

OFFICIAL COPY
DIVISION OF
WATER AND SEWER
CLASS "A" OR "B"
DO NOT REMOVE FROM THIS OFFICE
WATER and/or WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT
OF

WS081-01-AR
Forest Hills Utilities, Inc.
1518 U.S. Highway 19
Holiday, FL 34691-5649

Submitted To The
STATE OF FLORIDA



State Seal

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REGISTRATION REGULATION
PUBLIC SERVICE

PUBLIC SERVICE COMMISSION
FOR THE
YEAR ENDED DECEMBER 31, 2001

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
CHRISTINE R. CHRISTIAN, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITTEIN, C.P.A.
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March 20, 2002

Officers and Directors
Forest Hills Utilities, Inc.

We have compiled the 2001 Annual Report of Forest Hills Utilities, Inc. in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of Forest Hills Utilities, Inc.. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

Cronin, Jackson, Nixon & Wilson

CRONIN, JACKSON, NIXON & WILSON

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations**

Company: Forest Hills Utilities, Inc

For the Year Ended December 31, 2001

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 283,261	\$ 283,261	\$ -
Commercial	96,808	96,808	-
Industrial	-	-	-
Multiple Family	24,103	24,103	-
Guaranteed Revenues	-	-	-
Other - Public Authority	520	520	-
Total Wastewater Operating Revenue	\$ 404,692	\$ 404,692	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 404,692	\$ 404,692	\$ -

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 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
Water Operations**

Company: Forest Hills Utilities, Inc.

For the Year Ended December 31, 2001

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 389,367	\$ 389,367	\$ -
Commercial	92,415	92,415	-
Industrial	-	-	-
Multiple Family	22,575	22,575	-
Guaranteed Revenues	-	-	-
Other - Misc. Serv. & Public Authority	8,781	8,781	-
Total Water Operating Revenue	\$ 513,138	\$ 513,138	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	\$ -	\$ -	-
Net Water Operating Revenues	\$ 513,138	\$ 513,138	\$ -

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

General Instructions

1. Prepare this report in conformity with the 1984 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 should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which will create a permanent record, such as by 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 of the page 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. Water and wastewater system pages should be grouped together by system and all pages in the water and wastewater sections should be numbered consecutively at the bottom of the page where noted. For example, if the water system pages total 50 pages, they should be grouped by system and numbered from 1 to 50.
11. 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.
12. 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.
13. 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

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT
December 31, 2001

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

- | | | |
|------------|-----------|--|
| YES | NO | |
| (X) | () | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES | NO | |
| (X) | () | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES | NO | |
| (X) | () | 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 | |
| (X) | () | 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.
(X)	(X)	(X)	(X)

Robert F. O'Neil *

(signature of the chief executive officer of the utility)

1.	2.	3.	4.
()	()	()	()

N/A *

(signature of the chief financial officer of the utility)

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

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

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2001

Forest Hills Utilities, Inc.
(Exact Name of Utility)

County: Pasco

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

1518 U.S. Highway 19
Holiday, Florida 34691

Telephone: (727) 937-7457

e-Mail Address: N/A

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number N/A

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

Robert C. Nixon, CPA
Cronin, Jackson, Nixon & Wilson, CPA's, PA
2560 Gulf-to-Bay Blvd, Suite 200
Clearwater, Florida 34625

Telephone: (727) 791-4020

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

1518 U.S. Highway 19
Holiday, Florida 34691

Telephone: (727) 937-7457

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

Cronin, Jackson, Nixon and Wilson, CPA's

Date of original organization of the utility: 2/16/67

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 percent or more of the voting securities of the utility:

	Name	Percent Ownership
1.	Robert L. Dreher	100.0 %
2.		%
3.		%
4.		%
5.		%
6.		%
7.		%
8.		%
9.		%
10.		%

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT December 31, 2001
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DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Robert L. Dreher	President	Forest Hills Utilities, Inc.	Rate and utility matters
Robert C. Nixon	CPA	Cronin, Jackson, Nixon and Wilson, CPA's	Rate and accounting 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 Forest Hills Utilities, Inc.

COMPANY PROFILE

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

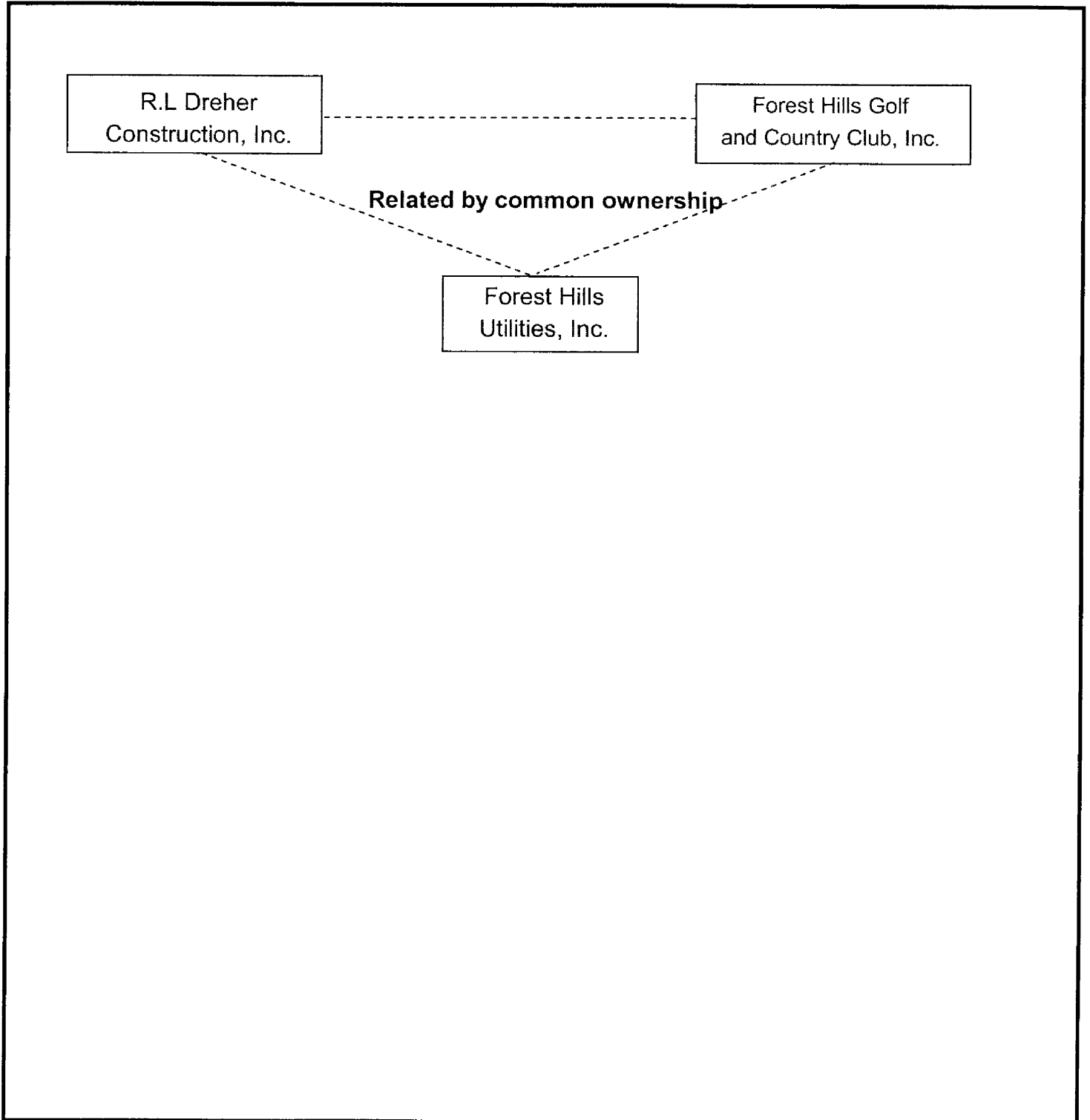
- A. Brief company history.**
- B. Public services rendered.**
- C. Major goals and objectives.**
- D. Major operating divisions and functions.**
- E. Current and projected growth patterns.**
- F. Major transactions having a material effect on operations.**

- A. The Company began operations on February 16, 1967 to serve the Forest Hills development in Holiday, Pasco County, Florida.
- B. The Company provides water and sewer utility service as well as street lighting and trash removal services.
- C. To provide adequate water and sewer service to its customers and a fair rate of return to its owners.
- D. Water, sewer, streetlights and garbage removal.
- E. Approximately 5 customers a year.
- F. None

UTILITY NAME: Forest Hills Utilities, Inc.

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/99

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



UTILITY NAME: Forest Hills 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 UTILITY (c)	OFFICERS COMPENSATION (d)
Robert L. Dreher	President	75 %	\$ 56,000
Diane Dreher	Vice President	0 %	\$ None
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as an director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
Robert L. Dreher	President	1	\$ None
Diane Dreher	Vice President	1	\$ None
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Forest Hills Utilities, Inc.

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, and 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		\$	

* 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: Forest Hills Utilities, Inc.

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principal occupation or business affiliation and all 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)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Robert L. Dreher	Developer	President	R.L. Dreher Construction, Inc 1518 U.S. Highway 19 Holiday, Florida
	Owner	President	Forest Hills Golf and Country Club, Inc. 1518 U.S. Highway 19 Holiday, Florida

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT December 31, 2001
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BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT OF PROVIDING WATER OR SEWER 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 sewer 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 revenues 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: Forest Hills Utilities, Inc.

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, 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 or (S)old (d)	AMOUNT (e)
R.L. Dreher Construction, Inc.	Land, Building and Equipment rent ; System and Lawn & Site Maintenance	Open	P	\$ 76,000
Robert L. Dreher	Office & Equipment rent	Open	P	14,400

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT December 31, 2001
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

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.

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.

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 (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 (e)	FAIR MARKET VALUE (f)
None		\$	\$	\$	\$

FINANCIAL

SECTION

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT
December 31, 2001

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 1,518,367	\$ 1,511,878
108-110	Less: Accumulated Depreciation and Amortization	F-8	(853,462)	(795,304)
Net Plant			664,905	716,574
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			664,905	716,574
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9		
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property				
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property and Investments				
CURRENT AND ACCRUED ASSETS				
131	Cash		98,609	113,462
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts	F-11	273,713	262,756
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials 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		
Total Current and Accrued Assets			372,322	376,218

* Not Applicable for Class B Utilities

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT December 31, 2001

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13		
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14	7,096	12,171
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		7,096	12,171
	TOTAL ASSETS AND OTHER DEBITS		\$ 1,044,323	\$ 1,104,963

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

UTILITY NAME: Forest Hills Utilities, Inc.

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 500	\$ 500
204	Preferred Stock Issued	F-15		
202,205*	Capital Stock Subscribed			
203,206*	Capital Stock Liability for Conversion			
207*	Premium on Capital Stock			
209*	Reduction in Par or Stated Value of Capital Stock			
210*	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid-in Capital		170,835	170,835
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	220,206	147,824
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			391,541	319,159
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		30,000
Total Long Term Debt				30,000
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		104,028	109,509
232	Notes Payable	F-18		
233	Accounts Payable to Associated Co.	F-18	237,857	307,640
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		13,475	16,945
236	Accrued Taxes	W/S-3	41,302	41,879
237	Accrued Interest	F-19		838
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	29,125	40,633
Total Current and Accrued Liabilities			425,787	517,444

* Not Applicable for Class B Utilities

UTILITY NAME: Forest Hills Utilities, Inc.

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20		
253	Other Deferred Credits (Contributed Taxes)	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits				
OPERATING RESERVES				
261	Property Insurance Reserve			
262	Injuries and 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-22	558,482	555,917
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	331,487	317,557
Total Net C.I.A.C.			226,995	238,360
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 Accum. Deferred Income Taxes				
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 1,044,323	\$ 1,104,963

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 930,641	\$ 917,830
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			930,641	917,830
401	Operating Expenses	F-3(b)	804,998	777,516
403	Depreciation Expense	F-3(b)	61,935	58,158
	Less: Amortization of CIAC	F-22	(13,865)	(13,930)
Net Depreciation Expense			48,070	44,228
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC) (Plant Abandon	F-3(b)		
408	Taxes Other Than Income	W/S-3	81,163	67,303
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			934,231	889,047
Net Utility Operating Income			(3,590)	28,783
469/530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
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 [Enter here and on Page F-3(c)]			(3,590)	28,783

* For each account, column e should agree with columns f, g + h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3* (f)	SEWER SCHEDULE S-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 513,138	\$ 404,692	N/A
513,138	404,692	-
424,025	353,491	
36,805 (6,504)	21,353 (7,426)	
30,301	13,927	-
37,292	30,011	
491,618	397,429	
21,520	7,263	
21,520	7,263	N/A

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR (e)
Total Utility Operating Income [from Page F-3(a)]			\$ (3,590)	\$ 28,783
OTHER INCOME AND DEDUCTIONS				
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income			
421	Miscellaneous Nonutility Revenue		221,302	222,858
426	Miscellaneous Nonutility Expenses		(181,014)	(175,466)
Total Other Income and Deductions			40,288	47,392
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable to Other Income				
INTEREST EXPENSE				
427	Interest Expense	F-19	4,578	3,793
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			4,578	3,793
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET INCOME			32,120	72,382

Explain Extraordinary Income:

UTILITY NAME: Forest Hills Utilities, Inc.

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	\$ 834,515	\$ 683,352
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	542,725	310,737
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	260,993	297,489
252	Advances for Construction	F-20		
Subtotal			30,797	75,126
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	150,245	181,242
Subtotal			181,042	256,368
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		53,003	44,186
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 234,045	\$ 300,554
NET UTILITY OPERATING INCOME			\$ 21,520	\$ 7,263
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			9.19 %	2.42 %

NOTES:

- (1) Estimated if not known.
- (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 Method.

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ 355,350	92.16 %	9.25 %	8.52 %
Preferred Stock		%	- %	%
Long Term Debt	15,000	3.89 %	8.00 %	0.3112 %
Customer Deposits	15,210	3.94 %	6.00 %	0.2364 %
Tax Credits - Zero Cost		%	- %	%
Tax Credits - Weighted Cost		%	- %	%
Deferred Income Taxes		%	- %	%
Other (Explain)		%	- %	%
Notes Payable - Assoc Co		%	%	%
Total	\$ 385,560	99.99 %		9.07 %

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

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	<u>9.25</u> %
Commission order approving Return on Equity:	<u>PSC-97-1458-FOF-SU</u>

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

Current Commission approved AFUDC rate:	<u>None</u> %
Commission order approving AFUDC rate:	<u> </u>

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: Forest Hills Utilities, Inc.

YEAR OF REPORT
December 31, 2001

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts Utility Plant In Service	\$ 834,515	\$ 683,352	N/A	\$ 1,517,867
102	Utility Plant Leased to Others				
103	Property Held for Future Use		500		500
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
106	Completed Construction Not Classified				
Total Utility Plant		\$ 834,515	\$ 683,852	N/A	\$ 1,518,367

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

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

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment N/A	\$ -	\$ -	\$ -	\$ -
Total Plant Acquisition Adjustment		\$ -	\$ -	\$ -	\$ -
115	Accumulated Amortization N/A	\$ -	\$ -	\$ -	\$ -
Total Accumulated Amortization		\$ -	\$ -	\$ -	\$ -
Total Acquisition Adjustments		\$ -	\$ -	\$ -	\$ -

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 505,920	\$ 289,384	N/A	\$ 795,304
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	36,805	21,353		58,158
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				

Salvage		-		
Other Credits (specify) :				

Total credits	36,805	21,353		58,158
Debits during year:				
Book cost of plant retired	-	-		
Cost of removal				
Other debits (specify)				

Total debits				
Balance end of year	\$ 542,725	\$ 310,737	N/A	\$ 853,462

ACCUMULATED AMORTIZATION Account 110				
Balance first of year N/A	N/A	N/A	N/A	N/A
Credits during year:				
Accruals charged:				

to Account 110.2 (2)				
Other Accounts (specify):				

Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				

Total debits				
Balance end of year	N/A	N/A	N/A	N/A

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

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT December 31, 2001
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**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCTS. 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (c)	AMOUNT (d)
None	\$ -	-	\$ -
Total	\$ -		\$ -

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)
None	\$ -	\$ -	\$ -	\$ -
Total Nonutility Property	\$ -	\$ -	\$ -	\$ -

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): None	\$ -
Total Special Deposits	\$ -
OTHER SPECIAL DEPOSITS (Account 133): None	\$ -
Total Other Special Deposits	\$ -

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT
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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 (ACCT. 123): N/A	\$ -	\$ -
Total Investment In Associated Companies		\$ -
UTILITY INVESTMENTS (ACCT. 124): N/A	\$ -	\$ -
Total Utility Investments		\$ -
OTHER INVESTMENTS (ACCT. 125): N/A	\$ -	\$ -
Total Other Investments		\$ -
SPECIAL FUNDS (ACCTS. 126 & 127) N/A	\$ -	\$ -
Total Special Funds		\$ -

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT
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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 Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 37,208	
Wastewater	132,034	
Other	79,596	
Total Customer Accounts Receivable		\$ 248,838
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
Other accounts receivable	\$ 24,875	
Total Other Accounts Receivable		\$ 24,875
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		273,713
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ -	
Add: Provision for uncollectables for current year		
Collections 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		\$ 273,713

UTILITY NAME: Forest Hills Utilities, Inc.

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

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
None	\$ -
Total	\$ -

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
None		\$ -
Total		\$ -

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	TOTAL (c)
None	\$ -
Total	\$ -

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT
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UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
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):		
N/A	\$ -	\$ -
Total Unamortized Debt Discount and Expense		
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$ -	\$ -
Total Unamortized Premium on Debt	\$ -	\$ -

EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
N/A	\$ -
Total Extraordinary Property Losses	\$ -

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT December 31, 2001
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**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1): None	\$ -	\$ -
Total Deferred Rate Case Expense	\$ -	\$ -
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): Cost of removal - sewer plant (net)	\$ 5,075	\$ 7,096
Total Other Deferred Debits	\$ 5,075	\$ 7,096
REGULATORY ASSETS (Class A Utilities: Account 186.3): None	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 5,075	\$ 7,096

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (d)
COMMON STOCK		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized		500
Shares issued and outstanding		500
Total par value of stock issued	\$ 500	\$ 500
Dividends declared per share for year	None	None
PREFERRED STOCK		
Par or stated value per share	\$ -	\$ -
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued		
Dividends declared per share for year	None	None

* 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)	
N/A	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ -

* 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	\$ 147,824
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	72,382
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	_____
	Year end Balance	220,206
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____	_____
214	Total Appropriated Retained Earnings	_____
	Total Retained Earnings	\$ 220,206

Notes to Statement of Retained Earnings:

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT December 31, 2001
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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$ -
Total	\$ -

**OTHER LONG TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			NONE

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

UTILITY NAME: Forest Hills Utilities, Inc.

NOTES PAYABLE (ACCTS. 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): N/A			\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ -
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): N/A			\$ -
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			

* 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)
Dreher Construction	\$ 342,215
Robert L Dreher	(161,867)
Forest Hills Golf Club	82,509
Total	\$ 262,857

**ACCRUED INTEREST AND EXPENSE
 ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBT (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					
Cecil Raymond	\$ -	427.1	\$ 356	\$ 356	\$ -
	-				
Total Account No. 237.1	-		356	356	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer deposits	-	427.4	725	725	-
Other Interest	838	427.5	2,712	3,550	
Total Account 237.2	838		3,437	4,275	
Total Account 237 (1)	\$ 838		\$ 3,793	\$ 4,631	\$ -
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 3,793		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 3,793		

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT December 31, 2001
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Non-utility (Streetlights and garbage) customer deposits	\$ 29,125
Total Miscellaneous Current and Accrued Liabilities	\$ 29,125

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	ACCT.		CREDITS (e)	BALANCE END OF YEAR (f)
		DEBIT (c)	AMOUNT (d)		
None	\$ -		\$ -	\$ -	\$ -
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
Total	\$ -		\$ -	\$ -	\$ -

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

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT
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**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)		
N/A		-
Total Regulatory Liabilities	\$ -	\$ -
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)		
N/A	\$ -	\$ -
Total Deferred Liabilities	\$ -	\$ -
TOTAL OTHER DEFERRED CREDITS	\$ -	\$ -

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 259,328	\$ 296,589	N/A	\$ 555,917
Add credits during year:	1,665	900		2,565
Less debits charged during	-	-		-
Total Contributions In Aid of Construction	\$ 260,993	\$ 297,489	\$ -	\$ 558,482

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 143,741	\$ 173,816	N/A	\$ 317,557
Debits during year:	6,504	7,426		13,930
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 150,245	\$ 181,242		\$ 331,487

UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT
December 31, 2001

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

1. The reconciliation should include the same detail as furnished on schedule M-1 of the federal income 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 computation 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, assignment, or sharing of the consolidated tax among group members.

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year	<u>F-3 (c)</u>	<u>N/A</u>
Reconciling items for the year:		
Taxable income not reported on the books:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Income recorded on books not included in return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income		
Computation of tax: The Company is a Subchapter 'S' Corporation for income tax purposes; therefore, this Schedule is not applicable		

**WATER
OPERATION
SECTION**

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
December 31, 2001

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 834,515
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	542,725
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	260,993
252	Advances for Construction	F-20	
	Subtotal		30,797
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	150,245
	Subtotal		181,042
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		53,003
	Other (Specify):		
	WATER RATE BASE		\$ 234,045
	UTILITY OPERATING INCOME	W-3	\$ 21,520
ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Bas			9.19 %

- NOTES: (1) Class A calculate consistent with last rate proceeding. Class B estimated if not known.
 (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.

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 513,138
469	Less: Guarenteed Revenue and AFPI	W-9	
	Net Operating Revenues		513,138
401	Operating Expenses	W-10(a)	424,025
403	Depreciation Expense	W-6(a)	36,805
	Less: Amortization of CIAC	W-8(a)	(6,504)
	Net Depreciation Expense		30,301
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		23,091
408.11	Property Taxes		7,024
408.12	Payroll Taxes		6,903
408.13	Other Taxes & Licenses		274
408	Total Taxes Other Than Income		37,292
409.1	Income Taxes	F-16	
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		491,618
	Utility Operating Income		21,520
469	Add Back: Guarenteed 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		\$ 21,520

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
 December 31, 2001

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization		\$ -	\$ -	
302	Franchises				
303	Land and Land Rights	12,234			12,234
304	Structure and Improvements	18,477			18,477
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	64,417			64,417
308	Infiltration Galleries and Tunnels				
309	Supply Mains	137,222			137,222
310	Power Generation Equipment				
311	Pumping Equipment	21,192			21,192
320	Water Treatment Equipment	11,254			11,254
330	Distribution Reservoirs and Standpipes	15,072			15,072
331	Transmission and Distribution Mains	155,124			155,124
333	Services	6,396			6,396
334	Meters and Meter Installations	87,783	4,489		92,272
335	Hydrants	3,437			3,437
339	Other Plant / Miscellaneous Equipment				
340	Office Furniture and Equipment	43,452	2,000		45,452
341	Transportation Equipment	113,572			113,572
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	490			490
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment	39,636			39,636
348	Other Tangible Plant	98,268			98,268
	TOTAL WATER PLANT	\$ 828,026	\$ 6,489		\$ 834,515

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

UTILITY NAME: Forest Hills Utilities, Inc.
SYSTEM NAME / COUNTY: Forest Hills

YEAR OF REPORT
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WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization		\$ -				
302	Franchises						
303	Land and Land Rights	12,234		\$ 2,500	\$ -	\$ -	\$ 9,734
304	Structure and Improvements	18,477				1,568	16,909
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	64,417		64,417			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	137,222		137,222			
310	Power Generation Equipment						
311	Pumping Equipment	21,192		21,192			
320	Water Treatment Equipment	11,254			11,254		
330	Distribution Reservoirs and Standpipes	15,072				15,072	
331	Transmission and Distribution Mains	155,124				155,124	
333	Services	6,396				6,396	
334	Meters and Meter Installations	92,272				92,272	
335	Hydrants	3,437				3,437	
339	Other Plant / Miscellaneous Equipment						
340	Office Furniture and Equipment	45,452					45,452
341	Transportation Equipment	113,572					113,572
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	490					490
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment						
347	Miscellaneous Equipment	39,636					39,636
348	Other Tangible Plant	98,268					98,268
	TOTAL WATER PLANT	\$ 834,515		\$ 225,331	\$ 11,254	\$ 273,869	\$ 324,061

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
December 31, 2001

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)
301	Organization		%	%
302	Franchises		%	%
304	Structure and Improvements	40	%	2.50 %
305	Collecting and Impounding Reservoirs		%	%
306	Lake, River and Other Intakes		%	%
307	Wells and Springs	40	%	2.50 %
308	Infiltration Galleries and Tunnels		%	%
309	Supply Mains	40	%	2.50 %
310	Power Generation Equipment		%	%
311	Pumping Equipment	40	%	2.50 %
320	Water Treatment Equipment	40	%	2.50 %
330	Distribution Reservoirs and Standpipes	40	%	2.50 %
331	Transmission and Distribution Mains	40	%	2.50 %
333	Services	40	%	2.50 %
334	Meters and Meter Installations	40	%	2.50 %
335	Hydrants	40	%	2.50 %
339	Other Plant / Miscellaneous Equipment		%	%
340	Office Furniture and Equipment	10	%	10.00 %
341	Transportation Equipment	5	%	20.00 %
342	Stores Equipment		%	%
343	Tools, Shop and Garage Equipment	10	%	10.00 %
344	Laboratory Equipment		%	%
345	Power Operated Equipment		%	%
346	Communication Equipment		%	%
347	Miscellaneous Equipment	10	%	10.00 %
348	Other Tangible Plant	40	%	2.50 %
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.

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)
301	Organization	\$ -	\$ -	\$ -	\$ -
302	Franchises				
304	Structure and Improvements	14,343	706		706
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	18,704	1,610		1,610
308	Infiltration Galleries and Tunnels				
309	Supply Mains	97,078	3,431		3,431
310	Power Generation Equipment				
311	Pumping Equipment	5,115	530		530
320	Water Treatment Equipment	7,877	281		281
330	Distribution Reservoirs and Standpipes	10,719	377		377
331	Transmission and Distribution	87,147	3,878		3,878
333	Services	4,549	160		160
334	Meters and Meter Installations	41,576	2,251		2,251
335	Hydrants	2,164	85		85
339	Other Plant / Miscellaneous Equipment				
340	Office Furniture and Equipment	8,298	5,814		5,814
341	Transportation Equipment	98,347	15,225		15,225
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	490	0		0
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment	39,636	0		0
348	Other Tangible Plant	69,877	2,457		2,457
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 505,920	\$ 36,805	\$ -	\$ 36,805

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

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i+j)	BALANCE AT END OF YEAR (c+f-k) (k)
301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -
302	Franchises					
304	Structure and Improvements					15,049
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					20,314
308	Infiltration Galleries and Tunnels					
309	Supply Mains					100,509
310	Power Generation Equipment					
311	Pumping Equipment					5,645
320	Water Treatment Equipment					8,158
330	Distribution Reservoirs and Standpipes					11,096
331	Transmission and Distribution					91,025
333	Services					4,709
334	Meters and Meter Installations					43,827
335	Hydrants					2,249
339	Other Plant / Miscellaneous Equipment					14,112
340	Office Furniture and Equipment					113,572
341	Transportation Equipment					
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					490
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					
347	Miscellaneous Equipment					39,636
348	Other Tangible Plant					72,334
TOTAL WATER ACCUMULATED DEPRECIATION		\$ -	\$ -	\$ -	\$ -	\$ 542,725

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/COUNTY

YEAR OF REPORT December 31, 2001

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance First of Year		\$ 259,328
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	W-8(a)	1,665
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		1,665
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 260,993

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

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

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
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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)
Main Extension	9	\$ 185	\$ 1,665
			-
			-
			-
Total Credits			\$ 1,665

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 143,741
Debits during year:	
Accruals charged to Account	6,504
Other Debits (specify):	
Total debits	6,504
Credits during year (specify):	
Total credits	
Balance end of year	\$ 150,245

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

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

DESCRIPTION (a)	INDICATE "CASH" OR "PROPERTY" (b)	WATER (c)
N/A		
Total Credits		N/A

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
December 31, 2001

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
460	Water Sales: Unmetered Water Revenue			
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	2,062	2,054	\$ 389,367
461.2	Metered Sales to Commercial Customers	99	100	92,415
461.3	Metered Sales to Industrial Customers			
461.4	Metered Sales to Public Authorities	2	2	1,279
461.5	Metered Sales to Multiple Family Dwellings	101	113	22,575
	Total Metered Sales	2,264	2,269	505,636
	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			
	Total Water Sales	2,264	2,269	505,636
	Other Water Revenues:			
469	Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			7,502
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 7,502
	Total Water Operating Revenues			\$ 513,138

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

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	\$ 84,084	\$ 1,139	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	44,800		
604	Employee Pensions and Benefits	2,082		
610	Purchased Water	750	750	
615	Purchased Power	18,143	18,143	
616	Fuel for Power Purchased			
618	Chemicals	7,588		
620	Materials and Supplies	36,347		13,321
631	Contractual Services - Engineering	697		
632	Contractual Services - Accounting	6,626		
633	Contractual Services - Legal	100		
634	Contractual Services - Mgt. Fees	37,000	6,166	6,166
635	Contractual Services - Testing	11,921		
636	Contractual Services - Other	60,376		
641	Rental of Building/Real Property	47,800	36,900	
642	Rental of Equipment	4,200		
650	Transportation Expense	5,297		
656	Insurance - Vehicle	2,448		
657	Insurance - General Liability			
658	Insurance - Workmens Comp.	3,660		
659	Insurance - Other	17,155		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense	2,033		
675	Miscellaneous Expenses	30,918		
Total Water Utility Expenses		\$ 424,025	\$ 63,098	\$ 19,487

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)
\$ 2,555	\$ -	\$ 9,580	\$ 5,656	\$ 7,071	\$ 58,083
					44,800
					2,082
7,588					
	621		7,450	652	14,303
					697
					6,626
					100
6,166	6,166	6,170	6,166		
11,921					
				7,826	52,550
			10,900		
			4,200		
					5,297
					2,448
					3,660
					17,155
				2,033	
	1,912				29,006
\$ 28,230	\$ 8,699	\$ 15,750	\$ 34,372	\$ 17,582	\$ 236,807

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
December 31, 2001

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		12,882	1,294	11,588	11,588
February		12,353	129	12,224	12,224
March		13,471	162	13,309	13,309
April		13,066	1,147	11,919	11,919
May		14,132	1,751	12,381	12,381
June		11,777		11,777	12,069
July	275	10,360	1,541	9,094	8,819
August	2	12,102	1,749	10,355	10,352
September		10,697		10,697	11,144
October		14,277	2,786	11,491	11,492
November		13,885	915	12,970	12,970
December		13,891	2,293	11,598	11,598
Total for year	277	152,893	13,767	139,403	139,865

If water is purchased for resale, indicate the following:

Vendor Pasco County
 Point of delivery US 19 & Forest Hills Blvd.

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

N/A

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well 1	20,000	20,000	Ground
Well 2	100,000	75,304	Ground
Well 4	110,000	49,000	Ground
Well 5	85,000	81,000	Ground
Well 6	110,000	69,000	Ground
Well 8	70,000	68,000	Ground
Well 10	100,000	11,000	Ground
Well 11	100,000	42,000	Ground

UTILITY NAME: Forest Hills Utilities, Inc.
SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
December 31, 2001

WATER TREATMENT PLANT INFORMATION
Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>300,000</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellheads</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc):	<u>Chemical</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon):	<u>N/A</u> Manufacturer <u>N/A</u>
FILTRATION	
Type and size of area:	
Pressure (in square feet):	<u>N/A</u> Manufacturer <u>N/A</u>
Gravity (in GPM/square feet):	<u>N/A</u> Manufacturer <u>N/A</u>

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
December 31, 2001

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)
All Residential		1.0	2,054	2,054
5/8"	Displacement	1.0	201	201
3/4"	Displacement	1.5		
1"	Displacement	2.5	1	3
1 1/2"	Displacement or Turbine	5.0	7	35
2"	Displacement, Compound or Turbine	8.0	5	40
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	1	25
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				2,358

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: $ERC = \frac{139,865 \text{ gallons}}{350 \text{ gallons per day} \times 365 \text{ days}}$ <u>1,094.8</u> ERC's
--

UTILITY NAME: Forest Hills Utilities, Inc.
SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
December 31, 2001

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's * that system can efficiently serve. 1,095
2. Maximum number of ERC's * which can be served. 1,261
3. Present system connection capacity (in ERC's *) using existing lines. 1,261
4. Future system connection capacity (in ERC's *) upon service area buildout. None - System is built-out
5. Estimated annual increase in ERC's ' None - Utility is built out
6. Is the utility required to have fire flow capacity?
If so, how much capacity is required? Yes
750gpm for 4 hours
7. Attach a description of the fire fighting facilities. Hydrants
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? None
10. If the present system does not meet the requirements of DEP rules:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules. N/A
 - b. Have these plans been approved by DEP? N/A
 - c. When will construction be N/A
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order othe DEP? No
11. Department of Environmental Protection ID # 6512067
12. Water Management District Consumptive Use Permit # 206028-02
 - 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 N/A

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

**WASTEWATER
OPERATION
SECTION**

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(b)	\$ 683,352
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	310,737
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	297,489
252	Advances for Construction	F-20	
	Subtotal		75,126
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	181,242
	Subtotal		256,368
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		44,186
	Other (Specify):		
	WASTEWATER RATE BASE		\$ 300,554
	UTILITY OPERATING INCOME	S-3	\$ 7,263
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		2.42 %

- NOTES: (1) Class A calculate consistent with last rate proceeding. Class B estimated if not known.
 (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.

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	S-9	\$ 404,692
530	Less: Guarenteed Revenue and AFPI	S-9	
	Net Operating Revenues		404,692
401	Operating Expenses	S-10(a)	353,491
403	Depreciation Expense	S-6(a)	21,353
	Less: Amortization of CIAC	S-8(a)	(7,426)
	Net Depreciation Expense		13,927
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		18,211
408.11	Property Taxes		6,985
408.12	Payroll Taxes		4,707
408.13	Other Taxes & Licenses		108
408	Total Taxes Other Than Income		30,011
409.1	Income Taxes	F-16	
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		397,429
	Utility Operating Income		7,263
469	Add Back: Guarenteed Revenue (and AFPI)		
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		\$ 7,263

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

YEAR OF REPORT
 December 31, 2001

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (D)(2)	RETIREMENTS (e)(1)	CURRENT YEAR (f)
351	Organization		\$ -		
352	Franchises				
353	Land and Land Rights	7,100			7,100
354	Structure and Improvements	13,028			13,028
355	Power Generation Equipment	0			
360	Collection Sewers - Force	474,128			474,128
361	Collection Sewers - Gravity				
362	Special Collecting Structures				
363	Services to Customers	60,420			60,420
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	101,671			101,671
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment				
390	Office Furniture & Equipment	20,528			20,528
391	Transportation Equipment	4,000			4,000
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	2,477			2,477
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 683,352	\$ -	\$ -	\$ 683,352

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

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization							
352	Franchises							
353	Land and Land Rights							
354	Structure and Improvements							
355	Power Generation Equipment							
360	Collection Sewers - Force							
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs			101,671				
375	Reuse Transmission and Distribution System							
380	Treatment & Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipment							
390	Office Furniture & Equipment							20,528
391	Transportation Equipment							4,000
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							2,477
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ -	\$ 541,148	\$ 113,199	\$ -	\$ -	\$ -	\$ 29,005

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

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)
351	Organization		%	%
352	Franchises		%	%
354	Structure and Improvements	40	%	2.50 %
355	Power Generation Equipment		%	%
360	Collection Sewers - Force	40	%	2.50 %
361	Collection Sewers - Gravity		%	%
362	Special Collecting Structures		%	%
363	Services to Customers	40	%	2.50 %
364	Flow Measuring Devices		%	%
365	Flow Measuring Installations		%	%
366	Reuse Services		%	%
367	Reuse Meters and Meter Installations		%	%
370	Receiving Wells		%	%
371	Pumping Equipment	40	%	2.50 %
374	Reuse Distribution Reservoirs		%	%
375	Reuse Transmission and Distribution System		%	%
380	Treatment & Disposal Equipment		%	%
381	Plant Sewers		%	%
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment		%	%
390	Office Furniture & Equipment	6	%	16.67 %
391	Transportation Equipment	5	%	20.00 %
392	Stores Equipment		%	%
393	Tools, Shop and Garage Equipment	10	%	10.00 %
394	Laboratory Equipment		%	%
395	Power Operated Equipment		%	%
396	Communication Equipment		%	%
397	Miscellaneous Equipment		%	%
398	Other Tangible Plant		%	%
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: Forest Hills Utilities, Inc.
SYSTEM NAME / COUNTY: Forest Hills/Pasco

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)
351	Organization			\$ -	
352	Franchises				
354	Structure and Improvements	4,018	326		326
355	Power Generation Equipment				
360	Collection Sewers - Force	198,082	13,552		13,552
361	Collection Sewers - Gravity				
362	Special Collecting Structures				
363	Services to Customers	40,107	1,511		1,511
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
374	Reuse Distribution Reservoirs	38,989	2,542		2,542
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment				
390	Office Furniture & Equipment	1,711	3,422		3,422
391	Transportation Equipment	4,000	-		
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	2,477	-		
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 289,384	\$ 21,353	\$ -	\$ 21,353

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

UTILITY NAME Forest Hills Utilities, Inc.

SYSTEM NAME / COUNTY: Forest Hills/Pasco

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (k)
351	Organization	\$ -	\$ -	\$ -	\$ -	
352	Franchises					
354	Structure and Improvements					4,344
355	Power Generation Equipment					
360	Collection Sewers - Force					
361	Collection Sewers - Gravity					211,634
362	Special Collecting Structures					
363	Services to Customers					
364	Flow Measuring Devices					41,618
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					
371	Pumping Equipment					
374	Reuse Distribution Reservoirs					41,531
375	Reuse Transmission and Distribution System					
380	Treatment & Disposal Equipment					
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					
390	Office Furniture & Equipment					5,133
391	Transportation Equipment					4,000
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					2,477
395	Power Operated Equipment					
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service		\$ -	\$ -	\$ -	\$ -	\$ 310,737

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

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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)
Main Extension	3	\$ 300	\$ 900
Total Credits			\$ 900

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 173,816
Debits during year:	
Accruals charged to Account	7,426
Other Debits (specify):	
Total debits	7,426
Credits during year (specify):	
Total credits	
Balance end of year	\$ 181,242

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
WASTEWATER SALES				
	Flat Rate Revenues:			
521.1	Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
	Measured Revenues:			
522.1	Residential Revenues	974	969	\$ 283,261
522.2	Commercial Revenues	59	59	96,808
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities	1	1	520
522.5	Multiple Family Dwelling Revenues (Units)	80	88	24,103
522	Total Measured Revenues	1,114	1,117	404,692
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	1,114	1,117	\$ 404,692
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
	Total Other Wastewater Revenues			\$ -

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

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

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WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
Flat Rate Reuse Revenues:				
540.1	Residential Reuse Revenues			\$ _____
540.2	Commercial Reuse Revenues			_____
540.3	Industrial Reuse Revenues			_____
540.4	Reuse Revenues From Public Authorities			_____
540.5	Other Reuse Revenues			_____
540	Total Flat Rate Reuse Revenues			_____
Measured Reuse Revenues:				
541.1	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>404,692</u>

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

UTILITY NAME Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNT Forest Hills/Pasco

YEAR OF REPORT
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WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 54,542	\$ 1,597	\$ -	\$ -	\$ 1,597	\$ 9,580	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	11,200						
704	Employee Pensions and Benefits							
710	Purchased Sewage Treatment	237,915					237,915	
711	Sludge Removal Expense							
715	Purchased Power	4,461			4,461			
716	Fuel for Power Purchased							
718	Chemicals							
720	Materials and Supplies	9,977		2,760		5,974		
731	Contractual Services - Engineering							
732	Contractual Services - Accounting	4,250						
733	Contractual Services - Legal							
734	Contractual Services - Mgt. Fees	3,000		3,000				
735	Contractual Services - Testing	4,800						
736	Contractual Services - Other							
741	Rental of Building/Real Property	10,900						
742	Rental of Equipment							
750	Transportation Expense	1,593						
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workmens Comp.	2,440						
759	Insurance - Other	1,482						
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	1,220						
775	Miscellaneous Expenses	5,711				9	5,074	
	Total Wastewater Utility Expenses	\$ 353,491	\$ 1,597	\$ 5,760	\$ 4,461	\$ 7,580	\$ 252,569	\$ -

UTILITY NAME Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY Forest Hills/Pasco

YEAR OF REPORT
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WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES - OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES - MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES - OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES - MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ 2,741	\$ 39,027	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders		11,200				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services - Engineering		1,243				
732	Contractual Services - Accounting		4,250				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing		4,800				
736	Contractual Services - Other						
741	Rental of Building/Real Property						
742	Rental of Equipment		10,900				
750	Transportation Expense						
756	Insurance - Vehicle		1,593				
757	Insurance - General Liability						
758	Insurance - Workmens Comp.						
759	Insurance - Other		2,440				
760	Advertising Expense		1,482				
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense						
775	Miscellaneous Expenses	1,220	628				
Total Wastewater Utility Expenses		\$ 3,961	\$ 77,563	\$ -	\$ -	\$ -	\$ -

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

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CALCULATION OF THE WASTEWATER 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)
All Residential		1.0	974	974
5/8"	Displacement	1.0	129	129
3/4"	Displacement	1.5		
1"	Displacement	2.5	1	3
1 1/2"	Displacement or Turbine	5.0	7	35
2"	Displacement, Compound or Turbine	8.0	2	16
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	1	25
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 Wastewater System Meter Equivalents				1,182

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:

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

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

NOTE: Total gallons treated includes both treated and purchased treatment

ERC Calculation:	$\left(\frac{94,604,000}{\text{(total gallons treated)}} / 365 \text{ days} \right) / 280 \text{ gpd} =$	926
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UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

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

Permitted Capacity	Note (1)		
Basis of Permit Capacity (1)	N/A		
Manufacturer	N/A		
Type (2)	Purchased		
Hydraulic Capacity	Purchased		
Average Daily Flow	259,189		
Total Gallons of Wastewater Treated	94,604,000		
Method of Effluent Disposal	Purchased		

(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.

Note (1): Forest Hills Utilities purchases all of its wastewater treatment from Pasco County

UTILITY NAME: Forest Hills Utilities, Inc.
 SYSTEM NAME / COUNTY: Forest Hills/Pasco

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OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present ERC's * that system can efficiently serve. 1,182

2. Maximum number of ERC's * which can be served. 1,182

3. Present system connection capacity (in ERC's *) using existing lines. 1,182

4. Future system connection capacity (in ERC's *) upon service area buildc None - System is built-out

5. Estimated annual increase in ERC' None

8. 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? No
 If so, when? N/A

9. Has the utility been required by the DEP or water management district to implement reuse? No
 If so, what are the utility's plans to comply with the DEF N/A

10. When did the company last file a capacity analysis report with the DEP? None - All treatment purchased from Pasco County

11. If the present system does not meet the requirements of DEP rules:
 a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 b. Have these plans been approved by DEP? N/A
 c. When will construction begin? N/A
 d. Attach plans for funding the required upgrading. N/A
 e. Is this system under any Consent Order othe DEP N/A

11. Department of Environmental Protection ID # None - All treatment purchased

* An ERC is determined based on the calculation on the bottom of Page S-11