

FERNCREST UTILITIES, INC.

ANNUAL REPORT

DECEMBER 31, 1997

ORIGINAL COPY
DIVISION OF
REGULATORY AND PUBLIC AFFAIRS

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EXECUTIVE SUMMARY

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UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 1997

CERTIFICATION OF ANNUAL REPORT

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

YES NO

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

YES NO

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

YES NO

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

YES NO

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

Items Certified

1. 2. 3. 4.



(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, 1997

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 S.W. 54th Avenue
Fort Lauderdale, Florida 33314

Telephone: 954 587-8833

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

Robert V. Salerno
Ferncrest Utilities, Inc.
3015 S.W. 54th Avenue
Fort Lauderdale, Florida 33314
Telephone: 954 587-8833

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

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

Telephone: 954 587-8833

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

Not Applicable

Date of original organization of the utility: February 28, 1969

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

- Individual
- Partnership
- Sub S Corporation
- 1120 Corporation

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

	Name	Percent Ownership
1.	M. Austin Forman	50.00%
2.	Ollie Cohen	25.00%
3.	Murray Candib	25.00%
4.		
5.		
6.		
7.		
8.		
9.		
10.		

*** INVOICE ***

Lennar Homes/Ad Team
8190 State Rd 84
Davie, FL 33324
Attn: Jeff Auchter

April 29, 1998

DESCRIPTION

AMOUNT

Lennar Homes

Billboard vinyl measuring 14'x48' totalling 672 sq ft.

Production of computer generated vinyl
672 sq ft x \$3.00 per square

\$2,016.00

Fabrication & installation of 4'x25'
Extension 100 sq ft x \$15.00 per square

1,500.00

Vinyl installation
Subtotal
Paint credit balance
Total amount due

500.00
\$4,016.00
(700.00)
\$3,316.00

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997
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DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE	TITLE OR POSITION (1) & (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Robert V. Salerno	President and General Manager		Rate Proceedings Rule Clarification. Complaint Response
Debra A. Salerno	Customer Service Rep.		Complaint Response
Barry K. Asmus	Regulatory Consultants (305) 758-6157	Regulated Industry Consultants, Inc.	Rate Proceedings & Regulatory Matters
David B. Erwin	Attorney (904)-222-7206	Young, van Assenderp, et al	Rate Proceedings & Regulatory Matters
Andrew Trumbach	Accountant/Consultant (954) 587-0330	American Marketing & Management, Inc.	Regulatory Matters

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

UTILITY NAME: Ferncrest Utilities, Inc.

COMPANY PROFILE

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

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

A.	The Company was founded in 1969 to serve the existing City of Ferncrest Village. The City of Ferncrest Village was dissolved in 1970 and the Company is now located in the Town of Davie. In 1979, Miles Austin Forman acquired 50% ownership of the Company.
B.	Water and Sewer Service.
C.	The major goals of the Company are to continue to provide and improve the highest quality water and wastewater service to its customers.
D.	Major operating divisions are: <ul style="list-style-type: none">- Water Treatment- Water Distribution- Wastewater Collection- Wastewater Treatment
E.	No growth projected.
F.	There were no transactions that had a material effect on Operations.

UTILITY NAME: Ferncrest Utilities, Inc.

PARENT/AFFILIATE ORGANIZATION CHART
Current as of _____

Complete below an organizational chart that show all parents and subsidiaries of 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.

YEAR OF REPORT December 31, 1997
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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	100.00%	\$ 64,508
Christine Forman	Secretary	10.00%	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 MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
None			\$ 0

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997
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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.

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

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

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
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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)	OCCUPATION OR BUSINESS AFFILIATION (b)	PRINCIPLE AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Christine Forman	Avalon, Inc.	President	Avalon, Inc. 3921 SW 47th Ave, #101 Davie, FL 33329

UTILITY NAME: Ferncrest Utilities, Inc.

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

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

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
None			\$		\$	

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997
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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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			CONTRACT OR (S)old (d)	
M. Austin Forman	Interest	On Demand		\$ 15,226

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

- 1 Enter in this part all transactions relating to the purchase, sale, or transfer of assets. 3. The columnar instructions follow:

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

- (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.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS VALUE (e)	FAIR MARKET VALUE (f)
None		\$		\$	\$

UTILITY NAME:

Ferncrest Utilities, Inc.YEAR OF REPORT
December 31, 1997COMPOSITE STATISTICS FOR ALL PRIVATELY OWNED
WATER AND WASTEWATER UTILITIES UNDER AGENCY JURISDICTION

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)
PLANT (Intrastate Only) (000's Omitted):		
Plant in Service _____	\$ 1,646	\$ 2,065
Construction Work In Progress _____		
Plant Acquisition Adjustment _____		
Plant Held For Future Use _____		
Materials and Supplies _____		
Less:		
Accumulated Depreciation and Accumulated Amortization _____	705	1,005
Contributions In Aid of Construction _____	219	348
Net Book Cost _____	\$ 722	\$ 712
REVENUES AND EXPENSES (Intrastate Only) (000's Omitted):		
Operating Revenues _____	\$ 521	\$ 645
Depreciation and Amortization Expense _____	\$ 42	\$ 39
Income Tax Expense _____		
Taxes Other Than Income _____	61	59
Other Operation Expenses _____	375	457
Total Operating Expenses _____	\$ 478	\$ 555
Net Operating Income _____	\$ 43	\$ 90
Other Income _____	\$	\$
Other Income Deductions _____		
Net Income _____	\$ 43	\$ 90
CUSTOMERS (Intrastate Only):		
Residential - Yearly Average _____	1,450	1,450
Commercial - Yearly Average _____	80	22
Industrial - Yearly Average _____	0	0
Others - Yearly Average _____	0	0
Total _____	1,530	1,472
OTHER STATISTICS (Intrastate Only):		
Average Annual Residential Use Per 1,000 Gallons _____	N/A	N/A
Average Annual Residential Cost Per 1,000 Gallons _____	\$ N/A	\$ N/A
Average Residential Monthly Bill _____	\$ 20.31	\$ 25.44
Gross Plant Investment Per Customer _____	\$ 1,063.24	\$ 1,392.78

FINANCIAL SECTION

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. (a)	ACCOUNT NAME NO. (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	UTILITY PLANT			
101-105	Utility Plant _____	F-5	\$ 3,711,271	\$ 3,660,322
108-110	Less: Accumulated Depreciation and Amortization _____	F-6	(1,710,331)	(1,570,666)
	Net Plant _____		\$ 2,000,940	\$ 2,089,656
114-115	Utility Plant Acquisition Adjustments (Net) _____	F-5		
	Other Plant Adj. _____			
	Total Net Utility Plant _____		\$ 2,000,940	\$ 2,089,656
	OTHER PROPERTY AND INVESTMENTS			
121	Nonutility Property _____	F-7	\$	\$
122	Less: Accumulated Depreciation and Amortization _____			
	Net Nonutility Property _____		\$	\$
123	Investment In Associated Companies _____	F-8		
124	Utility Investments _____	F-8		
125	Other Investments _____	F-8		
127	Other Special Funds _____	F-8		
	Total Other Property & Investments _____		\$	\$
	CURRENT AND ACCRUED ASSETS			
131	Cash _____		\$ 176,831	\$ (3,603)
132	Special Deposits _____	F-7		
134	Working Funds _____			
135	Temporary Cash Investments _____			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts _____	F-9	144,102	100,502
145	Accounts Receivable from Associated Companies _____	F-10		
146	Notes Receivable from Associated Companies _____	F-10		
151	Material and Supplies _____			
162	Prepayments _____	F-11		
171	Accrued Interest and Dividends Receivable _____			
174	Misc. Current and Accrued Assets _____		11,470	11,510
	Total Current and Accrued Assets _____		\$ 332,403	\$ 108,409

F-1(a)

UTILITY NAME: Ferncrest Utilities, Inc.

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

NO. (a)	ACCT. ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense _____	F-12	\$	\$
182	Extraordinary Property Losses _____	F-12		
186	Misc. Deferred Debits _____	F-11	64,314	89,754
190	Accumulated Deferred Income Taxes _____			
	Total Deferred Debits _____		\$ 64,314	\$ 89,754
	TOTAL ASSETS AND OTHER DEBITS _____		\$ 2,393,064	\$ 2,287,819

NOTES TO THE BALANCE SHEET

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

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. (a)	ACCOUNT NAME NO. (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	EQUITY CAPITAL			
201	Common Stock Issued _____	F-14	\$ 10,000	\$ 10,000
204	Preferred Stock Issued _____	F-14		
211	Other Paid - In Capital _____		120,000	120,000
212	Discount On Capital Stock _____			
213	Capital Stock Expense _____			
214-215	Retained Earnings _____	F-15	(5,220,043)	(4,799,460)
216	Reacquired Capital Stock _____			
218	Proprietary Capital (Proprietorship and Partnership Only) _____			
	Total Equity Capital _____		\$ (5,090,043)	\$ (4,669,460)
	LONG TERM DEBT			
221	Bonds _____	F-16		
223	Advances from Associated Companies _____	F-16	188,700	170,556
224	Other Long Term Debt _____	F-14	3,948,918	3,599,075
	Total Long Term Debt _____		\$ 4,137,618	\$ 3,769,631
	CURRENT AND ACCRUED LIABILITIES			
231	Accounts Payable _____		17,623	59,439
232	Notes Payable _____	F-13		
233	Accounts Payable to Associated Companies _____	F-13	2,294	2,294
234	Notes Payable to Associated Companies _____	F-13	1,595,182	1,595,182
235	Customer Deposits _____		58,859	43,880
236	Accrued Taxes _____	F-17	90,054	48,419
237	Accrued Interest _____	F-18	627,192	464,543
238	Accrued Dividends _____			
239	Matured Long Term Debt _____			
240	Matured Interest _____			
241	Miscellaneous Current & Accrued Liabilities _____	F-19	387,711	348,740
	Total Current & Accrued Liabilities _____		\$ 2,778,915	\$ 2,562,497

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. (a)	ACCOUNT NAME NO. (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED CREDITS			
251	Unamortized Premium On Debt _____	F-12	\$	\$
252	Advances For Construction _____	F-19	0	0
253	Other Deferred Credits _____			
255	Accumulated Deferred Investment Tax Credits _____			
	Total Deferred Credits _____		\$	\$
	OPERATING RESERVES			
261	Property Insurance Reserve _____		\$	\$
262	Injuries & Damages Reserve _____			
263	Pensions and Benefits Reserve _____			
265	Miscellaneous Operating Reserves _____			
	Total Operating Reserves _____		\$	\$
	CONTRIBUTIONS IN AID OF CONSTRUCTION			
271	Contributions in Aid of Construction _____	F-20	\$ 1,512,676	\$ 1,512,677
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-21	(946,102)	(887,526)
	Total Net C.I.A.C. _____		\$ 566,574	\$ 625,151
	ACCUMULATED DEFERRED INCOME TAXES			
281	Accumulated Deferred Income Taxes - Accelerated Depreciation _____		\$	\$
282	Accumulated Deferred Income Taxes - Liberalized Depreciation _____			
283	Accumulated Deferred Income Taxes - Other _____			
	Total Accumulated Deferred Income Tax _____		\$	\$
	TOTAL EQUITY CAPITAL AND LIABILITIES		\$ 2,393,064	\$ 2,287,819

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997

COMPARATIVE OPERATING STATEMENT

NO. (a)	ACCT. ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues _____	\$ 1,075,971	F-3(b)	\$ 1,166,297
401	Operating Expenses _____	\$ 770,904	F-3(b)	\$ 832,203
403	Depreciation Expense _____	75,388	F-6	81,089
406	Amortization of Utility Plant Acquisition Adjustment _____			
407	Amortization Expense _____			
408.1	Taxes Other Than Income _____	116,685	F-17	119,833
409.1	Income Taxes _____		F-17	
410.10	Deferred 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 _____	\$ 962,977		\$ 1,033,125
	Utility Operating Income _____	\$ 112,994		\$ 133,172
413	Income From Utility Plant Leased to others _____			
414	Gains (losses) From Disposition of Utility Property _____			
	Total Utility Operating Income [Enter here and on Page F-3(c)] _____	\$ 112,994		\$ 133,172

F-3(a)

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. (a)	ACCOUNT NAME NO. (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [from page F-3(e)] -----	\$ 112,994		\$ 133,172
	OTHER INCOME AND DEDUCTIONS			
415	Revenues-Merchandising, Jobbing, and Contract Deductions -----	\$ -----		\$ -----
416	Costs & Expenses of Merchandising Jobbing, and Contract Work -----	-----		-----
419	Interest and Dividend Income -----	-----		-----
420	Allowance for Funds Used During Construction -----	-----		-----
421	Nonutility Income -----	9,554		14,308
426	Miscellaneous Nonutility Expenses -----	-----		-----
	Total Other Income and Deductions -----	\$ 9,554		\$ 14,308
	TAXES APPLICABLE TO OTHER INCOME			
408.20	Taxes Other Than Income -----	\$ -----	F-17	\$ -----
409.20	Income Taxes -----	-----	F-17	-----
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 -----	\$ -----		\$ -----
	INTEREST EXPENSE			
427	Interest Expense -----	\$ 432,230	F-18	\$ * 568,065
428	Amortization of Debt Discount & Expense -----	-----	F-12	-----
429	Amortization of Premium on Debt -----	-----	F-12	-----
	Total Interest Expense -----	\$ 432,230		\$ 568,065
	EXTRAORDINARY ITEMS			
433	Extraordinary Income -----	\$ -----		\$ -----
434	Extraordinary Deductions -----	-----		-----
409.30	Income Taxes, Extraordinary Items -----	-----		-----
	Total Extraordinary Items -----	\$ -----		\$ -----
	NET INCOME (LOSS) -----	\$ (309,682)		\$ (420,585)

*Consist of:

(1)	Interest added to Other Long Term Debt-Mtg Payable-CARIBANK (F-14)	349,843
(2)	Interest accrued on account 237.1 and 237.2 during the year (F-18)	200,075
(3)	Interest accrued on account 223 - Advances from Assoc. Companies	18,144
(4)	Rounding	3
	F-3(c) Total Interest Expense	<u>568,065</u>

UTILITY NAME:

Ferncrest Utilities, Inc.YEAR OF REPORT
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SCHEDULE OF YEAR END RATE BASE

NO.	ACCT. ACCOUNT NAME	REF. PAGE	WATER UTILITY	WASTEWATER UTILITY
(a)	(b)	(c)	(d)	(e)
101	Utility Plant In Service _____	F-5	\$ 1,646,045	\$ 2,065,227
	Less:			
	Nonused and Useful Plant (1) _____			
108	Accumulated Depreciation _____	F-6	705,189	1,005,142
110	Accumulated Amortization _____	F-6		
271	Contributions In Aid of Construction _____	F-20	507,718	1,004,959
252	Advances for Construction _____	F-19		
	Subtotal _____		\$ 433,138	\$ 55,126
	Additions:			
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-21	288,636	657,466
	Subtotal _____		\$ 721,774	\$ 712,592
	Plus or Minus:			
114	Acquisition Adjustments (2) _____	F-5		
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5		
	Working Capital Allowance (3) _____		46,907	57,119
	Other (Specify): _____ _____ _____			
	RATE BASE _____		\$ 768,681	\$ 769,711
	UTILITY OPERATING INCOME _____		\$ 42,972	\$ 90,201
	ACHIEVED RATE OF RETURN _____		5.59%	11.72%

NOTES :

- (1) Estimate if not Known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculated using Formula Method 1/8 of operating expenses (F-3(a) for both Water & Sewer.

UTILITY PLANT (ACCTS. 101-106)

ACCT. (a)	DESCRIPTION (b)	WATER NO. (c)	WASTEWATER (d)	REPORTING OTHER THAN SYSTEMS (e)	TOTAL (f)
	Plant Accounts:				
101	Utility Plant In Service	\$ 1,646,045	\$ 2,065,227	\$	\$ 3,711,272
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
	Total Utility Plant	\$ 1,646,045	\$ 2,065,227	\$	\$ 3,711,272

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	REPORTING OTHER THAN SYSTEMS (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):				
	\$ 0	\$ 0	\$ 0	\$ 0
Total Plant Acquisition Adjs.	\$ 0	\$ 0	\$ 0	\$ 0
ACCUMULATED AMORTIZATION (115):				
	\$ 0	\$ 0	\$ 0	\$ 0
Total Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
Net Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0

UTILITY NAME: Ferncrest Utilities, Inc.

ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER	WASTEWATER	OTHER THAN	TOTAL
	NO. (b)	(c)	REPORTING SYSTEMS (d)	(e)
Balance first of year _____	\$ 644,346	\$ 926,320	\$	\$ 1,570,666
Credit during year:				
Accruals charged to Account 108	\$ 60,843	\$ 78,822	\$	\$ 139,665
Other Accounts (specify) _____	_____	_____	_____	_____
Salvage _____	_____	_____	_____	_____
Other Credits (Specify) _____	_____	_____	_____	_____
Total Credits _____	\$ 60,843	\$ 78,822	\$	\$ 139,665
Debits during year:				
Book cost of plant retired _____	_____	_____	_____	_____
Cost of removal _____	_____	_____	_____	_____
Other Debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$	\$	\$	\$
Balance end of year _____	\$ 705,189	\$ 1,005,142	\$	\$ 1,710,331

ACCUMULATED AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER	WASTEWATER	OTHER THAN	TOTAL
	NO. (b)	(c)	REPORTING SYSTEMS (d)	(e)
Balance first of year _____	\$ 0	\$ 0	\$ 0	\$
Credit during year:				
Accruals charged to Account 110	\$ 0	\$ 0	\$ 0	\$
Other Accounts (specify) _____	_____	_____	_____	_____
Total Credits _____	\$	\$	\$	\$
Debits during year:				
Book cost of plant retired	0	0	0	
Other Debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$	\$	\$	\$
Balance end of year _____	\$	\$	\$	\$

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
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NONUTILITY PROPERTY (ACCT. 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)	BEGINING YEAR (b)	ADDITIONS BALANCE (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
	\$ 0	\$ 0	\$ 0	\$
Total Nonutility Property_____	\$ 0	\$ 0	\$ 0	\$ 0

SPECIAL DEPOSITS (ACCT. 132)

Report hereunder all special deposits carried in Accounts 132.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (ACCT. 132):	
	\$
Total Special Deposits_____	\$ 0

UTILITY NAME: Ferncrest Utilities, Inc.

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INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123-127)

Report hereunder all investments and special funds carried in Accounts 123 thru 127.		
DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): <hr/> <hr/> <hr/> <hr/>	\$ 0	\$ 0
Total Investment in Associated Companies -----	\$ 0	\$ 0
UTILITY INVESTMENTS (ACCT. 124): <hr/> <hr/> <hr/> <hr/>	\$ 0	\$ 0
Total Utility Investment -----	\$ 0	\$ 0
OTHER INVESTMENTS (ACCT. 125): <hr/> <hr/> <hr/> <hr/>	\$ 0	\$ 0
Total Other Investment -----	\$ 0	\$ 0
SPECIAL FUNDS (ACCT. 127): <hr/> <hr/> <hr/> <hr/>		\$ 0
Total Special Funds -----		\$ 0

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997
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ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in Accounts 142 and 144 should be listed individually.	
DESCRIPTION (a)	TOTAL (b)
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141):	
Water _____	\$
Wastewater _____	
Other _____	
Total Customer Accounts Receivable _____	\$ 138,312
OTHER ACCOUNTS RECEIVABLE (Acct. 142):	
Due from Employees _____	\$ 5,790

Total Other Accounts Receivable _____	\$ 5,790
NOTES RECEIVABLE (Acct. 144):	
_____	\$

Total Notes Receivable _____	\$
Total Accounts and Notes Receivable _____	\$ 144,102
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Acct. 143)	
Balance first of year _____	\$
Add: Provision for uncollectibles for current year _____	\$
Collection of accounts previously written off _____	
Utility Accounts _____	
Others _____	
Total Additions _____	\$
Deduct accounts written off during year:	
Utility Accounts _____	
Others _____	
Total accounts written off _____	\$
Balance end of year _____	\$
Total Accounts and Notes Receivable - Net _____	\$ 144,102

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
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ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 145)

Report each account receivable from associated companies separately.

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

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 146)

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST	
	RATE (b)	TOTAL (c)
		\$ 0
Total _____		\$ <u>0</u>

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997
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PREPAYMENTS (ACCT. 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance_____	\$ 0
Prepaid Rents_____	0
Prepaid Interest_____	0
Prepaid Taxes_____	0
Other Prepayments (Specify):_____	

Total Prepayments_____	\$ 0

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186)

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1)_____	\$ 64,314
Other Deferred Debits (Acct. 186.2)_____	-
Total Miscellaneous Deferred Debits_____	\$ 64,314

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997
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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
(ACCTS. 181 & 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 (ACCT. 181):	\$ 0	\$ 0

Total Unamortized Debt Discount and Expense _____	\$ <u>0</u>	\$ <u>0</u>
UNAMORTIZED PREMIUM ON DEBT (ACCT. 251)	\$ 0	\$ 0

Total Unamortized Premium on Debt _____	\$ <u>0</u>	\$ <u>0</u>

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.	
DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (ACCT. 182):	\$ 0

Total Extraordinary Property Losses _____	\$ <u>0</u>

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT
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NOTES PAYABLE (ACCTS. 232 & 234)

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					\$ 0
None					
Total Account 232					\$
ACCOUNT 234 - NOTES PAYABLE TO ASSOC. COMPANIES:					\$ 0
See Attachment					1,595,182
Total Account 234					\$ 1,595,182

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Miscellaneous (23310-00)	\$ 2,294
Total	\$ 2,294

UTILITY NAME:

Ferncrest Utilities, Inc.

Attachment to F-13, Acct 234 - Notes Payable to Assoc. Companies

(a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAY (e)	
Canco Enterprises	12/31/81	Demand	P+2%	Demand	\$ 1,149,153
Canco Enterprises	03/30/82	Demand	P+2%	Demand	30,000
M. Austin Forman	02/25/82	Demand	P+2%	Demand	30,000
Silver Oaks	11/19/84	Demand	P+2%	Demand	5,000
Silver Oaks	01/30/85	Demand	P+2%	Demand	5,000
M. Austin Forman	10/28/87	Demand	P+2%	Demand	20,000
M. Austin Forman	12/21/88	Demand	P+2%	Demand	2,828
Everglades Lake	Various	Demand	P+2%	Demand	16,900
Silver Oaks	Various	Demand	P+2%	Demand	63,050
Hamilton Forman	01/01/94	Demand	P+2%	Demand	35,605
M. Austin Forman	6-9/30/94	Demand	P+2%	Demand	83,000
M. Austin Forman	Various	Demand	P+2%	Demand	154,646
Total Account 234					<u>\$ 1,595,182</u>

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 1997

CAPITAL STOCK (ACCTS. 201 & 204)

DESCRIPTION (a)	COMMON STOCK (b)	PREFERRED STOCK (c)
Par or stated value per share _____	\$ 10	\$ None
Shares authorized _____	1,000	
Shares issued and outstanding _____	1,000	
Total par value of stock issued _____	\$ 10,000	\$
Dividends declared per share for year _____	\$ None	\$

LONG TERM DEBT (ACCT. 224)

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	RATE (b)	FREQUENCY OF PAYMENT (c)	
Mortgage Payable - Caribank (22410-00); (04/81, 1990)	P+2	Demand	\$ 3,638,564
Note Payable - LT Distributee; (09/20/82, Demand)	P+2	Demand	21,000
(10/28/87, Demand)	P+2	Demand	10,000
Note Payable - HMF Distributee; (01/10/85, Demand)	P+2	Demand	10,000
(01/30/85, Demand)	P+2	Demand	5,000
(10/28/87, Demand)	P+2	Demand	10,000
(04/30/91, Demand)	P+2	Demand	16,000
Note Payable - B. Forman Estate; (10/24/79, Demand)	P+2	Demand	18,000
(01/15/80, Demand)	P+2	Demand	24,000
(01/10/85, Demand)	P+2	Demand	10,000
(10/28/87, Demand)	P+2	Demand	10,000
Note Payable - Charles Forman; (04/27/90, Demand)	P+2	Demand	25,000
(01/01/94, Demand)	P+2	Demand	27,235
Note Payable - C. & H. Forman (06/30/91, Demand)	P+2	Demand	20,000
(01/01/94, Demand)	P+2	Demand	104,119
Total _____			\$ 3,948,918

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT
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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.

NO. (a)	ACCT. DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings:	
	Balance Beginning of Year _____	\$ (4,799,460)
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 _____	\$ (420,585)
436	Appropriations of Retained Earnings:	

	Total Appropriations of Retained Earnings _____	\$
	Dividends Declared:	
437	Preferred Stock Dividends Declared	
438	Common Stock Dividends Declared	

	Total Dividends Declared _____	\$
	Year end Balance _____	\$
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	

	Total Appropriated Retained Earnings _____	\$
	Total Retained Earnings _____	\$ (5,220,043)

Notes to Statement of Retained Earnings:

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997
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BONDS (ACCT. 221)

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	RATE (b)	FREQUENCY OF PAYMENT (c)	
	%		\$ 0
	%		0
	%		0
	%		0
	%		0
	%		0
	%		0
	%		0
	%		0
	%		0
	%		0
	%		0
Total			\$ 0

ADVANCES FROM ASSOCIATED COMPANIES (ACCT. 223)

Report each advance separately.	
DESCRIPTION (a)	TOTAL (b)
Silver Oaks (22310-00)	\$ 188,700
Total	\$ 188,700

UTILITY NAME: Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 1997

ACCRUED TAXES (ACCT. 236)

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER NO. (d)	OTHER (e)	TOTAL (f)
	Balance First of Year_____	\$ 21,866	\$ 26,553	\$	\$ 48,419
408.10	Accruals Charged: Utility Regulatory Assessment Fees_____	\$ 25,000	\$ 25,000	\$	\$ 50,000
408.11	Property Taxes_____	24,045	24,045		48,090
408.12	Payroll Taxes_____	10,871	10,872		21,743
408.13	Other Taxes & Licenses_____				
409.10	Federal Income Taxes_____				
409.11	State Income Taxes_____				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2)_____				
	Total Taxes Accrued_____	\$ 59,916	\$ 59,917	\$	\$ 119,833
	Taxes Paid During Year:				
408.10	Utility Regulatory Assessment Fees_____	\$ 21,866	\$ 26,553	\$	\$ 48,419
408.11	Property Taxes_____	4,018	4,018		8,036
408.12	Payroll Taxes_____	10,871	10,872		21,743
408.13	Other Taxes & Licenses_____				
409.10	Federal Income Taxes_____				
409.11	State Income Taxes_____				
	Taxes Applicable to other Income (Accts. 408.2, 409.2, 409.3, 410.2)_____				
	Total Taxes Paid_____	\$ 36,755	\$ 41,443	\$	\$ 78,198
	Balance End of Year_____	\$ 45,027	\$ 45,027	\$	\$ 90,054

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

YEAR OF REPORT
December 31, 1996

ACCRUED INTEREST (ACCT. 237)

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	DURING YEAR		INTEREST ACCRUED PAID DURING (e)	BALANCE END OF YEAR YEAR (f)
		DEBIT (c)	ACCT. AMOUNT (d)		
ACCOUNT NO. 237.1 -					
Accrued Interest on Long Term Debt:					
HMF Distributee	\$ 39,229		\$ 4,279	\$	\$ 43,508
Blanche Forman Estate	88,529		6,472		95,001
Land Trust Distributee	44,705		3,254		47,959
Charles Forman	25,785		5,453		31,238
Total Account No. 237.1	\$ 198,248		\$ 19,458	\$	\$ 217,706
ACCOUNT NO. 237.2 -					
Accrued Interest on Other L.:					
Customer Deposits	\$ 1,350		\$ 1,150	\$	\$ 2,500
Canco Enterprises	57,089		123,085		180,174
M. Austin Forman	94,753		30,321	15,226	109,848
Silver Oaks	51,157		7,624	22,200	36,581
Everglades Lakes	9,296		1,764		11,060
C. & H. Forman	41,855		12,956		54,811
H. Forman	10,795		3,717		14,512
Total Account No. 237.2	\$ 266,295		\$ 180,617	\$ 37,426	\$ 409,486
Total Account No. 237	\$ 464,543		\$ * 200,075	\$ 37,426	\$ 627,192

* See F-3(c) Agreed to interest expense breakdown.

**REGULATORY COMMISSION EXPENSE - AMORTIZATION
OF RATE CASE EXPENSE (ACCTS. 666 & 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. NO. (d)	AMOUNT (e)
940765-WS	\$ 31,096	\$ 0		\$ 0
Total	\$ 31,096	\$		\$

UTILITY NAME: Ferncrest Utilities, Inc.

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

DESCRIPTION OF CHARGES (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER (c)	WATER CONNECTION (d)	WASTEWATER (e)
	0	\$ 0	\$ 0	\$ 0
Total Credits _____			\$ <u> </u>	\$ <u> </u>

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 272)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	W & WW THAN SYSTEM REPORTING (d)	OTHER REPORTING TOTAL (e)
Balance first of year	\$ 269,566	\$ 617,960	\$ _____	\$ 887,526
Debits during year:				
Accruals charged to:				
Account 272 _____	\$ 19,070	\$ 39,506	\$ _____	\$ 58,576
Other debits (specify):				

Total debits _____	\$ 19,070	\$ 39,506	\$ _____	\$ 58,576
Credits during year:				

Total Credits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance end of year _____	\$ 288,636	\$ 657,466	\$ _____	\$ 946,102

UTILITY NAME: Ferncrest Utilities, Inc.

**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 _____		\$ (420,585)
Reconciling items for the year:		
Taxable income not reported on books:		

Deductions recorded on books not deducted for return:		
<u>Book depreciation in excess of tax depreciation.</u>		(9,473)

Income recorded on books not included in return:		

Deduction on return not charged against book income:		

Federal tax net income _____		\$ (411,112)
Computation of tax :		

****COMPLETION OF SCHEDULE ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR****

YEAR OF REPORT
December 31, 1997

UTILITY NAME: Ferncrest Utilities, Inc.

SCHEDULE "A"
SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$		%	%
Preferred Stock				
Long Term Debt				
Customer Deposits				
Tax Credits - Zero Cost			0.00%	
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain) : _____				
Total	\$ _____	100.00%		

- (1.) Should equal amounts on Schedule B, Column (f), Page F-25.
- (2.) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

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

WATER OPERATION SECTION

UTILITY NAME:

Ferncrest Utilities, Inc.YEAR OF REPORT
December 31, 1997

WATER UTILITY PLANT ACCOUNTS

NO.	ACCT. ACCOUNT NAME	YEAR	PREVIOUS ADDITIONS	RETIREMENTS
(a)	(b)	(c)	(d)	(e)
301	Organization_____	\$ 1,845	\$	\$
302	Franchises_____	4,300		
303	Land and Land Rights_____	20,000		
304	Structures and Improvements_____	269,954	3,000	
305	Collecting and Impounding Reservoirs_____			
306	Lake, River and Other Intakes			
307	Wells and Springs_____	42,461		
308	Infiltration Galleries and Tunnels_____			
309	Supply Mains_____			
310	Power Generation Equipment_____	42,765		
311	Pumping Equipment_____	176,118	1,554	
320	Water Treatment Equipment_____	317,751		
330	Distribution Reservoirs and Standpipes_____	199,712		
331	Transmission and Distribution Mains_____	236,568	1,631	
333	Services_____	132,486		
334	Meters and Meter Installations_____	59,930	3,560	
335	Hydrants_____			
339	Other Plant and Miscellaneous Equipment_____			
340	Office Furniture and Equipment_____	29,155	3,631	
341	Transportation Equipment_____	25,680		
342	Stores Equipment_____			
343	Tools, Shop and Garage Equip._____			
344	Laboratory Equipment_____	17,675	1,172	
345	Power Operated Equipment_____	17,027	1,044	
346	Communication Equipment_____			
347	Miscellaneous Equipment_____	21,000		
348	Other Tangible Plant_____		16,025	
	Total Water Plant_____	\$ 1614427	\$ 31617	\$

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

W-1(a)

WATER UTILITY PLANT MATRIX

CURRENT YEAR (f)	1. INTANGIBLE PLANT (g)	2. SOURCE OF SUPPLY AND PUMPING PLANT (h)	3. WATER TREATMENT PLANT (i)	4. TRANSMISSION AND DISTRIBUTION PLANT (j)	5. GENERAL PLANT (k)
\$ 1,845	\$ 1,845	\$	\$	\$	\$
4,300	4,300				
20,000			20,000		
272,954			218,160		54,794
42,461		42,461			
42,765		42,765			
177,672		177,672			
317,751			317,751		
				199,712	
199,712					
238,199				238,199	
132,486				132,486	
63,490				63,490	
32,786					32,786
25,680					25,680
18,847					18,847
18,071					18,071
21,000					21,000
16,025					16,025
\$ 1,646,044	\$ 6,145	\$ 262,898	\$ 555,911	\$ 633,887	\$ 187,203

W-1(b)

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997

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	\$ 114,650	\$	\$
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	32,254		
604	Employee Pensions and Benefits	17,930		
610	Purchased Water	13	13	
615	Purchased Power	34,349		
616	Fuel for Power Purchased			
618	Chemicals	28,073		
620	Materials and Supplies	69,035	203	2,374
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	23,183		
633	Contractual Services - Legal	587		
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Other	9,477		
641	Rental of Building/Real Property			
642	Rental of Equipment	254		
650	Transportation Expenses	7,062		
656	Insurance - Vehicle	1,706		
657	Insurance - General Liability	3,847		
658	Insurance - Workman's Comp.	5,051		
659	Insurance - Other	743		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	15,548		
667	Regulatory Commission Expenses -Other			
670	Bad Debt Expense			
675	Miscellaneous Expenses	11,490		
	Total Water Utility Expenses	\$ 375,252	\$ 216	\$ 2,374

W-2(a)

WATER EXPENSE ACCOUNT MATRIX

3. WATER TREATMENT EXPENSES - OPERATIONS (f)	4. WATER TREATMENT EXPENSES - MAINTENANCE (g)	5. TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	6. & DISTRIBUTION EXPENSES - MAINTENANCE (i)	7. TRANSMISSION CUSTOMER ACCOUNTS EXPENSE (j)	8. ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ 89,893	\$	\$	\$	\$ 24,757	\$
5,976				5,977	32,254
34,349					5,977
28,073					
1,654	20,483		16,132		28,189
					23,183
					587
6,888					2,589
					254
					7,062
					1,706
					3,847
					5,051
					743
					15,548
					11,490
\$ 166,833	\$ 20,483	\$	\$ 16,132	\$ 30,734	\$ 138,480

W-2(b)

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997
--

WATER OPERATING REVENUE

NO.	ACCT. DESCRIPTION	BEGINNING YEAR NO. CUSTOMERS	YEAR END NUMBER OF CUSTOMERS	AMOUNT
(a)	(b)	(c)	(d)	(e)
	Operating Revenues:			
460	Unmetered Water Revenue			\$ _____
	Metered Water Revenue:			
461.1	Sales to Residential Customers	1,456	1,470	334,106
461.2	Sales to Commercial Customers	74	79	171,940
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	1	1	
461.5	Sales Multiple Family Dwellings			
	Total Metered Sales	1,531	1,550	\$ 506,046
	Fire Protection Revenue:			
462.1	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			
	Totals	1,531	1,550	\$ 506,046
	Other Water Revenues:			
469	Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			14,912
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 14,912
	Total Water Operating Revenues			\$ 520,958

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997

BASIS FOR WATER DEPRECIATION CHARGES

NO. (a)	ACCT. 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	28 , 33 , 40	0	3.57 , 3.03 , 2.50%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	27 , 30	0	3.70 , 3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment	17 , 20	0	5.88 , 5.00%
311	Pumping Equipment	15 , 20	0	6.67 , 5.00%
320	Water Treatment Equipment	17 , 22	0	5.88 , 4.55%
330	Distribution Reservoirs and Standpipes	33 , 37	0	3.03 , 2.70%
331	Transmission and Distribution Mains	38 , 43	0	2.63 , 2.33%
333	Services	35 , 40	0	2.86 , 2.50%
334	Meters and Meter Installations			
335	Hydrants	17 , 20	0	5.88 , 5.00%
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equip.	15	0	6.67%
341	Transportation Equipment	6	0	16.67%
342	Stores Equipment			
343	Office Furniture and Equip.			
344	Laboratory Equipment	15	0	6.67%
345	Power Operated Equipment	10 , 12	0	10.00 , 8.33%
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	10	0	10.00%
	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:

Fermcrest Utilities, Inc.

YEAR OF REPORT
December 31, 1997

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

NO.	ACCT. ACCOUNT NAME	BALANCE		OTHER CREDITS *	TOTAL CREDITS (d + e)
		AT BEGINNING	ACCRUALS OF YEAR		
(a)	(b)	(c)	(d)	(e)	(f)
304	Structures and Improvements	\$ 146,527	\$ 10,914	\$	\$ 10,914
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	21,808	1,415		1,415
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	18,842	2,138		2,138
311	Pumping Equipment	19,450	8,864		8,864
320	Water Treatment Equipment	105,447	14,443		14,443
330	Distribution Reservoirs and Standpipes	19,106	5,398		5,398
331	Transmission and Distribution Mains	121,558	5,533		5,533
333	Services	78,577	3,312		3,312
334	Meters and Meter Installations	38,040	3,160		3,160
335	Hydrants				
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment	12,867	1,838		1,838
341	Transportation Equipment	24,723	174		174
342	Stores Equipment				
343	Tools, Shop and Garage Equip.				
344	Laboratory Equipment	11,192	1,256		1,256
345	Power Operated Equipment	6,144	1,462		1,462
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	20,065	935		935
	\$213,810 of assets prior to 1984 properly classified.				
	Total Depreciable Water Plant In Service	\$ 644,346	\$ 60,842	\$	\$ 60,842

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

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (Cont'd)

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	ASSOCIATED OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 157,441
_____	_____	_____	_____	_____	23,223
_____	_____	_____	_____	_____	20,980
_____	_____	_____	_____	_____	28,314
_____	_____	_____	_____	_____	119,890
_____	_____	_____	_____	_____	24,504
_____	_____	_____	_____	_____	127,091
_____	_____	_____	_____	_____	81,889
_____	_____	_____	_____	_____	41,200
_____	_____	_____	_____	_____	14,705
_____	_____	_____	_____	_____	24,897
_____	_____	_____	_____	_____	12,448
_____	_____	_____	_____	_____	7,606
_____	_____	_____	_____	_____	21,000
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 705,188

W-5(b)

UTILITY NAME: Ferncrest Utilities, Inc.
 UTILITY SYSTEM _____

YEAR OF REPORT
 December 31, 1997

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 PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January_____	0	17,625	4,762	12,863	10,061
February_____	0	15,487	4,870	10,617	9,359
March_____	0	18,917	5,631	13,286	10,229
April_____	0	17,214	4,025	13,189	10,229
May_____	0	17,864	3,963	13,901	10,215
June_____	0	16,399	4,285	12,114	9,425
July_____	0	17,205	4,115	13,090	10,264
August_____	0	16,942	4,218	12,724	9,574
September_____	0	16,680	4,066	12,614	10,460
October_____	0	17,701	4,947	12,754	9,545
November_____	0	16,380	4,933	11,447	9,451
December_____	0	17,112	4,861	12,251	10,325
Total for year_____		205526	54676	150850	119137

If water is purchased for resale, indicate the following:

Vendor: _____
 Point of delivery _____

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

UTILITY NAME: Ferncrest Utilities, Inc.
 UTILITY SYSTEM: NONA

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	1971	1982		
Types of Well Construction and Casing_____	Black Iron Open Hole Cased	Black Iron Open Hole Cased		
Depth of Wells_____	89'	105'		
Diameters of Wells_____	8"	8"		
Pump - GPM_____	750	750		
Motor - HP_____	30	20		
Yields of Wells in GPD_____	864,000	720,000		
Auxiliary Power_____	Generator	Generator		

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete or pneumatic)_____	Concrete	Pneumatic	Glass on Steel	
Capacity of Tank_____	100,000	5,000	240,000	
Ground or Elevated_____	Ground	Ground	Ground	

HIGH SERVICE PUMPING

(a)	(b)	MOTORS		
		(c)	(d)	(e)
Manufacturer_____	G.E	Toshiba	US	US
Type_____	Electric	Electric	Electric	Electric
Rated Horsepower_____	25	25	50	50
PUMPS				
Manufacturer_____	Crane Deming	Crane Deming	Split Case	Split Case
Type_____	Split Case	Split Case	2,000	2,000
Capacity in GPM_____	450	450		
Average Number of Hours Operated Per Day_____	12	12	0.08	0.08
Auxiliary Power_____	Generator	Generator	Generator	Generator

UTILITY NAME: Ferncrest Utilities, Inc.
UTILITY SYSTEM: NONA

SOURCE OF SUPPLY

List for each source of supply:				
Gallons per day of source _____	1,000,000	_____	_____	_____
Type of source _____	Wells	_____	_____	_____

WATER TREATMENT FACILITIES

List for each water treatment facility:				
Type _____	Catalytic Reator	_____	_____	_____
Make _____	Permutit	_____	_____	_____
Gallons per day Capacity _____	1,000,000	_____	_____	_____
Method of measurement _____	Raw Water Meter	_____	_____	_____

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Present ERC's * the system can efficiently serve. 2,857
- Estimated annual increase in ERC's * . 0
- List fire fighting facilities and capacities. 36 - 6" Eddy Hydrants
- List percent of certificated areas where service connections are installed (total for each county)
95%
- What is the current need for system upgrading and/or expansion? None
- What are plans for future system upgrading and/or expansion? None
- Have questions 5 and 6 been discussed with an engineer? (if so, state name and address)
- Have questions 5 and 6 been discussed with the appropriate state sanitary engineering office?

* ERC = (Total Gallons Sold / 365 days) / 350 Gallons Per Day

UTILITY NAME:
SYSTEM NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
5/8"	Displacement	1.0	1,542	1,542
3/4"	Displacement	1.5		
1"	Displacement	2.5	13	33
1 1/2"	Displacement or Turbine	5.0	6	30
2"	Displacement, Compound or Turbine	8.0	13	104
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5	6	105
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents _____				1,814

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{119,137,000}{\text{(total gallons sold)}} \div 365 \text{ days} \right) \div 350 \text{ gpd} = 933$$

WASTEWATER OPERATION SECTION

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 1997

WASTEWATER UTILITY PLANT ACCOUNTS

NO.	ACCT. ACCOUNT NAME	YEAR	PREVIOUS	
			ADDITIONS	RETIRE
(a)	(b)	(c)	(d)	(e)
351	Organization_____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____
353	Land and Land Rights_____	60,000	_____	_____
354	Structures and Improvements_____	368,570	14,781	_____
360	Collection Sewers - Force_____	_____	_____	_____
361	Collection Sewers - Gravity_____	612,097	_____	_____
362	Special Collecting Structures_____	_____	_____	_____
363	Services to Customers_____	181,273	_____	_____
364	Flow Measuring Devices_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____
371	Pumping Equipment_____	355,560	_____	_____
380	Treatment and Disposal Equip._____	340,767	_____	_____
381	Plant Sewers_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	11,845	_____	_____
390	Office Furniture and Equipment_____	20,910	3,378	_____
391	Transportation Equipment_____	25,080	_____	_____
392	Stores Equipment_____	_____	_____	_____
393	Tools, Shop and Garage Equip._____	27,502	_____	_____
394	Laboratory Equipment_____	21,291	1,172	_____
395	Power Operated Equipment_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____
398	Other Tangible Plant_____	21,000	_____	_____
	Total Wastewater Plant	\$ 2,045,895	\$ 19,331	\$ _____

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

WASTEWATER UTILITY PLANT MATRIX

CURRENT YEAR (f)	1. INTANGIBLE PLANT (g)	2. COLLECTION PLANT (h)	3. SYSTEM PUMPING PLANT (i)	4. TREATMENT AND DISPOSAL (j)	5. GENERAL PLANT (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
60,000		60,000			29,939
383,351			195,440	157,972	
612,097		612,097			
181,273		181,273			
355,560			355,560		
340,767				340,767	
11,845				11,845	24,288
24,288					25,080
25,080					
27,502					27,502
22,463					22,463
21,000					21,000
\$ 2,065,226	\$ _____	\$ 853,370	\$ 551,000	\$ 510,584	\$ 150,272

S-1(b)

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 1997

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	1. COLLECTION EXPENSES- OPERATIONS	2. COLLECTION EXPENSES- MAINTENANCE
(a)	(b)	(c)	(d)	(e)
701	Salaries and Wages - Employees	\$ 114,650	\$	\$
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	32,254		
704	Employee Pensions and Benefits	5,824		
710	Purchased Sewage Treatment			
711	Sludge Removal Expense	57,187		
715	Purchased Power	42,341		
716	Fuel for Power Purchased			
718	Chemicals	4,997		
720	Materials and Supplies	64,708	970	
731	Contractual Services-Engineering	345		
732	Contractual Services - Accounting	21,730		
733	Contractual Services - Legal	1,800		
734	Contractual Services - Mgt. Fees			
735	Contractual Services - Other	22,927		
741	Rental of Building/Real Property	38,971		
742	Rental of Equipment			
750	Transportation Expenses	7,746		
756	Insurance - Vehicle	1,707		
757	Insurance - General Liability	2,613		
758	Insurance - Workman's Comp.	4,058		
759	Insurance - Other	742		
760	Advertising Expense			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	15,548		
767	Regulatory Commission Expenses -Other			
770	Bad Debt Expense			
775	Miscellaneous Expenses	16,803		
	Total Wastewater Utility Expenses	\$ 456,951	\$ 970	\$

WASTEWATER EXPENSE ACCOUNT MATRIX

3. PUMPING EXPENSES - OPERATIONS (f)	4. PUMPING EXPENSES - MAINTENANCE (g)	5. TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	6. DISPOSAL EXPENSES - MAINTENANCE (i)	7. TREATMENT & CUSTOMER ACCOUNTS EXPENSE (j)	8. ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ 89,893	\$ _____	\$ 24,757	\$ _____
					32,254
		5,824			
		57,187			
8,012		34,329			
		4,997			
	12,275	309	23,040		28,114
					345
					21,730
					1,800
					22,927
		38,971			
					7,746
					1,707
					2,613
					4,058
					742
					15,548
					16,803
\$ 8,012	\$ 12,275	\$ 231,510	\$ 23,040	\$ 24,757	\$ 156,387

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT
December 31, 1997

WASTEWATER OPERATING REVENUE

NO.	ACCT. DESCRIPTION	BEGINNING YEAR NO. CUSTOMERS	NUMBER OF CUSTOMERS	YEAR END AMOUNTS
(a)	(b)	(c)	(d)	(e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues			\$
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Auth.			
521.5	Multiple Family Dwelling Rev.			
521.6	Other Revenues			
	Total Flat Rate Revenues			\$
	Measured Revenues:			
522.1	Residential Revenues	1,456	1,470	429,895
522.2	Commercial Revenues	25	21	200,175
522.3	Industrial Revenues			
522.4	Rev. From Public Authorities			
522.5	Multiple Family Dwelling Rev.			
	Total Measured Revenues	1,481	1,491	\$ 630,070
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Totals	1,481	1,491	\$ 630,070
	Other Wastewater Revenues:			
530	Guaranteed Revenues			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			15,269
536	Other Wastewater Revenues			
	Total Other Wastewater Revenues			\$ 15,269
	Total Wastewater Operating Revenues			\$ 645,339

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT.	ACCOUNT NAME NO.	AVERAGE SERVICE LIFE IN YEARS	AVERAGE NET SALVAGE IN PERCENT	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C
(a)	(b)	(c)	(d)	(e)
354	Structures and Improvements	22,27,35	0.00%	4.55 , 3.70 , 2.86
360	Collection Sewers - Force			
361	Collection Sewers - Gravity	40	0.00%	2.50
362	Special Collection Structures			
363	Services to Customers	35,38	0.00%	2.86 , 2.63
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
371	Pumping Equipment	15,18	0.00%	6.67 , 5.56
380	Treatment and disposal Equip.	15,18	0.00%	6.67 , 5.56
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	15,18	0.00%	6.67 , 5.56
390	Office Furniture and Equipment	15.00	0.00%	6.67
391	Transportation Equipment	6	0.00%	16.67
392	Stores Equipment			
393	Tools, Shop and Garage Equip.	15	0.00%	6.67
394	Laboratory Equipment	15	0.00%	6.67
395	Power Operated Equipment	15	0.00%	6.67
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible plant	10	0.00%	10.00
	Wastewater Plant Composite Depreciation Rate *			

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

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

NO.	ACCT. ACCOUNT NAME	BALANCE		OTHER CREDITS *	TOTAL CREDITS (d + e)
		AT BEGINNING	ACCUALS OF YEAR		
(a)	(b)	(c)	(d)	(e)	(f)
354	Structures and Improvements_____	\$ 121,631	\$ 13,500	\$	\$ 13,500
360	Collection Sewers - Force_____				
361	Collection Sewers - Gravity_____	270,851	13,602		13,602
362	Special Collecting Structures_____				
363	Services to Customers_____	89,213	4,770		4,770
364	Flow Measuring Devices_____				
365	Flow Measuring Installations_____				
370	Receiving Wells_____				
371	Pumping Equipment_____	251,517	19,753		19,753
380	Treatment and Disposal Equip._____	112,894	18,931		18,931
381	Plant Sewers_____				
382	Outfall Sewer Lines_____				
389	Other Plant and Miscellaneous Equipment_____	7,622	658		658
390	Office Furniture and Equipment_____	11,378	1,305		1,305
391	Transportation Equipment_____	18,175	2,152		2,152
392	Stores Equipment_____				
393	Tools, Shop and Garage Equip._____	11,218	1,719		1,719
394	Laboratory Equipment_____				
395	Power Operated Equipment_____	11,755	1,498		1,498
396	Communication Equipment_____				
397	Miscellaneous Equipment_____				
398	Other Tangible Plant_____	20,066	934		934
	*Assets Prior to 1984 was allocated				
	Total Wastewater Accumulated Depreciation_____	\$ 926,320	\$ 78,822	\$	\$ 78,822

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

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION (Cont'd)

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	ASSOCIATED OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 135,131
_____	_____	_____	_____	_____	284,453
_____	_____	_____	_____	_____	93,983
_____	_____	_____	_____	_____	271,270
_____	_____	_____	_____	_____	131,825
_____	_____	_____	_____	_____	8,280
_____	_____	_____	_____	_____	12,683
_____	_____	_____	_____	_____	20,327
_____	_____	_____	_____	_____	12,937
_____	_____	_____	_____	_____	13,253
_____	_____	_____	_____	_____	21,000
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 1,005,142

UTILITY NAME: Ferncrest Utilities, Inc.
 UTILITY SYSTEM: _____

YEAR OF REPORT
 December 31, 1997

PUMPING EQUIPMENT

	1	2	3	4	5	
Lift station number _____						
Make or type and nameplate data of pump:	DAVCO 14A11B Self-Prime	DAVCO BA11B Self-Prime	DAVCO BA11B Self-Prime	DAVCO BA11B Self-Prime	S & L 4B2-D	
Year installed _____	1969	1970	1970	1972	1988	
Rated Capacity _____	175	145	145	145	100	
Size _____	4"	3"	3"	3"	4"	
Power:						
Electric _____	X	X	X	X	X	
Mechanical _____						
Nameplate data of motor:	25 hp G.E.	5 hp Baldor	5 hp Baldor	15 hp Lincoln	10 hp G.E.	
Lift station number _____						
Make or type and nameplate data of pump:						
Year installed _____						
Rated Capacity _____						
Size _____						
Power:						
Electric _____						
Mechanical _____						
Nameplate data of motor:						

SERVICE CONNECTIONS

Size (inches) _____	4"					
Type (PVC, VCP, etc.) _____	PVC					
Average length _____						
Number of active service connections _____	1,523					
Beginning of year _____	1,530					
Added during year _____						
Retired during year _____	1					
End of year _____	1,529					
Give full particulars concerning inactive connections:	No	Customers	at	Address		

UTILITY NAME: Ferncrest Utilities, Inc.
 UTILITY SYSTEM: _____

YEAR OF REPORT
 December 31, 1997

COLLECTING MAINS

COLLECTING MAINS:						
Size (inches) _____	8"	6"	4"			
Type of main _____	VCP	VCP	VCP			
Length of main (nearest foot):						
Beginning of year _____	43,316	9,235	10,470			
Added during year _____						
Retired during year _____						
End of year _____	43,316	9,235	10,470			
MANHOLES:						
Size _____	60"					
Type _____	Brick					
Number:						
Beginning of year _____	164					
Added during year _____						
Retired during year _____						
End of year _____	164					

FORCE MAINS

FORCE MAINS:						
Size (inches) _____	4"	6"	4"	4"	6"	
Type of main _____	CI	CA	PVC	CA	PVC	
Length of main (nearest foot):						
Beginning of year _____	600	8,725	3,970	1,000	2,050	
Added during year _____						
Retired during year _____						
End of year _____	600	8,725	3,970	1,000	2,050	

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

TREATMENT PLANT

Manufacturer _____	DAVCO			
Type _____				
"Steel or "Concrete" _____	Steel			
Total Capacity _____	.600			
Average Daily Flow _____	.269			
Effluent Disposal _____	Surface Water Discharge			
Total Gallons of Sewage Treated _____	98,039,000			

MASTER LIFT STATION PUMPS

Manufacturer _____	N/A			
Capacity _____				
Motor: M f r _____				
Horsepower _____				
Power (Electric or Mechanical) _____				

OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Maximum number of ERC's* which can be served. 2,182
- Estimated annual increase in ERC's*. 0
- List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Protection (DEP) for systems in operation. FLA103583-01
- State any plans and estimated completion dates for any enlargements of this system.
Addition of a 100 thousand gallon Digester & changing of old Digester to a Surge Tank. Completion is estimated at September 1998.
- If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - Evaluation of the present plant or plants in regards to meeting the DEP's rules.
 - Plans for funding and construction of the required upgrading.
 - Have these plans been coordinated with the DEP? _____
 - Do they concur? _____
 - When will construction begin? _____
- In what percent of your certificated area have service connections been installed? 80.00%

* ERC = (Total Gallons Sold / 365 days) / 275 Gallons Per Day
 Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment.

UTILITY NAME:

Ferncrest Utilities, Inc.

YEAR OF REPORT December 31, 1997

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE*	TYPE OF ME. ER*	EQUIVALENT FACTOR	NUMBER OF METERS	TOTAL NUMBER OF METER EQUIVALENTS (c x d)
(a)	(b)	(c)	(d)	(e)
5/8"	Displacement	1.0	1,472	1,472
3/4"	Displacement	1.5		
1"	Displacement	2.5	2	5
1 1/2"	Displacement or Turbine	5.0	3	15
2"	Displacement, Compound or Turbine	8.0	2	16
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5	6	105
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5	1	63
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents -----				1,676

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{149,917,000}{\text{(total gallons treated)}} \right) / 365 \text{ days} / 275 \text{ gpd} = 1,494$$