

CLASS "A" OR "B"

WATER and/or WASTEWATER UTILITIES

(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

'WS081-03-AR

Forest Hills Utilities, Inc.

Exact Legal Name of Respondent

200-W / 145-S

Certificate Numbers

Submitted To The

STATE OF FLORIDA



04 FEB 24 AM 11:19  
DIVISION OF  
ECONOMIC REGULATION  
PUBLIC SERVICE

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2003

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

JAMES L. CARLSTEDT, C.P.A.  
JOHN H. CRONIN, JR., C.P.A.  
SHAWN M. FOLBERG, 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. VOITLAIN, C.P.A.  
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD  
SUITE 200  
CLEARWATER, FLORIDA 33765-4419  
(727) 791-4020  
FACSIMILE  
(727) 797-3602  
e-Mail  
[cpas@cjinw.net](mailto:cpas@cjinw.net)

February 18, 2004

Officers and Directors  
Forest Hills Utilities, Inc.

We have compiled the 2003 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  
Water Operations  
Class A & B**

**Company: Forest Hills Utilities, Inc.**

**For the Year Ended December 31, 2003**

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales ((461.1 - 461.5)	531,824	531,823	1
Total Fire Protection Revenue (462.1 - 462.2)	-	-	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	-	-	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	8,120	8,120	-
<b>Total Water Operating Revenue</b>	<b>\$ 539,944</b>	<b>\$ 539,943</b>	<b>\$ 1</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Water Operating Revenues</b>	<b>\$ 539,944</b>	<b>\$ 539,943</b>	<b>\$ 1</b>

Explanations:  
Rounding of \$1

**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  
Wastewater Operations  
Class A & B**

**Company: Forest Hills Utilities, Inc.**

**For the Year Ended December 31, 2003**

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate revenues (521.1 - 521.6)	\$ -	\$ -	\$ -
Total Measured Revenues (522.1 - 522.5)	401,458	401,458	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	-	-	-
Reclaimed Water Sales (540.1 - 544)	-	-	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 401,458</b>	<b>\$ 401,458</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Wastewater Operating Revenues</b>	<b>\$ 401,458</b>	<b>\$ 401,458</b>	<b>\$ -</b>

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).

## TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
<b>EXECUTIVE SUMMARY</b>			
Certification	E-1	Business Contracts With Officers, Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers and Directors	E-8
Directory of Personnel Who Contact the FPSC	E-3	Businesses Which Are A Byproduct, Coproduct or Joint Product of Providing Service	E-9
Company Profile	E-4	Business Transactions With Related Parties - Part I and II	E-10
Parent / Affiliate Organization Chart	E-5		
Compensation of Officers & Directors	E-6		
<b>FINANCIAL SECTION</b>			
Comparative Balance Sheet - Assets and Other Debits	F-1	Unamortized Debt Discount / Expense / Premium	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Extraordinary Property Losses	F-13
Comparative Operating Statement	F-3	Miscellaneous Deferred Debits	F-14
Schedule of Year End Rate Base	F-4	Capital Stock	F-15
Schedule of Year End Capital Structure	F-5	Bonds	F-15
Capital Structure Adjustments	F-6	Statement of Retained Earnings	F-16
Utility Plant	F-7	Advances From Associated Companies	F-17
Utility Plant Acquisition Adjustments	F-7	Long Term Debt	F-17
Accumulated Depreciation	F-8	Notes Payable	F-18
Accumulated Amortization	F-8	Accounts Payable to Associated Companies	F-18
Regulatory Commission Expense - Amortization of Rate Case Expense		Accrued Interest and Expense	F-19
Nonutility Property	F-9	Misc. Current and Accrued Liabilities	F-20
Special Deposits	F-9	Advances for Construction	F-21
Investments and Special Funds	F-10	Other Deferred Credits	F-21
Accounts and Notes Receivable - Net	F-11	Contributions In Aid Of Construction	F-22
Accounts Receivable From Associated Companies	F-12	Accum. Amortization of C.I.A.C.	F-23
Notes Receivable From Associated Companies	F-12	Reconciliation of Reported Net Income with Taxable Income For Federal Income Taxes	F-23
Miscellaneous Current and Accrued Assets	F-12		

## TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
<b>WATER OPERATION SECTION</b>			
Listing of Water System Groups	W-1	CIAC Additions / Amortization	W-8
Schedule of Year End Water Rate Base	W-2	Water Operating Revenue	W-9
Water Operating Statement	W-3	Water Utility Expense Accounts	W-10
Water Utility Plant Accounts	W-4	Pumping and Purchased Water, Source Supply	W-11
Basis for Water Depreciation Charges	W-5	Water Treatment Plant Information	W-12
Analysis of Entries in Water Depreciation Reserve	W-6	Calculation of ERC's	W-13
Contributions in Aid of Construction	W-7	Other Water System Information	W-14
<b>WASTEWATER OPERATION SECTION</b>			
Listing of Wastewater System Groups	S-1	Contributions in Aid of Construction	S-7
Schedule of Year End Wastewater Rate Base	S-2	CIAC Additions / Amortization	S-8
Wastewater Operating Statement	S-3	Wastewater Operating Revenue	S-9
Wastewater Utility Plant Accounts	S-4	Wastewater Utility Expense Accounts	S-10
Analysis of Entries in Wastewater Depreciation Reserve	S-5	Calculation of ERC's	S-11
Basis for Wastewater Depreciation Charges	S-6	Wastewater Treatment Plant Information	S-12
		Other Wastewater System Information	S-13

**EXECUTIVE**

**SUMMARY**

**CERTIFICATION OF ANNUAL REPORT**

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

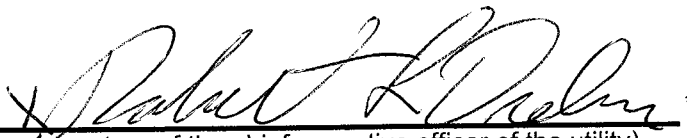
**UTILITY NAME:** Forest Hills Utilities, Inc.

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

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

  
\_\_\_\_\_  
(signature of the chief executive officer of the utility) \*

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

\_\_\_\_\_  
(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, 2003
-------------------------------------

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, 2003

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

<b>NAME OF COMPANY REPRESENTATIVE (1)</b>	<b>TITLE OR POSITION (2)</b>	<b>ORGANIZATIONAL UNIT TITLE (3)</b>	<b>USUAL PURPOSE FOR CONTACT WITH FPSC</b>
Robert 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:

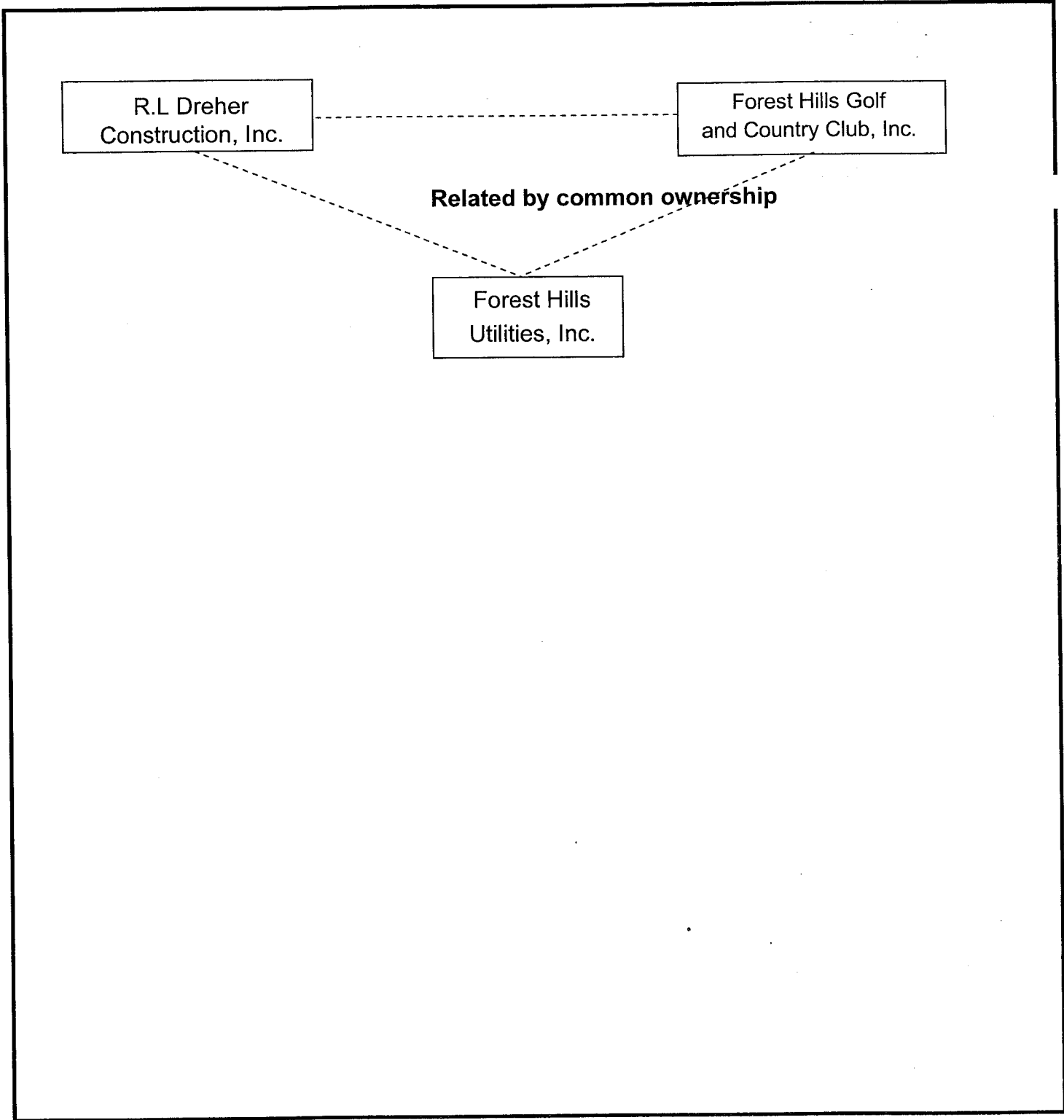
- A. Brief company history.**
- B. Public services rendered.**
- C. Major goals and objectives.**
- D. Major operating divisions and functions.**
- E. Current and projected growth patterns.**
- F. Major transactions having a material effect on operations.**

- 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 12/31/03

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
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$

**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
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Forest Hills Utilities, Inc.

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

**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.

<b>NAME</b> (a)	<b>PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION</b> (b)	<b>AFFILIATION OR CONNECTION</b> (c)	<b>NAME AND ADDRESS OF AFFILIATION OR CONNECTION</b> (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.

**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
  - 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)	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.

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

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

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

- |  |   |
|--|---|
| <p>1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.</p> <p>2. Below are examples of some types of transactions to include:</p> <ul style="list-style-type: none"> <li>- purchase, sale or transfer of equipment.</li> <li>- purchase, sale or transfer of land and structures.</li> <li>- purchase, sale or transfer of securities.</li> <li>- noncash transfers of assets.</li> <li>- noncash dividends other than stock dividends.</li> <li>- writeoff of bad debts or loans.</li> </ul> | <p>3. The columnar instructions follow:</p> <ul style="list-style-type: none"> <li>(a) Enter name of related party or company.</li> <li>(b) Describe briefly the type of assets purchased, sold or transferred.</li> <li>(c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".</li> <li>(d) Enter the net book value for each item reported.</li> <li>(e) Enter the net profit or loss for each item (column (c) - column (d)).</li> <li>(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.</li> </ul> |
|--|---|

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.

**COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 1,553,216	\$ 1,545,421
108-110	Less: Accumulated Depreciation and Amortization	F-8	(963,256)	(898,918)
Net Plant			589,960	646,503
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			589,960	646,503
<b>OTHER PROPERTY AND INVESTMENTS</b>				
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				
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		37,899	129,457
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	277,812	303,530
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			315,711	432,987

\* Not Applicable for Class B Utilities

UTILITY NAME: Forest Hills Utilities, Inc.

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

**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		2,023
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits			2,023
	TOTAL ASSETS AND OTHER DEBITS		\$ 905,671	\$ 1,081,513

\* Not Applicable for Class B Utilities

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

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)
<b>EQUITY CAPITAL</b>				
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	177,967	237,199
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			349,302	408,534
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt				
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		133,544	118,521
232	Notes Payable	F-18		
233	Accounts Payable to Associated Co.	F-18	132,522	247,017
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		15,275	14,100
236	Accrued Taxes		42,363	41,046
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	33,025	38,600
Total Current and Accrued Liabilities			356,729	459,284

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20		
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits				
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve			
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
Total Operating Reserves				
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	559,822	559,152
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(360,182)	(345,457)
Total Net C.I.A.C.			199,640	213,695
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation			
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes				
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			<b>\$ 905,671</b>	<b>\$ 1,081,513</b>

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 912,135	\$ 941,402
469/530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			912,135	941,402
401	Operating Expenses	F-3(b)	836,314	922,539
403	Depreciation Expense	F-3(b)	45,454	64,338
	Less: Amortization of CIAC	F-22	(13,970)	(14,725)
Net Depreciation Expense			31,484	49,613
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3	70,170	71,007
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			937,968	1,043,159
Net Utility Operating Income			(25,833)	(101,757)
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)]			(25,833)	(101,757)

\* 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)
\$ 539,944	\$ 401,458	N/A
539,944	401,458	-
543,725	378,814	
42,986	21,352	
(6,591)	(8,134)	
36,395	13,218	-
42,551	28,456	
622,671	420,488	
(82,727)	(19,030)	
(82,727)	(19,030)	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)]			\$ (25,833)	\$ (101,757)
<b>OTHER INCOME AND DEDUCTIONS</b>				
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		225,286	228,058
426	Miscellaneous Nonutility Expenses		(178,713)	(181,499)
Total Other Income and Deductions			46,573	46,559
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable to Other Income				
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	3,747	4,034
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			3,747	4,034
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
<b>NET INCOME</b>			16,993	(59,232)

Explain Extraordinary Income:

---

**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 869,364	\$ 683,352
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	(609,814)	(353,442)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	(261,733)	(298,089)
252	Advances for Construction	F-20		
Subtotal			(2,183)	31,821
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	163,366	196,816
Subtotal			161,183	228,637
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		67,966	47,352
	Other (Specify):		-	-
	_____			
	_____			
	_____			
RATE BASE			\$ 229,149	\$ 275,989
NET UTILITY OPERATING INCOME			\$ (82,727)	\$ (19,030)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-- %	-- %

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.



UTILITY NAME: Forest Hills Utilities, Inc.

YEAR OF REPORT  
December 31, 2003

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (g)
Common Equity	\$ 349,302	-	-	-	-	\$ 349,302
Preferred Stock	-					-
Long Term Debt						-
Customer Deposits	15,275					15,275
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Income Taxes						
Other (Explain):						
Notes Payable - Assoc Co	-					-
<b>Total</b>	<b>\$ 364,577</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 364,577</b>

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


UTILITY NAME: Forest Hills Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**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	\$ 869,364	\$ 683,352	N/A	\$ 1,552,716
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				
<b>Total Utility Plant</b>		<b>\$ 869,364</b>	<b>\$ 683,852</b>	<b>N/A</b>	<b>\$ 1,553,216</b>

**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	N/A	\$ -	\$ -
<b>Total Plant Acquisition Adjustment</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
115	Accumulated Amortization			\$ -	\$ -
<b>Total Accumulated Amortization</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Acquisition Adjustments</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**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	\$ 566,828	\$ 332,090	N/A	\$ 898,918
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	42,986	21,352		64,338
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				
_____				
Salvage				
Other Credits (specify) :				
_____				
_____				
Total credits	42,986	21,352		64,338
Debits during year:				
Book cost of plant retired	-	-		
Cost of removal				
Other debits (specify)				
_____				
Total debits				
Balance end of year	\$ 609,814	\$ 353,442	N/A	\$ 963,256

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, 2003

**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.

**INVESTMENTS AND SPECIAL FUNDS  
ACCOUNTS 123-127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): N/A	\$ -	\$ -
<b>Total Investment In Associated Companies</b>		\$ -
UTILITY INVESTMENTS (Account 124): N/A	\$ -	\$ -
<b>Total Utility Investments</b>		\$ -
OTHER INVESTMENTS (Account 125): N/A	\$ -	\$ -
<b>Total Other Investments</b>		\$ -
SPECIAL FUNDS (Class A Utilities: Accounts 126 & 127; Class B Utilities: Account 127)) N/A		\$ -
<b>Total Special Funds</b>		\$ -

UTILITY NAME: Forest Hills Utilities, Inc.

**YEAR OF REPORT**  
**December 31, 2003**

**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	\$ 86,059	
Wastewater	122,165	
Other	44,713	
Total Customer Accounts Receivable		\$ 252,937
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		277,812
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		\$ 277,812

UTILITY NAME: Forest Hills Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**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.

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

**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.

**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)	\$ 2,023	\$ -
Total Other Deferred Debits	\$ 2,023	NONE
REGULATORY ASSETS (Class A Utilities: Account 186.3): None	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 2,023	NONE

UTILITY NAME: Forest Hills Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

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

DESCRIPTION (a)	RATE (b)	TOTAL (d)
<b>COMMON STOCK</b>		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized		500.00
Shares issued and outstanding		500.00
Total par value of stock issued	\$ 500.00	\$ 500.00
Dividends declared per share for year	None	None
<b>PREFERRED STOCK</b>		
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)

UTILITY NAME: Forest Hills Utilities, Inc.

**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	\$ 237,199
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	(59,232)
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	177,967
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
		_____
		_____
214	Total Appropriated Retained Earnings	_____
	Total Retained Earnings	\$ 177,967
Notes to Statement of Retained Earnings:		

UTILITY NAME: Forest Hills Utilities, Inc.

**YEAR OF REPORT**  
**December 31, 2003**

**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.

**YEAR OF REPORT**  
December 31, 2003

**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	\$ 301,333
Robert L Dreher	(101,583)
Forest Hills Golf Club	(67,228)
Total	\$ 132,522

**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					
None	\$ -	427.3	\$ -	\$ -	\$ -
_____	-				
_____					
_____					
Total Account No. 237.1	-				-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer deposits		427.4	1,397	1,397	-
Other Interest		427.5	2,637	2,637	
_____					
_____					
Total Account 237.2	-		4,034	4,034	
Total Account 237 (1)	\$ -		\$ 4,034	\$ 4,034	\$ -
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 4,034		
Less Capitalized Interest Portion of AFUDC:					
None					
_____					
_____					
_____					
Net Interest Expensed to Account No. 427 (2)			\$ 4,034		

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

UTILITY NAME: Forest Hills Utilities, Inc.

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241**

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Non-utility (Streetlights and garbage) customer deposits	\$ 33,025
Total Miscellaneous Current and Accrued Liabilities	\$ 33,025

**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**  
December 31, 2003

**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	\$ -	\$ -
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ -	\$ -

**UTILITY NAME:** Forest Hills Utilities, Inc.

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

<b>DESCRIPTION (a)</b>	<b>WATER (b)</b>	<b>SEWER (c)</b>	<b>W &amp; WW OTHER THAN SYSTEM REPORTING (d)</b>	<b>TOTAL (e)</b>
Balance first of year	\$ 261,363	\$ 297,789	N/A	\$ 559,152
Add credits during year:	370	300		670
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 261,733	\$ 298,089	\$ -	\$ 559,822

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

<b>DESCRIPTION (a)</b>	<b>WATER (b)</b>	<b>SEWER (c)</b>	<b>W &amp; WW OTHER THAN SYSTEM REPORTING (d)</b>	<b>TOTAL (e)</b>
Balance First of year	\$ 156,775	\$ 188,682	N/A	\$ 345,457
Debits during year:	6,590	8,134		14,724
Rounding	1			1
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 163,366	\$ 196,816		\$ 360,182

UTILITY NAME: Forest Hills Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**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 (loss)	<u>F-3 (c)</u>	\$ (59,232)
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 (loss)		\$ (59,232)
Computation of tax:		
The Company is a Subchapter-S corporation; 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, 2003**

**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)	\$ 869,364
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	(609,814)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	(261,733)
252	Advances for Construction	F-20	
	Subtotal		(2,183)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	163,366
	Subtotal		161,183
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		67,966
	Other (Specify): Completed Construction not Classified		-
	WATER RATE BASE		\$ 229,149
	UTILITY OPERATING INCOME	W-3	\$ (82,727)
ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Base)			-- %

- 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)
400	UTILITY OPERATING INCOME Operating Revenues	W-9	539,944
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		539,944
401	Operating Expenses	W-10(a)	543,725
403	Depreciation Expense	W-6(a)	42,986
	Less: Amortization of CIAC	W-8(a)	(6,591)
	Net Depreciation Expense		36,395
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		24,297
408.11	Property Taxes		8,349
408.12	Payroll Taxes		6,379
408.13	Other Taxes & Licenses		3,526
408	Total Taxes Other Than Income		42,551
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		622,671
	Utility Operating Income (Loss)		(82,727)
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	-
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income (Loss)		\$ (82,727)

**YEAR OF REPORT**  
December 31, 2003

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

**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	95,007	7,795		102,802
335	Hydrants	3,437			3,437
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment				
340	Office Furniture and Equipment	46,456			46,456
341	Transportation Equipment	136,887			136,887
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
	<b>TOTAL WATER PLANT</b>	\$ 861,569	\$ 7,795	\$ -	\$ 869,364

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

**YEAR OF REPORT**  
December 31, 2003

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

**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			137,222			
309	Supply Mains	137,222					
310	Power Generation Equipment			21,192			
311	Pumping Equipment	21,192			11,254		
320	Water Treatment Equipment	11,254				15,072	
330	Distribution Reservoirs and Standpipes	15,072				155,124	
331	Transmission and Distribution Mains	155,124				6,396	
333	Services	6,396				102,802	
334	Meters and Meter Installations	102,802				3,437	
335	Hydrants	3,437					
336	Backflow Prevention Devices						
339	Other Plant / Miscellaneous Equipment						
340	Office Furniture and Equipment	46,456					46,456
341	Transportation Equipment	136,887					136,887
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	\$ 869,364	\$ -	\$ 225,331	\$ 11,254	\$ 284,399	\$ 348,380

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

**YEAR OF REPORT**  
**December 31, 2003**

**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 %
336	Backflow Prevention Devices		%	%
339	Other Plant / Miscellaneous Equipment		%	%
340	Office Furniture and Equipment	6	%	16.67 %
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.

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

YEAR OF REPORT  
 December 31, 2003

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	15,753	706		706
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	21,925	1,610		1,610
308	Infiltration Galleries and Tunnels				
309	Supply Mains	103,940	3,431		3,431
310	Power Generation Equipment				
311	Pumping Equipment	6,175	529		529
320	Water Treatment Equipment	8,440	281		281
330	Distribution Reservoirs and Standpipes	11,473	377		377
331	Transmission and Distribution	94,904	3,878		3,878
333	Services	4,869	160		160
334	Meters and Meter Installations	46,168	2,472		2,472
335	Hydrants	2,335	86		86
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment				
340	Office Furniture and Equipment	20,027	6,015		6,015
341	Transportation Equipment	115,903	20,984		20,984
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	74,790	2,457		2,457
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 566,828	\$ 42,986	\$ -	\$ 42,986

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

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

YEAR OF REPORT  
 December 31, 2003

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					16,459
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					23,535
308	Infiltration Galleries and Tunnels					
309	Supply Mains					107,371
310	Power Generation Equipment					
311	Pumping Equipment					6,704
320	Water Treatment Equipment					8,721
330	Distribution Reservoirs and Standpipes					11,850
331	Transmission and Distribution					98,782
333	Services					5,029
334	Meters and Meter Installations					48,640
335	Hydrants					2,421
336	Backflow Prevention Devices					
339	Other Plant / Miscellaneous Equipment					
340	Office Furniture and Equipment					26,042
341	Transportation Equipment					136,887
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					77,247
TOTAL WATER ACCUMULATED DEPRECIATION		\$ -	\$ -	\$ -	\$ -	\$ 609,814

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

**YEAR OF REPORT**  
**December 31, 2003**

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance First of Year		\$ 261,363
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	W-8(a)	370
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		370
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 261,733

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**  
 December 31, 2003

**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	2	185	\$ 370
			-
			-
			-
Total Credits			\$ 370

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 156,775
Debits during year:	
Accruals charged to Account	6,591
Other Debits (specify):	
Total debits	6,591
Credits during year (specify):	
Total credits	
Balance end of year	\$ 163,366



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

**YEAR OF REPORT**  
**December 31, 2003**

**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	2,059	2,074	\$ 412,268
461.2	Metered Sales to Commercial Customers	105	104	97,663
461.3	Metered Sales to Industrial Customers			
461.4	Metered Sales to Public Authorities	2	2	482
461.5	Metered Sales to Multiple Family Dwellings	116	121	21,411
	<b>Total Metered Sales</b>	<b>2,282</b>	<b>2,301</b>	<b>531,824</b>
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
	<b>Total Fire Protection Revenue</b>			
464	Other Sales to Public Authorities			
465	Sales to Irrigation Customers			
466	Sales for Resale			
467	Interdepartmental Sales			
	<b>Total Water Sales</b>	<b>2,282</b>	<b>2,301</b>	<b>531,824</b>
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			8,120
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	<b>Total Other Water Revenues</b>			<b>\$ 8,120</b>
	<b>Total Water Operating Revenues</b>			<b>\$ 539,944</b>

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

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

**YEAR OF REPORT**  
**December 31, 2003**

**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	\$ 39,159	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	44,800		
604	Employee Pensions and Benefits	6,724		
610	Purchased Water			
615	Purchased Power	16,942	16,942	
616	Fuel for Power Production			
618	Chemicals	12,917		
620	Materials and Supplies	75,526		31,952
631	Contractual Services - Engineering	10,968		
632	Contractual Services - Accounting	8,917		
633	Contractual Services - Legal	2,062		
634	Contractual Services - Mgt. Fees	20,000		
635	Contractual Services - Testing	23,499		
636	Contractual Services - Other	128,214		
641	Rental of Building/Real Property	59,800	38,000	
642	Rental of Equipment	4,800		
650	Transportation Expense	9,376		
656	Insurance - Vehicle			
657	Insurance - General Liability			
658	Insurance - Workmens Comp.	842		
659	Insurance - Other	31,248		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense	3,065		
675	Miscellaneous Expenses	44,866		
Total Water Utility Expenses		\$ 543,725	\$ 54,942	\$ 31,952

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

**YEAR OF REPORT**  
**December 31, 2003**

**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)
\$ -	\$ -	\$ -	\$ -	\$ 1,841	\$ 37,318
					44,800
					6,724
12,917					
			20,868		22,706
					10,968
					8,917
					2,062
23,499					20,000
				8,273	119,941
					21,800
			4,800		
				1,589	7,787
					842
					31,248
				3,065	
					44,866
\$ 36,416			\$ 25,668	\$ 14,768	\$ 379,979

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

**YEAR OF REPORT**  
**December 31, 2003**

**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		14,410	2,254	12,156	11,906
February		13,403	187	13,216	13,046
March		13,382	1,576	11,806	11,631
April		12,585	50	12,535	12,380
May		15,090	2,081	13,009	12,777
June		12,547	14	12,533	12,165
July		13,232	2,155	11,077	10,838
August		13,017	10	13,007	10,875
September		12,770	1,980	10,790	10,570
October		14,861	35	14,826	10,449
November		13,840	1,039	12,801	12,685
December		13,530	10	13,520	11,514
Total for year	N/A	162,667	11,391	151,276	140,836

If water is purchased for resale, indicate the following:

Vendor N/A  
 Point of deliver N/A

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	9,299	Ground
Well 2	100,000	37,424	Ground
Well 4	110,000	16,230	Ground
Well 5	85,000	38,893	Ground
Well 6	110,000	24,258	Ground
Well 8	70,000	26,667	Ground
Well 10	100,000	5,062	Ground
Well 11	100,000	10,792	Ground

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

**YEAR OF REPORT**  
**December 31, 2003**

**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>		
<b>LIME TREATMENT</b>			
Unit rating (i.e., GPM, pounds per gallon):	<u>N/A</u>	Manufacturer	<u>N/A</u>
<b>FILTRATION</b>			
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, 2003**

**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	2,074	2,074
5/8"	Displacement	1.0	212	212
3/4"	Displacement	1.5		
1"	Displacement	2.5	1	3
1 1/2"	Displacement or Turbine	5.0	8	40
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				<u>2,394</u>

**CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS**

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:

$$ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$$

ERC Calculation:

ERC = 140,836 gallons, divided by  
           350 gallons per day  
           365 days

1,102.4 ERC's



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

**YEAR OF REPORT**  
**December 31, 2003**

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's * that system can efficiently serve.	<u>1,102</u>
2. Maximum number of ERC's * which can be served.	<u>1261</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1261</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>None - System is built-out</u>
5. Estimated annual increase in ERC's * .	<u>None - Utility is built out</u>
6. Is the utility required to have fire flow capacity? If so, how much capacity is required?	<u>Yes</u> <u>750gpm for 4 hours</u>
7. Attach a description of the fire fighting facilities.	<u>Hydrants</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
9. When did the company last file a capacity analysis report with the DEP?	<u>None</u>
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.	<u>N/A</u>
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will c	<u>N/A</u>
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order of the DEP?	<u>No</u>
11. Department of Environmental Protection ID #	<u>6512067</u>
12. Water Management District Consumptive Use Permit #	<u>206028-02</u>
a. Is the system in compliance with the requirements of the CUP?	<u>Yes</u>
b. If not, what are the utility's plans to gain compliance?	<u>N/A</u>

\* An ERC is determined based 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(a)	\$ 683,352
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(353,442)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(298,089)
252	Advances for Construction	F-20	
	Subtotal		31,821
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	196,816
	Subtotal		228,637
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		47,352
	Other (Specify): Completed Construction not Classified		-
	WASTEWATER RATE BASE		\$ 275,989
	UTILITY OPERATING INCOME	S-3	\$ (19,030)
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		-- %

- 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	\$ 401,458
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		401,458
401	Operating Expenses	S-10(a)	378,814
403	Depreciation Expense	S-6(a)	21,352
	Less: Amortization of CIAC	S-8(a)	(8,134)
	Net Depreciation Expense		13,218
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC) (Loss on plant abandonment)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		18,066
408.11	Property Taxes		5,449
408.12	Payroll Taxes		2,833
408.13	Other Taxes & Licenses		2,108
408	Total Taxes Other Than Income		28,456
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		420,488
	Utility Operating Income (Loss)		(19,030)
530	Add Back: Guaranteed 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 (Loss)		\$ (19,030)

**YEAR OF REPORT**  
December 31, 2003

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

**WASTEWATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization		\$ -	\$ -	\$ -
352	Franchises				
353	Land and Land Rights	7,100			7,100
354	Structure and Improvements	13,028			13,028
355	Power Generation Equipment				
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.

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

**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		\$ 6,600	\$ 500	\$ -	\$ -	\$ -	\$ -
354	Structure and Improvements			11,028		2,000		
355	Power Generation Equipment							
360	Collection Sewers - Force		474,128					
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers		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				
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							20,528
390	Office Furniture & Equipment							4,000
391	Transportation Equipment							
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							
	<b>Total Wastewater Plant</b>	\$ -	\$ 541,148	\$ 113,199	\$ -	\$ 2,000	\$ -	\$ 27,005

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.



**ANALYSIS OF ENTRIES IN SEWER 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	4,669	326		326
355	Power Generation Equipment				
360	Collection Sewers - Force	225,187	13,552		13,552
361	Collection Sewers - Gravity				
362	Special Collecting Structures				
363	Services to Customers	43,129	1,510		1,510
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	44,073	2,542		2,542
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	8,555	3,422		3,422
391	Transportation Equipment	4,000			
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	2,477	(0)		(0)
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 332,090	\$ 21,352	\$ -	\$ 21,352

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

UTILITY NAME Forest Hills Utilities, Inc.

SYSTEM NAME / COUNTY: Forest Hills / Pasco

YEAR OF REPORT  
December 31, 2003

ANALYSIS OF ENTRIES IN SEWER 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					4,995
354	Structure and Improvements					
355	Power Generation Equipment					
360	Collection Sewers - Force					238,739
361	Collection Sewers - Gravity					
362	Special Collecting Structures					
363	Services to Customers					
364	Flow Measuring Devices					44,639
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					
371	Pumping Equipment					
374	Reuse Distribution Reservoirs					46,615
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					
391	Transportation Equipment					11,977
392	Stores Equipment					4,000
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						\$ 353,442

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

**YEAR OF REPORT**  
**December 31, 2003**

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (b)
Balance First of Year		\$ 297,789
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	S-8(a)	300
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	
Total Credits		300
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 298,089

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**  
 December 31, 2003

**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	1	300	\$ 300
			-
Total Credits			\$ 300

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 188,682
Debits during year:	
Accruals charged to Account	8,134
Other Debits (specify):	
Total debits	8,134
Credits during year (specify):	
Total credits	
Balance end of year	\$ 196,816



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

**YEAR OF REPORT**  
**December 31, 2003**

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
521.1	Flat Rate Revenues: Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
522.1	Measured Revenues: Residential Revenues	971	973	\$ 284,001
522.2	Commercial Revenues	62	63	91,713
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities	1	1	528
522.5	Multiple Family Dwelling Revenues (Units)	92	95	25,216
522	Total Measured Revenues	1,126	1,132	401,458
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	1,126	1,132	\$ 401,458
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
	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

**YEAR OF REPORT**  
**December 31, 2003**

**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				\$ 401,458

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

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

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 EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 24,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	11,200						
704	Employee Pensions and Benefits	293,228					293,228	
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	5,735			5,735			
715	Purchased Power							
716	Fuel for Power Production							
718	Chemicals							
720	Materials and Supplies	11,858		5,294		6,592		
731	Contractual Services - Engineering							
732	Contractual Services - Accounting							
733	Contractual Services - Legal							
734	Contractual Services - Mgt. Fees	20,000						
735	Contractual Services - Testing	5,100						
736	Contractual Services - Other	50						50
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expense	1,847						
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workmens Comp.	561						
759	Insurance - Other							
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	1,839						
775	Miscellaneous Expenses	2,517				92	2,023	
	Total Wastewater Utility Expenses	\$ 378,814	\$ -	\$ 5,294	\$ 5,735	\$ 6,684	\$ 295,251	\$ 50



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

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO.	ACCOUNT NAME	.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	\$ -	\$ 24,879	\$ -	\$ -	\$ -	\$ -
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 Production						
718	Chemicals						
720	Materials and Supplies		(28)				
731	Contractual Services - Engineering						
732	Contractual Services - Accounting						
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees		20,000				
735	Contractual Services - Testing		5,100				
736	Contractual Services - Other						
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expense		1,847				
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workmens Comp.		561				
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense						
775	Miscellaneous Expenses	1,839	402				
	Total Wastewater Utility Expenses	\$ 1,839	\$ 63,961	\$ -	\$ -	\$ -	\$ -

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

**YEAR OF REPORT**  
**December 31, 2003**

**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	973	973
5/8"	Displacement	1.0	147	147
3/4"	Displacement	1.5		
1"	Displacement	2.5	1	3
1 1/2"	Displacement or Turbine	5.0	8	40
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				1,204

**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:	(	66,183,000	/ 365 days ) / 280 gpd =	648
		(total gallons treated)		

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

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

**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	181,323		
Total Gallons of Wastewater Treated	66,183,000		
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.

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

**YEAR OF REPORT**  
**December 31, 2003**

**OTHER WASTEWATER SYSTEM INFORMATION**

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

1. Present ERC's * that system can efficiently serve.	<u>1,204</u>
2. Maximum number of ERC's * which can be served.	<u>1,182</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1182</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>None - System is built-out</u>
5. Estimated annual increase in ERC's * .	<u>None</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. <u>None</u>	
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.	
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	<u>No</u>
If so, when? <u>N/A</u>	
9. Has the utility been required by the DEP or water management district to implement reuse?	<u>No</u>
If so, what are the utility's plans to comply with the DEP? <u>N/A</u>	
10. When did the company last file a capacity analysis report with the DEP?	<u>None - All treatment purchased from Pasco County</u>
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?	<u>N/A</u>
c. When will construction begin?	<u>N/A</u>
d. Attach plans for funding the required upgrading.	<u>N/A</u>
e. Is this system under any Consent Order of the DEP?	<u>N/A</u>
11. Department of Environmental Protection ID #	<u>None - All treatment purchased</u>

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