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DIVISION OF

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Florida Public Service Commission  
Division of Water and Wastewater

**WATER and/or WASTEWATER UTILITIES**  
(Gross Revenue of More Than \$200,000 Each)

**ANNUAL REPORT**

OF

SU293-01-AR  
Forest Utilities, Inc.  
6000 Forest Blvd.  
Ft. Myers, FL 33908-4318

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

**YEAR ENDED DECEMBER 31, 2001**

REGULATION  
02 FEB 23 AM 9:50  
PUBLIC SERVICE

*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. VOITLEIN, 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@cjnw.net

February 26, 2002

Officers and Directors  
Forest Utilities, Inc.

We have compiled the 2001 Annual Report of Forest 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 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 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	\$ 172,302	\$ 172,302	\$ -
Commercial	93,585	93,585	-
Industrial	-	-	-
Multiple Family	372,599	372,599	-
Guaranteed Revenues	-	-	-
Other	8,120	8,120	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 646,606</b>	<b>\$ 646,606</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>\$ 646,606</b>	<b>\$ 646,606</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).

## 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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Analysis of Entries in Wastewater Depreciation Reserve	S-6	Calculation of ERC's	S-12
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# **EXECUTIVE SUMMARY**

**CERTIFICATION OF ANNUAL REPORT**

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> <b>December 31, 2001</b>
---------------------------------------------------

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

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

<u>Items Certified</u>			
1.	2.	3.	4.
( X )	( X )	( X )	( X )

  
 \_\_\_\_\_  
 (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 Utilities, Inc.  
(Exact Name of Utility)

County: Lee

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

6000 Forest Blvd  
Fort Myers, Florida 33919

Telephone: ( 941 ) 481-0111

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:

6000 Forest Blvd  
Fort Myers, Florida 33919

Telephone: ( 941 ) 481-0111

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: 12/31/80

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.	David W. Swor	100.0	%
2.			%
3.			%
4.			%
5.			%
6.			%
7.			%
8.			%
9.			%
10.			%

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2001
--------------------------------------------

**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 C. Nixon	CPA	Cronin, Jackson, Nixon & Wilson, CPA's	Accounting & rate matters
Martin S. Friedman	Attorney	Rose, Sundstrom & Bentley	Legal 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 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.**

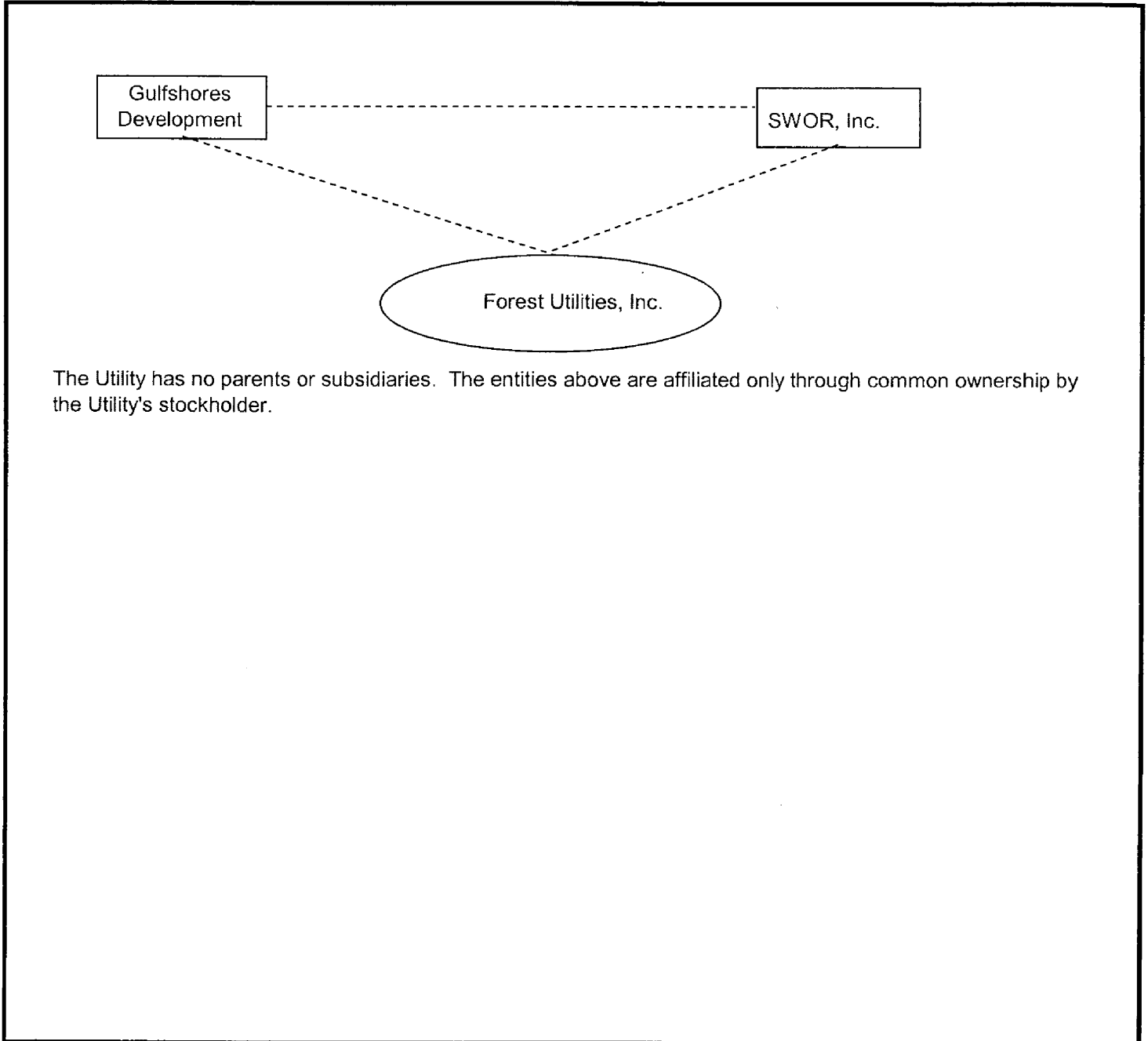
- (A) The Utility was organized December 31, 1980 to provide sewer service to the Forest Development. The Utility has experienced customer growth from other developments since its organization.
- (B) Sewer service only.
- (C) The Utility's goals are to provide quality sewer service and earn a fair return on its investment in Plant in Service.
- (D) Sewer service only.
- (E) The Company expects to add approximately 800 ERCs over the next 10 years, with build-out expected in 2,010
- (F) In December, 2001, the Company filed a Service Availability case with the Commission for an increase in service availability charges.

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2001

**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).



The Utility has no parents or subsidiaries. The entities above are affiliated only through common ownership by the Utility's stockholder.

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2001
--------------------------------------------

**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.			
<b>NAME (a)</b>	<b>TITLE (b)</b>	<b>% OF TIME SPENT AS OFFICER OF UTILITY (c)</b>	<b>OFFICERS COMPENSATION (d)</b>
David W. Swor	President	60 %	\$ 120,000
Doris Swor	Vice President/Secretary	10 %	\$ None
Judy Mallett	Treasurer	30 %	\$ 43,000
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$

**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.			
<b>NAME (a)</b>	<b>TITLE (b)</b>	<b>NUMBER OF DIRECTORS MEETINGS ATTENDED (c)</b>	<b>DIRECTORS COMPENSATION (d)</b>
David W. Swor	President	4	\$ None
Judy Mallett	Treasurer	4	\$ None
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2001
--------------------------------------------

**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)
David W. Swor	Health Insurance	\$ 21,588	Swor, Inc.
David W. Swor	Computer Services	6,000	Swor, Inc.

\* 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 Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2001

**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 (a)</b>	<b>PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)</b>	<b>AFFILIATION OR CONNECTION (c)</b>	<b>NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)</b>
David W. Swor	Development Real Estate	Shareholder Shareholder	Gulfshores Development Swor, Inc.
Judy Mallett	Treasurer	Employee	Gulfshores Development
Doris Swor	V.P./Secretary	Officer	Forest Utilities, Inc.

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2001
--------------------------------------------

**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 Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2001
--------------------------------------------

**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)
Swor, Inc.	Health Insurance	1985	P	\$ 6,105
Swor, Inc.	Computer Services	1,999	P	21,588

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2001
--------------------------------------------

**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 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)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 3,302,461	\$ 3,302,461
108-110	Less: Accumulated Depreciation and Amortization	F-8	(1,575,062)	(1,461,786)
Net Plant			1,727,399	1,840,675
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			1,727,399	1,840,675
<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	167,868	170,448
126-127	Special Funds	F-10		
Total Other Property and Investments			167,868	170,448
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		70,722	80,780
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	2,627	5,116
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		5,200
Total Current and Accrued Assets			73,349	91,096

\* Not Applicable for Class B Utilities

UTILITY NAME: Forest 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		
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes		63,147	67,732
Total Deferred Debits			63,147	67,732
TOTAL ASSETS AND OTHER DEBITS			\$ 2,031,763	\$ 2,169,951

\* 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 Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2001

**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	\$ 1,950	\$ 1,950
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		57,249	57,249
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	122,929	155,433
216	Reacquired Capital Stock		(80,000)	(80,000)
218	Proprietary Capital (Proprietorship and Partnership Only)		1,030	7,433
<b>Total Equity Capital</b>			<b>103,158</b>	<b>142,065</b>
<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	292,875	315,044
<b>Total Long Term Debt</b>			<b>292,875</b>	<b>315,044</b>
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		66,425	63,360
232	Notes Payable	F-18		10,500
233	Accounts Payable to Associated Co.	F-18	87,765	87,765
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		2,345	2,345
236	Accrued Taxes	W/S-3	29,097	30,879
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	3,613	3,948
<b>Total Current and Accrued Liabilities</b>			<b>189,245</b>	<b>198,797</b>

\* Not Applicable for Class B Utilities

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
**December 31, 2001**

**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 (Contributed Taxes)	F-21	79,472	85,638
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			79,472	85,638
<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	2,597,304	2,579,179
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,326,820)	(1,232,129)
Total Net C.I.A.C.			1,270,484	1,347,050
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		89,438	73,104
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other		7,091	8,253
Total Accum. Deferred Income Taxes			96,529	81,357
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			<b>\$ 2,031,763</b>	<b>\$ 2,169,951</b>

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
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**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)	\$ 645,507	\$ 646,606
469.530	Less: Guarenteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			645,507	646,606
401	Operating Expenses	F-3(b)	562,005	557,294
403	Depreciation Expense	F-3(b)	113,199	113,276
	Less: Amortization of CIAC	F-22	(86,782)	(94,691)
Net Depreciation Expense			26,417	18,585
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC) (Plant Abandonment)	F-3(b)		
408	Taxes Other Than Income	W/S-3	98,472	74,559
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3	7,833	15,306
410.11	Deferred State Income Taxes	W/S-3	2,872	5,613
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	(4,459)	(6,166)
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			693,140	665,191
Net Utility Operating Income			(47,633)	(18,585)
469/530	Add Back: Guarenteed 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)]			(47,633)	(18,585)

\* 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)
N/A	\$ 646,606	N/A
-	646,606	-
	557,294	
	113,276	
	(94,691)	
-	18,585	-
	74,559	
	15,306	
	5,613	
	(6,166)	
	665,191	
N/A	(18,585)	
N/A	(18,585)	N/A

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

UTILITY NAME: Forest Utilities, Inc.

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**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)]			\$ (47,633)	\$ (18,585)
<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		21,524	14,190
421	Miscellaneous Nonutility Revenue		1,008	
426	Miscellaneous Nonutility Expenses			(5,175)
Total Other Income and Deductions			22,532	9,015
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes		198	(1,162)
411.20	Provision for Deferred Income Taxes - Credit		(30,772)	
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable to Other Income			(30,574)	(1,162)
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	25,990	24,096
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			25,990	24,096
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
<b>NET INCOME</b>			<b>(20,517)</b>	<b>(32,504)</b>

Explain Extraordinary Income:

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UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
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**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	N/A	\$ 3,302,461
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8		1,575,062
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22		2,597,304
252	Advances for Construction	F-20		
Subtotal				(869,905)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22		1,326,820
Subtotal				456,915
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			69,662
	Other (Specify): _____ _____ _____			
RATE BASE			\$ -	\$ 526,577
NET UTILITY OPERATING INCOME			\$ -	\$ (18,585)
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.

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

<b>CLASS OF CAPITAL (a)</b>	<b>DOLLAR AMOUNT (1) (b)</b>	<b>PERCENTAGE OF CAPITAL (c)</b>	<b>ACTUAL COST RATES (2) (d)</b>	<b>WEIGHTED COST [c x d] (e)</b>
Common Equity	\$ 122,612	26.79 %	15.60 %	4.18 %
Preferred Stock		%	-	%
Long Term Debt	303,960	66.41 %	4.75 %	3.1545 %
Customer Deposits	2,345	0.51 %	6.00 %	0.0306 %
Tax Credits - Zero Cost		%	-	%
Tax Credits - Weighted Cost		%	-	%
Deferred Income Taxes	23,503	5.14 %	-	%
Other (Explain)		%	-	%
Notes Payable - LOC	5,250	1.15 %	8.238 %	0.0947 %
<b>Total</b>	\$ <b>457,669</b>	<b>100.00 %</b>		<b>7.46 %</b>

(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>15.60</u> %
Commission order approving Return on Equity:	<u>840196-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 Utilities, Inc.

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**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	N/A	\$ 3,302,461	N/A	\$ 3,302,461
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
106	Completed Construction Not Classified				
Total Utility Plant		N/A	\$ 3,302,461	N/A	\$ 3,302,461

**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		\$ -	\$ -	\$ -	\$ -

UTILITY NAME: Forest Utilities, Inc.

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b> Account 108				
Balance first of year	N/A	\$ 1,461,786	N/A	\$ 1,461,786
Credits during year:				
Accruals charged:				
to Account 108.1 (1)		113,276		113,276
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				
_____				
Salvage				
Other Credits (specify) :				
_____				
_____				
Total credits		113,276		113,276
Debits during year:				
Book cost of plant retired	-	-		
Cost of removal				
Other debits (specify)				
_____				
Total debits				
Balance end of year	N/A	\$ 1,575,062	N/A	\$ 1,575,062

<b>ACCUMULATED AMORTIZATION</b> 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 Utilities, Inc.

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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 Utilities, Inc.

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

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): N/A	\$ -	\$ -
Total Investment In Associated Companies		\$ -
UTILITY INVESTMENTS (ACCT. 124): N/A	\$ -	\$ -
Total Utility Investments		\$ -
OTHER INVESTMENTS (ACCT. 125):		
Salomon Smith Barney	\$ -	\$ 122,173
STI Classic Funds		45,695
Total Other Investments		\$ 167,868
SPECIAL FUNDS (ACCTS. 126 & 127) N/A	\$ -	\$ -
Total Special Funds		\$ -

UTILITY NAME: Forest Utilities, Inc.

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

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

DESCRIPTION (a)		TOTAL (b)
<b>CUSTOMER ACCOUNTS RECEIVABLE (Account 141):</b>		
Combined Water & Wastewater	\$ -	
Wastewater	2,627	
Other		
Total Customer Accounts Receivable		\$ 2,627
<b>OTHER ACCOUNTS RECEIVABLE (Acct. 142):</b>		
	\$ -	
Total Other Accounts Receivable		
<b>NOTES RECEIVABLE (Acct. 144):</b>		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		2,627
<b>ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):</b>		
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		\$ 2,627

UTILITY NAME: Forest Utilities, Inc.

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
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 Utilities, Inc.

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

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
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**CAPITAL STOCK  
ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (d)
<b>COMMON STOCK</b>		
Par or stated value per share	\$ 75.00	\$ 75.00
Shares authorized		26
Shares issued and outstanding		26
Total par value of stock issued	\$ 1,950	\$ 1,950
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 Utilities, Inc.

<b>YEAR OF REPORT</b> <b>December 31, 2001</b>
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**STATEMENT OF RETAINED EARNINGS**

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- 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	\$ 155,433
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	(32,504)
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	122,929
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	_____
	Total Retained Earnings	\$ 122,929

Notes to Statement of Retained Earnings:

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2001
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**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

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

**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)	
Mortgage - Bank of America- Fort Myers; Issued:6/91; Matures: 1/06 ( Variable Rate is based on the Prime Rate )	4.75 %	V	\$ 292,875
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
<b>Total</b>			<b>\$ 292,875</b>

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



UTILITY NAME: Forest Utilities, Inc.

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**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)
Swor, Inc.	\$ 87,765
Total	\$ 87,765

UTILITY NAME: Forest Utilities, Inc.

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**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					
NCNB Mortgage Note	\$ -	427.1	\$ 24,096	\$ 24,096	\$ -
	-				
Total Account No. 237.1	-		24,096	24,096	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
	-				-
Total Account 237.2	-				
Total Account 237 (1)	\$ -		\$ 24,096	\$ 24,096	\$ -
<b>INTEREST EXPENSED:</b>					
Total accrual Account 237		237	\$ 24,096		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 24,096		

UTILITY NAME: Forest Utilities, Inc.

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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241**

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Prepaid Revenues by customers	\$ 3,613
Total Miscellaneous Current and Accrued Liabilities	\$ 3,613

**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 Utilities, Inc.

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**OTHER DEFERRED CREDITS  
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
<b>REGULATORY LIABILITIES (Class A Utilities: Account 253.1)</b>		
Contributed Taxes	6,166	79,472
<b>Total Regulatory Liabilities</b>	<b>\$ 6,166</b>	<b>\$ 79,472</b>
<b>OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)</b>		
N/A	\$ -	\$ -
<b>Total Deferred Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>\$ 6,166</b>	<b>\$ 79,472</b>

UTILITY NAME: Forest Utilities, Inc.

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**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	N/A	\$ 2,579,179	N/A	\$ 2,579,179
Add credits during year:	-	18,125		18,125
Less debits charged during	-	-		-
Total Contributions In Aid of Construction	\$ -	\$ 2,597,304	\$ -	\$ 2,597,304

**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	N/A	\$ 1,232,129	N/A	\$ 1,232,129
Debits during year:		94,691		94,691
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction		\$ 1,326,820		\$ 1,326,820

UTILITY NAME: Forest 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 (loss)	<u>F-3 (c)</u>	\$ <u>(32,504)</u>
Reconciling items for the year:		
Taxable income not reported on the books:		
Unrealized gain on investments	<u>F-3 (c)</u>	<u>968</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		
Deferred federal income taxes (FASB 109)	<u>F-3 (a)</u>	<u>7,833</u>
Deferred State income taxes (FASB 109)	<u>F-3 (c)</u>	<u>5,175</u>
_____	_____	_____
_____	_____	_____
Income recorded on books not included in return:		
Contributed Tax Amortization (Previously taxed as income)	<u>F-3 (a)</u>	<u>6,166</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
Tax basis depreciation difference		<u>79,678</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income (loss)		\$ <u>(104,372)</u>
Computation of tax:		
A taxable loss is estimated; therefore, there is no tax.		

# **WATER OPERATION SECTION**

Note: Forest Utilities, Inc., is a wastewater only service; therefore, Pages W-1 through W-14 have been omitted from this report.

**WASTEWATER  
OPERATION  
SECTION**





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

**YEAR OF REPORT**  
**December 31, 2001**

**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)	\$ 3,302,461
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	1,575,062
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	2,597,304
252	Advances for Construction	F-20	
	Subtotal		(869,905)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	1,326,820
	Subtotal		456,915
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		69,662
	Other (Specify):		
	WASTEWATER RATE BASE		\$ 526,577
	UTILITY OPERATING INCOME	S-3	\$ (18,585)
	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.

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

YEAR OF REPORT  
 December 31, 2001

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9	\$ 646,606
530	Less: Guarenteed Revenue and AFPI	S-9	
	Net Operating Revenues		646,606
401	Operating Expenses	S-10(a)	557,294
403	Depreciation Expense	S-6(a)	113,276
	Less: Amortization of CIAC	S-8(a)	(94,691)
	Net Depreciation Expense		18,585
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		29,097
408.11	Property Taxes		20,388
408.12	Payroll Taxes		22,674
408.13	Other Taxes & Licenses		2,400
408	Total Taxes Other Than Income		74,559
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		15,306
410.11	Deferred State Income Taxes		5,613
411.10	Provision for Deferred Income Taxes - Credit		(6,166)
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		665,191
	Utility Operating Income (Loss)		(18,585)
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 (Loss)		\$ (18,585)

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

YEAR OF REPORT  
 December 31, 2001

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization		\$		
352	Franchises	17,331			17,331
353	Land and Land Rights	26,690			26,690
354	Structure and Improvements	386,532			386,532
355	Power Generation Equipment	0			
360	Collection Sewers - Force	171,112			171,112
361	Collection Sewers - Gravity	1,482,015			1,482,015
362	Special Collecting Structures	122,728			122,728
363	Services to Customers	12,628			12,628
364	Flow Measuring Devices	3,334			3,334
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment	1,002,136			1,002,136
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment				
390	Office Furniture & Equipment	23,048			23,048
391	Transportation Equipment	32,129			32,129
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment	22,778			22,778
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 3,302,461	\$	\$	\$ 3,302,461

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

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

**YEAR OF REPORT**  
 December 31, 2001

**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	17,331						
353	Land and Land Rights							
354	Structure and Improvements							
355	Power Generation Equipment							
360	Collection Sewers - Force			386,532				
361	Collection Sewers - Gravity		171,112					
362	Special Collecting Structures		1,482,015					
363	Services to Customers		122,728					
364	Flow Measuring Devices		12,628					
365	Flow Measuring Installations		3,334					
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment & Disposal Equipment				1,002,136			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipment							23,048
390	Office Furniture & Equipment							32,129
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							22,778
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	<b>Total Wastewater Plant</b>	\$ 17,331	\$ 1,791,817	\$ 386,532	\$ 1,028,826	\$ -	\$ -	\$ 77,955

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	40	%	2.50 %
354	Structure and Improvements	35	%	2.86 %
355	Power Generation Equipment		%	%
360	Collection Sewers - Force	30	%	3.33 %
361	Collection Sewers - Gravity	35	%	2.86 %
362	Special Collecting Structures	25	%	4.00 %
363	Services to Customers	38	%	2.63 %
364	Flow Measuring Devices	5	%	20.00 %
365	Flow Measuring Installations		%	%
366	Reuse Services		%	%
367	Reuse Meters and Meter Installations		%	%
370	Receiving Wells		%	%
371	Pumping Equipment		%	%
374	Reuse Distribution Reservoirs		%	%
375	Reuse Transmission and Distribution System		%	%
380	Treatment & Disposal Equipment	27	%	3.70 %
381	Plant Sewers		%	%
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment		%	%
390	Office Furniture & Equipment	6	%	16.67 %
391	Transportation Equipment	6	%	16.67 %
392	Stores Equipment		%	%
393	Tools, Shop and Garage Equipment		%	%
394	Laboratory Equipment	15	%	6.67 %
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 Utilities, Inc.  
 SYSTEM NAME / COUNTY: Forest/Lee

YEAR OF REPORT  
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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	2,382	433		433
354	Structure and Improvements	91,222	11,055		11,055
355	Power Generation Equipment				
360	Collection Sewers - Force	17,727	5,698		5,698
361	Collection Sewers - Gravity	718,250	42,386		42,386
362	Special Collecting Structures	25,459	4,909		4,909
363	Services to Customers	2,354	332		332
364	Flow Measuring Devices	1,000	667		667
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment	519,645	37,079		37,079
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment				
390	Office Furniture & Equipment	33,218	3,842		3,842
391	Transportation Equipment	32,493	5,356		5,356
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment	18,036	1,519		1,519
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Depreciable Wastewater Plant in Service	\$ 1,461,786	\$ 113,276	\$	\$ 113,276

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

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

YEAR OF REPORT  
 December 31, 2001

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 (9-h+i) (j)	BALANCE AT END OF YEAR (e+f-k) (k)
351	Organization	\$ -	\$ -	\$ -	\$ -	2,815
352	Franchises					102,277
354	Structure and Improvements					
355	Power Generation Equipment					
360	Collection Sewers - Force					23,425
361	Collection Sewers - Gravity					760,636
362	Special Collecting Structures					30,368
363	Services to Customers					2,686
364	Flow Measuring Devices					1,667
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					
371	Pumping Equipment					
374	Reuse Distribution Reservoirs					
375	Reuse Transmission and Distribution System					
380	Treatment & Disposal Equipment					556,724
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					
390	Office Furniture & Equipment					37,060
391	Transportation Equipment					37,849
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					19,555
395	Power Operated Equipment					
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service		\$ -	\$ -	\$ -	\$ -	1,575,062





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

**YEAR OF REPORT**  
**December 31, 2001**

**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)
Capacity charges	29	\$ 625	\$ 18,125
Total Credits			\$ 18,125

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 1,232,129
Debits during year:	
Accruals charged to Account	94,691
Other Debits (specify):	
Total debits	94,691
Credits during year (specify):	
Total credits	
Balance end of year	\$ 1,326,820



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

YEAR OF REPORT  
 December 31, 2001

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues	573	599	\$ 172,302
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	1,031	1,031	303,950
521.6	Other Revenues			
521	Total Flat Rate Revenues	1,604	1,630	476,252
522.1	Measured Revenues: Residential Revenues			
522.2	Commercial Revenues	32	33	93,585
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)	396	396	68,649
522	Total Measured Revenues	428	429	162,234
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	2,032	2,059	\$ 638,486
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)			8,120
	Total Other Wastewater Revenues			\$ 8,120

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

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

YEAR OF REPORT  
 December 31, 2001

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				\$ 646,606

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

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

WASTEWATER UTILITY EXPENSE ACCOUNTS

YEAR OF REPORT  
 December 31, 2001

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)	.3 PUMPING OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 134,310	\$ -	\$ -	\$ -	\$ -	\$ 134,310	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	163,000						
704	Employee Pensions and Benefits	32,852						
710	Purchased Sewage Treatment	8,360					8,360	
711	Sludge Removal Expense	40,259					40,259	
715	Purchased Power							
716	Fuel for Power Purchased							
718	Chemicals	9,288					9,288	
720	Materials and Supplies	80,756						
731	Contractual Services - Engineering	12,720				20,535		49,233
732	Contractual Services - Accounting	16,794						
733	Contractual Services - Legal							
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing	382						
736	Contractual Services - Other							
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expense	9,298		9,298				
756	Insurance - Vehicle	8,527		8,527				
757	Insurance - General Liability	11,527						
758	Insurance - Workmens Comp.	5,793					2,540	
759	Insurance - Other							
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	89						
775	Miscellaneous Expenses	23,339					12,532	
	Total Wastewater Utility Expenses	\$ 557,294	\$ -	\$ 17,825	\$ -	\$ 20,535	\$ 207,289	\$ 49,233

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

YEAR OF REPORT  
 December 31, 2001

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders		163,000				
704	Employee Pensions and Benefits		32,852				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies		10,988				
731	Contractual Services - Engineering		12,720				
732	Contractual Services - Accounting		16,794				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing		382				
736	Contractual Services - Other						
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expense						
756	Insurance - Vehicle						
757	Insurance - General Liability		8,987				
758	Insurance - Workmens Comp.		5,793				
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	89	10,807				
	Total Wastewater Utility Expenses	\$ 89	\$ 262,323	\$ -	\$ -	\$ -	\$ -

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

YEAR OF REPORT  
 December 31, 2001

**CALCULON 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	600	600
5/8"	Displacement	1.0		
3/4"	Displacement	1.5	1,006	1,509
1"	Displacement	2.5	75	188
1 1/2"	Displacement or Turbine	5.0	18	90
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		
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				2,427

**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 day.

**NOTE:** Total gallons treated includes both treated and purchased treatment

ERC Calculation:	$\left( \frac{89,231,000}{\text{(total gallons treated)}} / 365 \text{ days} \right) / 99 \text{ gpd} =$	2,469
------------------	----------------------------------------------------------------------------------------------------------	-------



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

**YEAR OF REPORT**  
**December 31, 2001**

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

Permitted Capacity	500,000		
Basis of Permit Capacity (1)	AADF		
Manufacturer	Custom Built		
Type (2)	Complete Mix		
Hydraulic Capacity	500,000		
Average Daily Flow	244,468		
Total Gallons of Wastewater Treated	89,231,000		
Method of Effluent Disposal	Golf Course Irrigation		

- (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 Utilities, Inc.  
 SYSTEM NAME / COUNTY: Forest/Lee

**YEAR OF REPORT**  
**December 31, 2001**

**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.	<u>2,469</u>
2. Maximum number of ERC's * which can be served.	<u>2,900</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>2,427</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>2,900</u>
5. Estimated annual increase in ERC's *	<u>40</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. Upgrades and modifications necessary to provide the reliability required by DEP rules, which must be met by January 1, 2010.	<u></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.	<u>Forest Country Club; 85,161,000 gallons</u>
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?  If so, when? <u>N/A</u>	<u>N/A</u>
9. Has the utility been required by the DEP or water management district to implement reuse?  If so, what are the utility's plans to comply with the DEP?	<u>Yes</u> <u>Utility is in compliance</u>
10. When did the company last file a capacity analysis report with the DEP?	<u>3/31/00</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? c. When will construction begin? d. Attach plans for funding the required upgrading. e. Is this system under any Consent Order from the DEP?	<u>N/A</u> <u>N/A</u> <u>N/A</u> <u>N/A</u> <u>N/A</u>
11. Department of Environmental Protection ID #	<u>FLA 014478</u>

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