				
760	Advertising Expense						
766	Regulatory Commission Expenses						
767	- Amortization of Rate Case Expense						
770	Regulatory Commission Exp.-Other	9,560					
775	Bad Debt Expense		21,237				
775	Miscellaneous Expenses						
Total Wastewater Utility Expenses		\$ 50,351	\$ 165,252	\$	\$	\$	\$

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 2006
--

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	1,347	1,347.0
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	23	184.0
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				<u>1,782.0</u>

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:

$$(a) 59,782,000 / 1347 / 365 \text{ per Day} = 122$$

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT

December 31, 2006

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	0.321		
Total Gallons of Wastewater Treated	117,165		
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.

S-12

GROUP _____

SYSTEM _____

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 2006

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 _____ 3481 _____
2. Maximum number of ERCs* which can be served _____ 5128 _____
3. Present system connection capacity (in ERCs*) using existing lines _____ 5128 _____
4. Future connection capacity (in ERCs*) upon service area buildout _____ 1647 _____
5. Estimated annual increase in ERCs* _____ 0 _____
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
None _____

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.

FERNCREST

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class A & B**

Company:
For the Year Ended December 31, 2004

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ 0	\$ 0	\$ 0
Total Metered Sales (461.1 - 461.5)	<u>565,354</u>	<u>565,354</u>	<u>0</u>
Total Fire Protection Revenue (462.1 - 462.2)	<u>0</u>	<u>0</u>	<u>0</u>
Other Sales to Public Authorities (464)	<u>0</u>	<u>0</u>	<u>0</u>
Sales to Irrigation Customers (465)	<u>0</u>	<u>0</u>	<u>0</u>
Sales for Resale (466)	<u>0</u>	<u>0</u>	<u>0</u>
Interdepartmental Sales (467)	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Water Revenues (469 - 474)	<u>12,014</u>	<u>11,917</u>	<u>97</u>
Total Water Operating Revenue	\$ 577,368	\$ 577,271	\$ 97
LESS: Expense for Purchased Water from FPSC-Regulated Utility	<u>0</u>	<u>0</u>	<u>0</u>
Net Water Operating Revenues	\$ 577,368	\$ 577,271	\$ 97

Explanations:

Year-end adjustment

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Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations
Class A & B**

Company:

For the Year Ended December 31, 2004

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. S-9	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate Revenues (521.1 - 521.6)	\$ 0	\$ 0	\$ 0
Total Measured Revenues (522.1 - 522.5)	733,380	733,381	1
Revenues from Public Authorities (523)	0	0	0
Revenues from Other Systems (524)	0	0	0
Interdepartmental Revenues (525)	0	0	0
Total Other Wastewater Revenues (530 - 536)	12,014	11,917	97
Reclaimed Water Sales (540.1 - 544)	0	0	0
Total Wastewater Operating Revenue	\$ 745,394	\$ 745,298	\$ 96
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	0	0	0
Net Wastewater Operating Revenues	\$ 745,394	\$ 745,298	\$ 96

Explanations:

Year-end adjustment

Instructions:

For the current year, reconcile the gross wastewater revenues reported on Schedule S-9 with the gross wastewater revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).