

CLASS "A" OR "B"

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

# ANNUAL REPORT

WS072-07-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



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2007

Per FPSC records, this utility is a Class B Utility

RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
DIVISION OF  
ECONOMIC REGULATION  
08 SEP 29 AM 10:33

## GENERAL INSTRUCTIONS

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

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

The fourth copy should be retained by the utility.

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# **EXECUTIVE SUMMARY**

### CERTIFICATION OF ANNUAL REPORT

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

YES	NO
<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.

<u>Items Certified</u>			
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, 2007

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
[X]

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

Table with 2 columns: Name, Percent Ownership. Rows include M. Austin Forman (84%), Estate of Ollie Cohen (8%), Murray Candib (8%).

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

<p align="center">NAME OF COMPANY REPRESENTATIVE (1)</p>	<p align="center">TITLE OR POSITION (2)</p>	<p align="center">ORGANIZATIONAL UNIT TITLE (3)</p>	<p align="center">USUAL PURPOSE FOR CONTACT WITH FPSC</p>
Robert V. Salerno	President		Rate Proceedings
			Rule Clarification
David B. Erwin	Attorney (954) 222-7206	Young Van Assenderp et al	Complaint Response
Dr. 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. 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"><li>* Water Treatment</li><li>* Water Distribution</li><li>* Wastewater Collection</li><li>* Wastewater Treatment</li></ul>
E.	No other additional service requirement is anticipated for the future.
F.	There are no transactions that had a material effect on operations.

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
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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

UTILITY NAME: Ferncrest Utilities, Inc.

**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	\$ 82,004
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.			
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.

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
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**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, 2007

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

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

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	\$		\$		\$	

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.

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2007

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one 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	-material and supplies furnished
-computer services	-leasing of structures, land, and equipment
-engineering & construction services	-rental transactions
-repairing and servicing of equipment	-sale, purchase or transfer of various products

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

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

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

<b>1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.</b>	<b>2. Below are examples of some types of transactions to include:</b> -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	<b>Part II. Specific Instructions: Sale, Purchase and Transfer of Assets</b> 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>NAME OF COMPANY OR RELATED PARTY (a)</b>	<b>DESCRIPTION OF ITEMS (b)</b>	<b>SALE OR PURCHASE PRICE (c)</b>	<b>NET BOOK VALUE (d)</b>	<b>GAIN OR LOSS (e)</b>	<b>FAIR MARKET VALUE (f)</b>
					\$	\$	\$	\$



# **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	\$ 4,839,383	\$ 4,876,941
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,908,228	3,057,802
Net Plant			\$ 1,931,155	\$ 1,819,139
114-115	Utility Plant Acquisition adjustment (Net)	F-7	0	0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 1,931,155	\$ 1,819,139
<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		\$ 234,114	\$ 46,090
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	167,351	132,866
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	3,523	0
Total Current and Accrued Assets			\$ 425,237	\$ 199,205

\* 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	1,946	0
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		\$ 1,946	\$ 0
	TOTAL ASSETS AND OTHER DEBITS		\$ 2,358,338	\$ 2,018,344

\* Not Applicable for Class B Utilities

<p><b><u>NOTES TO THE BALANCE SHEET</u></b></p> <p>The space below is provided for important notes regarding the balance sheet.</p>
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**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	\$ 10,000	\$ 10,000
204	Preferred Stock Issued	F-15	7,209,057	7,209,057
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	(6,476,016)	(6,716,736)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 863,041	\$ 622,321
<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	11,814	0
Total Long Term Debt			\$ 11,814	\$
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		119,362	74,837
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	66,900
235	Customer Deposits		82,724	90,144
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	25,286	25,286
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	458,227	424,917
Total Current & Accrued Liabilities			\$ 704,793	\$ 684,378

\* 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	\$ 0	\$ 0
252	Advances For Construction	F-20		
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ <u>0</u>	\$ <u>0</u>
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve			
262	Injuries & Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
Total Operating Reserves			\$ <u>0</u>	\$ <u>0</u>
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
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	(1,486,580)	(1,553,625)
Total Net C.I.A.C.			\$ <u>778,690</u>	\$ <u>711,645</u>
<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			\$ <u>0</u>	\$ <u>0</u>
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ <u>2,358,338</u>	\$ <u>2,018,344</u>

**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)	\$ 1,322,763	\$ 1,284,521
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 1,322,763	\$ 1,284,521
401	Operating Expenses	F-3(b)	\$ 1,255,946	\$ 1,309,317
403	Depreciation Expense:	F-3(b)	\$ 154,862	\$ 149,573
	Less: Amortization of CIAC	F-22	67,419	67,045
Net Depreciation Expense			\$ 87,443	\$ 82,528
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	4,889	1,946
408	Taxes Other Than Income	W/S-3	151,630	125,015
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			\$ 1,499,908	\$ 1,518,806
Net Utility Operating Income			\$ (177,145)	\$ (234,285)
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)]			\$ (177,145)	\$ (234,285)

\* 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)
\$ 559,070	\$ 725,450	\$ _____
\$ 559,070	\$ 725,450	\$ _____
\$ 619,765	\$ 689,552	\$ _____
72,879	76,694	_____
30,762	36,283	_____
\$ 42,117	\$ 40,411	\$ _____
973	973	_____
60,599	64,416	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
\$ 723,454	\$ 795,352	\$ _____
\$ (164,384)	\$ (69,902)	\$ _____
_____	_____	_____
_____	_____	_____
\$ (164,384)	\$ (69,902)	\$ _____

\* 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)]			\$ (177,145)	\$ (234,285)
<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		7,818	2,714
421	Nonutility Income		10,000	0
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 17,818	\$ 2,714
<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	\$ 15,587	\$ 9,149
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 15,587	\$ 9,149
<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>			<b>\$ (174,914)</b>	<b>\$ (240,720)</b>

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	\$ 2,153,866	\$ 2,723,075
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,311,425	1,746,377
110	Accumulated Amortization	F-8	76,523	76,523
271	Contributions In Aid of Construction	F-22	925,610	1,339,660
252	Advances for Construction	F-20		
Subtotal			\$ (159,692)	\$ (439,485)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	535,569	1,018,055
Subtotal			\$ 375,877	\$ 578,570
114	Plus or Minus: Acquisition Adjustments (2)	F-7	0	0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	0	0
	Working Capital Allowance (3)		77,471	86,194
	Other (Specify): _____ _____ _____		v _____ _____ _____	v _____ _____ _____
RATE BASE			\$ 453,348	\$ 664,764
NET UTILITY OPERATING INCOME			\$ (164,384)	\$ (69,902)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-36.26%	-10.52%

**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.

**\* 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)						
<b>Total</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

(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	\$ 2,153,866	\$ 2,723,075	\$	\$ 4,876,941
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>	\$ 2,153,866	\$ 2,723,075	\$	\$ 4,876,941

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

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b>				
Account 108				
Balance first of year	\$ 1,238,546	\$ 1,669,683	\$	\$ 2,908,229
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 72,879	\$ 76,694	\$	\$ 149,573
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):				
Correction of reserves	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify):				
Transfer from Water	_____	_____	_____	_____
Total Credits	\$ 72,879	\$ 76,694	\$	\$ 149,573
Debits during year:				
Book cost of plant retired	0	0	_____	_____
Cost of Removal	_____	_____	_____	_____
Other Debits (specify):				
Transfer to Sewer	_____	_____	_____	_____
Total Debits	\$	\$	\$	\$
Balance end of year	\$ <u>1,311,425</u>	\$ <u>1,746,377</u>	\$ _____	\$ <u>3,057,802</u>
<b>ACCUMULATED AMORTIZATION</b>				
Account 110				
Balance first of year	\$ 75,550	\$ 75,550	\$ 0	\$ 151,100
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ 0	\$ 0	\$ 0	\$ 0
Account 110.2 (2)	973	973	_____	1,946
Other Accounts (specify):				
Prior yr adjustment	_____	_____	_____	_____
Total credits	\$ 973	\$ 973	\$ 0	\$ 1,946
Debits during year:				
Book cost of plant retired	_____	_____	_____	_____
Other debits (specify):				
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>76,523</u>	\$ <u>76,523</u>	\$ _____	\$ <u>153,046</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.

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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	\$ 973
Order No. Withdrawn		0407-3020	973
Issued: Withdrawn			
Total	\$ _____	_____	\$ 1,946

**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

UTILITY NAME: Ferncrest Utilities, Inc.

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

UTILITY NAME: Ferncrest Utilities, Inc.

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**ACCOUNTS AND NOTES RECEIVABLE - NET**  
**ACCOUNTS 141 - 144**

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

DESCRIPTION (a)	TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):	
Water & Wastewater	\$ 132,866
Other	
Total Customer Accounts Receivable	\$ 132,866
OTHER ACCOUNTS RECEIVABLE ( Account 142):	
_____	\$ _____
_____	_____
_____	_____
Total Other Accounts Receivable	\$ _____
NOTES RECEIVABLE (Account 144 ):	
_____	\$ _____
_____	_____
_____	_____
Total Notes Receivable	\$ _____
Total Accounts and Notes Receivable	\$ 132,866
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143 )	
Balance first of year	\$ 0
Add: Provision for uncollectibles for current year	\$ 18,668
Collection of accounts previously written off	_____
Utility Accounts	_____
Others	_____
Total Additions	\$ 18668
Deduct accounts written off during year:	
Utility Accounts	18,668
Others	_____
Total accounts written off	\$ 18,668
Balance end of year	\$ 0
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>	<b>\$ 132,866</b>



UTILITY NAME: Ferncrest Utilities, Inc.

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ 0
Total	\$ <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	\$ 0
Total Miscellaneous Current and Accrued Liabilities	\$ <u>0</u>

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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT  
ACCOUNTS 181 AND 251**

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

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

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

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

**MISCELLANEOUS DEFERRED DEBITS  
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
	\$ 1,946	\$ 0
Total Deferred Rate Case Expense	\$ 1,946	\$ 0
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
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ 0	\$ 0

**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	%\$	10,000
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	%\$	7,209,057
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
	%		0
<b>Total</b>			\$ 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	\$ (6,476,016)
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)	\$ (240,720)
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	\$ (6,716,736)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
	_____	_____
	_____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings (Deficit)		\$ (6,716,736)
Notes to Statement of Retained Earnings:		

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**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)	
	%		\$ 0
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 0

\* 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			\$ <u>0</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
	%		\$
	%		
	%		
Everglades Lakes		Prime +2% Variable	16,900
Palma Nova		Prime +2% Variable	50,000
	%		
	%		
	%		
Total Account 234			\$ <u>66,900</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>

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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
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ 0	427	0	\$ 0	\$ 25,286
Everglades Lakes	\$ 25,286		0	0	25,286
Total Account 237.2	\$ 25,286			\$ 0	\$ 25,286
Total Account 237 (1)	\$ 25,286			\$ 0	\$ 25,286
INTEREST EXPENSED:					
Total accrual Account 237		237	0		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)					
Mortgage Interest & Other			9149		
Total Interest Expense			9,149		

(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



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UTILITY NAME: Ferncrest Utilities, Inc.

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued Lake Lease Payable	\$ 403,896
Deferred Interest on Lease	(2,125)
Note Payable - GM	11,513
Note Payable - Ford	11,633
Total Miscellaneous Current and Accrued Liabilities	\$ 424,917

**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
Total	\$	\$	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>	\$ <u>_____ 0</u>	\$ <u>_____ 0</u>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____ 0
_____		
_____		
_____		
_____		
<b>Total Other Deferred Liabilities</b>	\$ <u>_____ 0</u>	\$ <u>_____ 0</u>
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ <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	\$ 504,807	\$ 981,772	\$ _____	\$ 1,486,579
Debits during the year:	\$ 30,762	\$ 36,283	\$ _____	\$ 67,045
Credits (PSC Audit Adjustment)	\$ _____ 0	\$ _____ 0	\$ _____	\$ _____ 0
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>535,569</u>	\$ <u>1,018,055</u>	\$ _____	\$ <u>1,553,624</u>

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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)	\$ (240,720)
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		3,990
_____		_____
_____		_____
Income recorded on books not included in return:		
Tax Depreciation in Excess of Book Depreciation		0
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ (236,730)

Computation of tax :

**WATER  
OPERATION  
SECTION**

UTILITY NAME:

Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2007

**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.

<b>SYSTEM NAME / COUNTY</b>	<b>CERTIFICATE NUMBER</b>	<b>GROUP NUMBER</b>
Ferncrest Utilities, Inc. / Broward	13-W	1

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
--

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)	\$ 2,153,865
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,311,424
110	Accumulated Amortization		76,523
271	Contributions In Aid of Construction	W-7	925,610
252	Advances for Construction	F-20	
Subtotal			\$ (159,692)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 535,569
Subtotal			\$ 375,877
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		77,471
	Other (Specify):		
WATER RATE BASE			\$ 453,348
WATER OPERATING INCOME		W-3	\$ (164,384)
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			-36.26%

- 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, 2007
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SYSTEM NAME / COUNTY : Broward County

**WATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	W-9	\$ 559,070
469	Less: Guaranteed Revenue and AFPI	W-9	
Net Operating Revenues			\$ 559,070
401	Operating Expenses	W-10(a)	\$ 619,765
403	Depreciation Expense	W-6(a)	72,879
	Less: Amortization of CIAC	W-8(a)	30,762
Net Depreciation Expense			\$ 42,117
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	973
408.10	Taxes Other Than Income		0
	Utility Regulatory Assessment Fee		18,961
408.11	Property Taxes		21,993
408.12	Payroll Taxes		18,362
408.13	Other Taxes and Licenses		1,283
408	Total Taxes Other Than Income		\$ 60,599
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			\$ 723,454
Utility Operating Income			\$ (164,384)
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			\$ (164,384)



**YEAR OF REPORT**  
December 31, 2007

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	2,868		311,508
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	48,962			48,962
311	Pumping Equipment	205,495	8,246		213,741
320	Water Treatment Equipment	454,791	6,107		460,898
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			0
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	35,188			35,188
341	Transportation Equipment	26,380			26,380
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	0			0
344	Laboratory Equipment	18,361	1,990		20,351
345	Power Operated Equipment	31,139	1,218		32,357
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	30,435			30,435
TOTAL WATER PLANT		\$ 2,133,437	\$ 20,429	\$	\$ 2,153,866

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

**YEAR OF REPORT**  
December 31, 2007

**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	311,508			236,868		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	213,741		213,741			
320	Water Treatment Equipment	460,898			460,898		
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	20,351					20,351
345	Power Operated Equipment	32,357					32,357
346	Communication Equipment						
347	Miscellaneous Equipment						
348	Other Tangible Plant	30,435					30,435
	<b>TOTAL WATER PLANT</b>	<b>2153866</b>	<b>3645</b>	<b>311814</b>	<b>717766</b>	<b>901290</b>	<b>219351</b>

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

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
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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.

UTILITY NAME:

Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2007

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	\$ 223,241	\$ 9,486	\$	\$ 9,486
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	36,637	665		665
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	36,250	1,965		1,965
311	Pumping Equipment	110,194	9,952		9,952
320	Water Treatment Equipment	274,962	19,227		19,227
330	Distribution Reservoirs and Standpipes	73,353	5,464		5,464
331	Transmission and Distribution Mains	208,081	10,733		10,733
333	Services	111,923	3,386		3,386
334	Meters and Meter Installations	58,804	1,431		1,431
335	Hydrants	4,305	1,201		1,201
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	26,891	950		950
341	Transportation Equipment	7,113	5,067		5,067
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment	16,649	247		247
345	Power Operated Equipment	22,829	1,954		1,954
346	Communication Equipment				
347	Miscellaneous Equipment	4			
348	Other Tangible Plant	27,309	1,151		1,151
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 1,238,545</b>	<b>\$ 72,879</b>	<b>\$</b>	<b>\$ 72,879</b>

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

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

**YEAR OF REPORT**  
December 31, 2007

**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	\$	\$	\$	\$	\$ 232,727
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					37,302
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					38,215
311	Pumping Equipment					120,146
320	Water Treatment Equipment					294,189
330	Distribution Reservoirs and Standpipes					78,817
331	Transmission and Distribution Mains					218,814
333	Services					115,309
334	Meters and Meter Installations					60,235
335	Hydrants					5,506
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment					27,841
341	Transportation Equipment					12,180
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					16,896
345	Power Operated Equipment					24,783
346	Communication Equipment					
347	Miscellaneous Equipment					4
348	Other Tangible Plant					28,460
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>						<b>\$ 1,311,424</b>

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

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

**YEAR OF REPORT**  
 December 31, 2007

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
 ACCOUNT 271**

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

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.

<b>YEAR OF REPORT</b> December 31, 2007
--

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			\$ 0

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 504,807
Debits during the year:	
Accruals charged to Account 272	\$ 30,762
Other debits (specify) :	
Total debits	\$ 30,762
Credits during the year (specify) :	
Total credits	\$ 0
Balance end of year	\$ 535,569

W-8(a)  
 GROUP \_\_\_\_\_

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
--

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.

<b>YEAR OF REPORT</b> December 31, 2007
--

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	1,347	1,360	336,920
461.2	Sales to Commercial Customers	114	112	209,555
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		1,461	1,472	\$ 546,475
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		1,461	1,472	\$ 546,475
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ _____
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			12,595
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 12,595
Total Water Operating Revenues				\$ 559,070

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

UTILITY NAME: Ferncrest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2007

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	\$ 186,907	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	44,752		
604	Employee Pensions and Benefits	12,999		
610	Purchased Water	16,672	16,672	
615	Purchased Power	57,802		
616	Fuel for Power Purchased	0		
618	Chemicals	35,362		
620	Materials and Supplies	84,047		
631	Contractual Services-Engineering	19,033		
632	Contractual Services - Accounting	18,949		
633	Contractual Services - Legal	25,769		
634	Contractual Services - Mgt. Fees	15,125		
635	Contractual Services - Testing	21,479		
636	Contractual Services - Other	9,096		
641	Rental of Building/Real Property			
642	Rental of Equipment	1,380		
650	Transportation Expenses	8,001		
656	Insurance - Vehicle	2,984		
657	Insurance - General Liability	8,890		
658	Insurance - Workman's Comp.	10,795		
659	Insurance - Other	4,373		
660	Advertising Expense	0		
666	Regulatory Commission Expenses	0		
	- Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	9,334		
675	Miscellaneous Expenses	26,016		
Total Water Utility Expenses		\$ 619,765	\$ 16,672	\$ 0

UTILITY NAME:

Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
--

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)
\$ 164,998	\$	\$	\$	\$ 21,909	\$
9,359				1,300	44,752
57,802					2,340
35,362					
38,600	214,694		3,521	4,072	16,160
					19,033
					18,949
					25,769
21,479					15,125
					9,096
					1,380
					8,001
					2,984
					8,890
7,773				1,080	1,942
					4,373
				9,334	
					26,016
\$ 335,373	\$ 214,694	\$	\$ 3,521	\$ 37,695	\$ 204,810

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
--

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	2.268	17.801	9.254	10.815	9.316
February	1.897	13.642	3.850	11.689	10.528
March	1.549	16.484	4.831	13.202	12.002
April	0.819	14.880	2.567	13.132	12.318
May	0.731	13.086	3.955	9.862	8.844
June	0.948	13.456	5.866	8.538	7.762
July	0.671	13.633 *	4.954	9.350	8.184
August	0.557	14.430 *	4.613	10.374	9.431
September	0.761	14.087 *	3.765	11.083	9.766
October	1.146	12.431	3.773	9.804	8.913
November	1.973	12.074	3.875	10.172	9.127
December	1.861	11.718	1.952	11.627	10.570
Total for Year	15.181	167.722	53.255	129.648	116.761

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, 2007

SYSTEM NAME / COUNTY : Broward County

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

<b>Permitted Capacity of Plant (GPD):</b>	<u>1,000,000</u>
<b>Location of measurement of capacity (i.e. Wellhead, Storage Tank):</b>	<u>Wellhead</u>
<b>Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):</b>	<u>Catalitic 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.

<b>YEAR OF REPORT</b> December 31, 2007
--

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	1,360	1,360
5/8"	Displacement	1.0	47	47
3/4"	Displacement	1.5	0	
1"	Displacement	2.5	17	44
1 1/2"	Displacement or Turbine	5.0	10	50
2"	Displacement, Compound or Turbine	8.0	28	224
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				1,900

**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

**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. \_\_\_\_\_ 2405
2. Maximum number of ERCs \* which can be served. \_\_\_\_\_ 7,518
3. Present system connection capacity (in ERCs \*) using existing lines. \_\_\_\_\_ 7,518
4. Future connection capacity (in ERCs \*) upon service area buildout. \_\_\_\_\_ 5,113
5. Estimated annual increase in ERCs \*. \_\_\_\_\_ 0
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. \_\_\_\_\_  
 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.

### 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.

<b>YEAR OF REPORT</b> December 31, 2007
--

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)	\$ 2,723,076
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	1,746,378
110	Accumulated Amortization		76,694
271	Contributions In Aid of Construction	S-7	1,339,660
252	Advances for Construction	F-20	
Subtotal			\$ (439,656)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 1,018,055
Subtotal			\$ 578,399
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		86,194
	Other (Specify):		
WASTEWATER RATE BASE			\$ 664,593
WASTEWATER OPERATING INCOME		S-3	\$ (69,902)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			-10.52%

- 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, 2007
--

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)	\$ 725,450
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 725,450
401	Operating Expenses	S-10(a)	\$ 689,552
403	Depreciation Expense	S-6(a)	76,598
	Less: Amortization of CIAC	S-8(a)	36,283
Net Depreciation Expense			\$ 40,315
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	1,069
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		22,778
408.11	Property Taxes		21,993
408.12	Payroll Taxes		18,362
408.13	Other Taxes and Licenses		1,283
408	Total Taxes Other Than Income		\$ 64,416
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			\$ 795,352
Utility Operating Income			\$ (69,902)
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			\$ (69,902)

YEAR OF REPORT  
December 31, 2007

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	11,687		576,789
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	544,592	5,442		550,034
374	Reuse Distribution Reservoirs				0
375	Reuse Transmission and Distribution System				0
380	Treatment and Disposal Equipment	383,846			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	35,615			35,615
391	Transportation Equipment	57,336			57,336
392	Stores Equipment				0
393	Tools, Shop and Garage Equipment	32,520			32,520
394	Laboratory Equipment	25,421			25,421
395	Power Operated Equipment	12,326			12,326
396	Communication Equipment				0
397	Miscellaneous Equipment	0			0
398	Maintenance Expense	26,100			26,100
	Total Wastewater Plant	\$ 2,705,948	\$ 17,129	\$	\$ 2,723,077

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT  
December 31, 2007

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			216,869	280,701			79,219
355	Power Generation Equipment							
360	Collection Sewers - Force							
361	Collection Sewers - Gravity		763,660					
362	Special Collecting Structures							
363	Services to Customers		181,273					
364	Flow Measuring Devices		2,482					
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			550,034				
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System				383,846			
380	Treatment and Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment				15,675			
390	Office Furniture and Equipment							35,615
391	Transportation Equipment							57,336
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	\$ 766,903	\$ 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.

<b>YEAR OF REPORT</b> December 31, 2007
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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.

YEAR OF REPORT  
December 31, 2007

SYSTEM NAME / COUNTY : Broward County

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION**

ACCT. NO.	ACCOUNT NAME	BALANCE AT BEGINNING OF YEAR	ACCRUALS	OTHER CREDITS *	TOTAL CREDITS (d+e)
(a)	(b)	(c)	(d)	(e)	(f)
354	Structures and Improvements	\$ 271,052	\$ 16,900	\$	\$ 16,900
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity	427,099	16,970		16,970
362	Special Collecting Structures				
363	Services to Customers	136,916	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	406,917	12,194		12,194
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	278,766	15,172		15,172
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	13,419	226		226
390	Office Furniture and Equipment	21,311	1,415		1,415
391	Transportation Equipment	32,396	6,369		6,369
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	26,864	1,079		1,079
394	Laboratory Equipment	22,000	475		475
395	Power Operated Equipment	4,460	1,027		1,027
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant	26,002	96		96
Total Depreciable Wastewater Plant in Service		\$ 1,669,683	\$ 76,693	\$	\$ 76,693

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

UTILITY NAME: Ferncrest Utilities, Inc.  
 SYSTEM NAME / COUNTY : \_\_\_\_\_

YEAR OF REPORT  
December 31, 2007

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	\$	\$	\$	\$	\$ 287,952
355	Power Generation Equipment					
360	Collection Sewers - Force					444,069
361	Collection Sewers - Gravity					141,686
362	Special Collecting Structures					2,481
363	Services to Customers					
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					419,111
371	Pumping Equipment					
375	Reuse Transmission and Distribution System					
380	Treatment and Disposal Equipment					293,938
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant Miscellaneous Equipment					13,645
390	Office Furniture and Equipment					22,726
391	Transportation Equipment					38,765
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					27,943
394	Laboratory Equipment					22,475
395	Power Operated Equipment					5,487
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					26,098
Total Depreciable Wastewater Plant in Service						\$ 1,746,376
						\$ 0
						\$ 0
						\$ 0

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



UTILITY NAME: Ferncrest Utilities, Inc.

SYSTEM NAME / COUNTY : Broward County

**YEAR OF REPORT**  
December 31, 2007

**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:

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UTILITY NAME:

Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
--

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			\$ <u>0</u>

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 981,772
Debits during the year:	
Accruals charged to Account 272	\$ 36,283
Other debits (specify) :	
Total debits	\$ 36,283
Credits during the year (specify) :	
Total credits	\$ 0
Balance end of year	\$ <u>1,018,055</u>

**YEAR OF REPORT**  
December 31, 2007

UTILITY NAME: Ferncrest Utilities, Inc.

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.

<b>YEAR OF REPORT</b> December 31, 2007
--

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	1,347	1,360	423,134
522.2	Commercial Revenues	46	46	289,721
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	1,393	1,406	\$ 712,855
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		1,393	1,406	\$ 712,855
<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)			12,595
Total Other Wastewater Revenues				\$ 12,595

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

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
--

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>725,450</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

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 COLLECTION EXPENSES- OPERATIONS	.2 COLLECTION EXPENSES- MAINTENANCE	.3 PUMPING EXPENSES- OPERATIONS	.4 PUMPING EXPENSES- MAINTENANCE	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
701	Salaries and Wages - Employees	\$ 194,407						\$ 164,997
703	Salaries and Wages - Officers, Directors and Majority Stockholders	37,252						
704	Employee Pensions and Benefits	12,999						
710	Purchased Sewage Treatment	11,819					11,819	9,359
711	Sludge Removal Expense	102,376					102,376	
715	Purchased Power	65,959			8,157		57,802	
716	Fuel for Power Purchased	0						
718	Chemicals	6,590						
720	Materials and Supplies	72,279					6,590	
731	Contractual Services-Engineering	5,696		5,831			10,510	13,301
732	Contractual Services - Accounting	18,949						
733	Contractual Services - Legal	7,954						
734	Contractual Services - Mgt. Fees	15,125						
735	Contractual Services - Testing	19,308						
736	Contractual Services - Other	9,096						
741	Rental of Building/Real Property	32,579					32,579	
742	Rental of Equipment	1,232						
750	Transportation Expenses	8,061						
756	Insurance - Vehicle	2,984						
757	Insurance - General Liability	7,339						
758	Insurance - Workman's Comp.	10,795						
759	Insurance - Other	4,373						7,772
760	Advertising Expense	0						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	0						
767	Regulatory Commission Exp.-Other	0						
770	Bad Debt Expense	9,334						
775	Miscellaneous Expenses	33,048						
Total Wastewater Utility Expenses		\$ 689,554	\$	\$ 5,831	\$ 14,422	\$ 21,058	\$ 221,676	\$ 195,429

**YEAR OF REPORT**  
December 31, 2007

**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)	(j)	(k)	(l)	(m)	(n)	(o)
701	Salaries and Wages - Employees	\$ 29,410					
703	Salaries and Wages - Officers, Directors and Majority Stockholders		37,252				
704	Employee Pensions and Benefits	1,299	2,341				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies		15,314				
731	Contractual Services-Engineering		5,696				
732	Contractual Services - Accounting		18,949				
733	Contractual Services - Legal		7,954				
734	Contractual Services - Mgt. Fees		15,125				
735	Contractual Services - Testing		19,308				
736	Contractual Services - Other		9,096				
741	Rental of Building/Real Property						
742	Rental of Equipment		1,232				
750	Transportation Expenses		8,061				
756	Insurance - Vehicle		2,984				
757	Insurance - General Liability		7,339				
758	Insurance - Workman's Comp.	1,080	1,943				
759	Insurance - Other		4,373				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	9,334					
775	Miscellaneous Expenses		33048				
Total Wastewater Utility Expenses		\$ 41,123	\$ 190,015	\$	\$	\$	\$

S-10(b)  
GROUP \_\_\_\_\_

UTILITY NAME: Ferncrest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2007
--

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	1,360	1,360.0
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				1,795.0

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



UTILITY NAME: Ferncrest Utilities, Inc.

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	0.352		
Total Gallons of Wastewater Treated	128,480		
Method of Effluent Disposal	Surface Water		

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

(2) Contact stabilization, advanced treatment, etc.

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

**OTHER WASTEWATER SYSTEM INFORMATION**

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

- |  |                     |
|--|---------------------|
| 1. Present number of ERCs* now being served  | 2647                |
| 2. Maximum number of ERCs* which can be served   | 4511                |
| 3. Present system connection capacity (in ERCs*) using existing lines  | 4511                |
| 4. Future connection capacity (in ERCs*) upon service area buildout  | 1864                |
| 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 <u>Yes</u>  |                     |
| If so, when?   | <u>October 2007</u> |
| 9. Has the utility been required by the DEP or water management district to implement reuse? <u>Yes</u>  |                     |
| 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? <u>October 2007</u>  |                     |
| 11. If the present system does not meet the requirements of DEP rules: <u>Not Applicable</u>   |                     |
| 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 # <u>5006P02315</u>  |                     |

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

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

**Company:**

**For the Year Ended December 31, \_\_\_\_\_**

(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)	\$ _____	\$ _____	\$ _____
Total Metered Sales (461.1 - 461.5)	<u>546,475</u>	<u>546,475</u>	<u>0</u>
Total Fire Protection Revenue (462.1 - 462.2)	_____	_____	_____
Other Sales to Public Authorities (464)	_____	_____	_____
Sales to Irrigation Customers (465)	_____	_____	_____
Sales for Resale (466)	_____	_____	_____
Interdepartmental Sales (467)	_____	_____	_____
Total Other Water Revenues (469 - 474)	<u>12,595</u>	<u>12,595</u>	<u>0</u>
<b>Total Water Operating Revenue</b>	<b>\$ <u>559,070</u></b>	<b>\$ <u>559,070</u></b>	<b>\$ _____</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	<u>0</u>	<u>0</u>	_____
<b>Net Water Operating Revenues</b>	<b>\$ <u>559,070</u></b>	<b>\$ <u>559,070</u></b>	<b>\$ <u>0</u></b>

Explanations:

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, \_\_\_\_\_

(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)	\$ _____	\$ _____	\$ _____
Total Measured Revenues (522.1 - 522.5)	712855 <sup>00</sup>	712854	1
Revenues from Public Authorities (523)	_____	_____	_____
Revenues from Other Systems (524)	_____	_____	_____
Interdepartmental Revenues (525)	_____	_____	_____
Total Other Wastewater Revenues (530 - 536)	12595	12595	0
Reclaimed Water Sales (540.1 - 544)	_____	_____	_____
<b>Total Wastewater Operating Revenue</b>	<b>\$ 725450</b>	<b>\$ 725449</b>	<b>\$ 1</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Wastewater Operating Revenues</b>	<b>\$ 725450</b>	<b>\$ 725449</b>	<b>\$ 1</b>

Explanations:

*ROUNDING*

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).