

OFFICIAL COPY  
DIVISION OF  
WATER AND WASTEWATER

**CLASS "A" OR "B"**

**WATER and/or WASTEWATER UTILITIES**

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

# ANNUAL REPORT

OF

SU293-03-AR

**Forest Utilities, Inc.**

Exact Legal Name of Respondent

**Various**

Certificate Numbers

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

**YEAR ENDED DECEMBER 31, 2003**

04 FEB 02 PM 3:22  
Economic Regulation

***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. VOITLEIN, C.P.A.*  
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February 27, 2004

Officers and Directors  
Forest Utilities, Inc.

We have compiled the 2003 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  
Class A & B**

**Company: Forest 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)	\$ 499,087	\$ 499,087	\$ -
Total Measured Revenues (522.1 - 522.5)	168,812	168,812	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	8,563	8,563	-
Reclaimed Water Sales (540.1 - 544)	-	-	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 676,462</b>	<b>\$ 676,462</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>\$ 676,462</b>	<b>\$ 676,462</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**

UTILITY NAME: Forest Utilities, Inc.

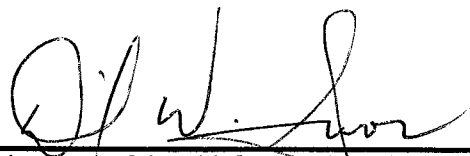
<b>YEAR OF REPORT</b> <b>December 31, 2003</b>
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I HEREBY CERTIFY, to the best of my knowledge and belief:

- |              |           |  |
|--------------|-----------|--|
| 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. |

Items Certified

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, 2003
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\_\_\_\_\_  
 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.

**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 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.**

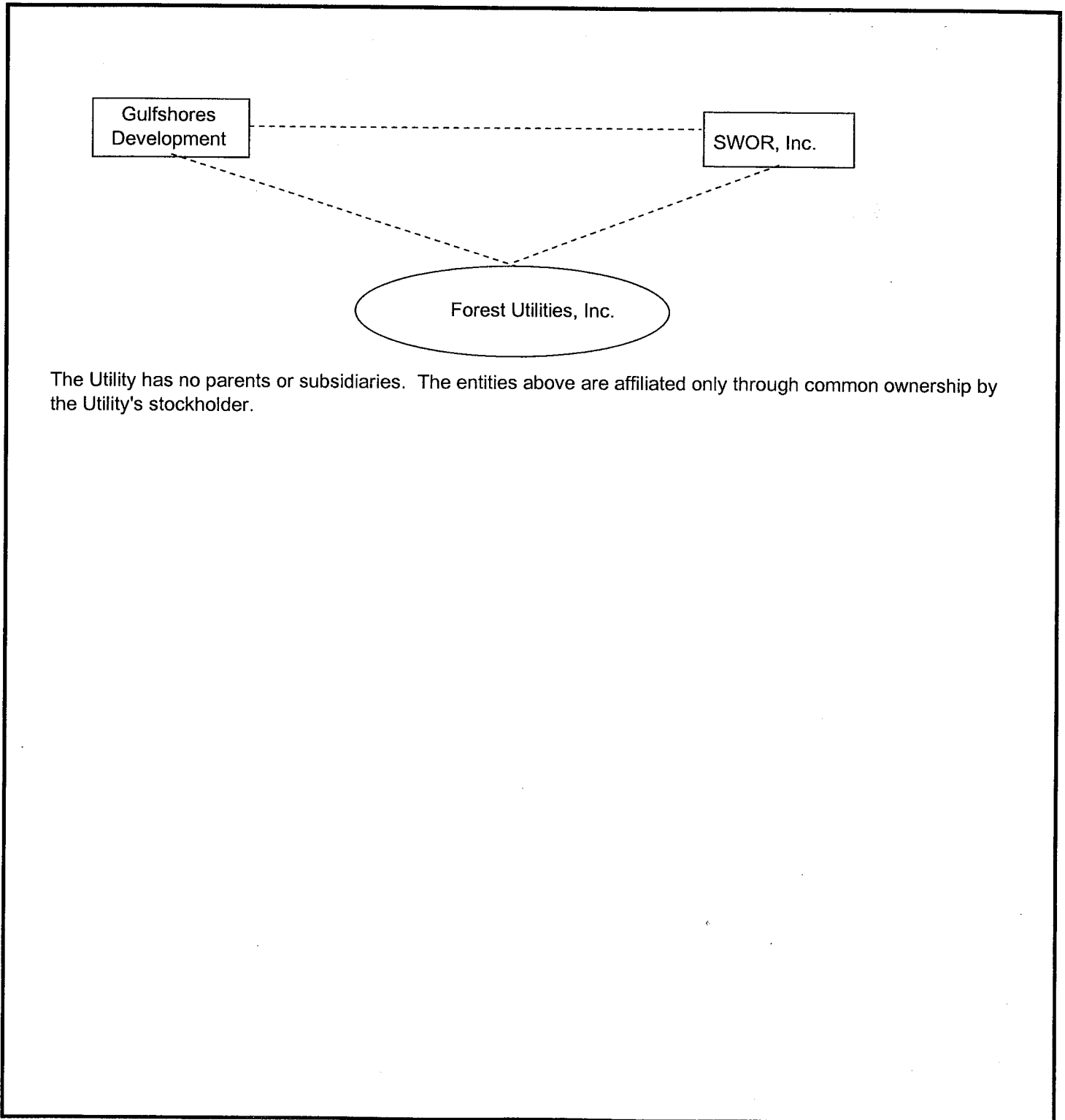
- (A) The Utility was organized December 31, 1980 to provide sewer service to the Forest Development. The Utility has experienced customer growth from other developments since its organization.
- (B) Sewer service only.
- (C) The Utility's goals are to provide quality sewer service and earn a fair return 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 2010
- (F) None

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**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).



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.

**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)
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.

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

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
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.

<b>NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)</b>	<b>IDENTIFICATION OF SERVICE OR PRODUCT (b)</b>	<b>AMOUNT (c)</b>	<b>NAME AND ADDRESS OF AFFILIATED ENTITY (d)</b>
David W. Swor	Health Insurance	\$ 6,105	Swor, Inc.
David W. Swor	Computer Services	21,588	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.

<b>YEAR OF REPORT</b> December 31, 2003
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**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)
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.

**YEAR OF REPORT**  
December 31, 2003

**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, 2003
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**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6 identifying the parties, amounts, dates and product, 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	1999	P	21,588



UTILITY NAME: Forest 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 Utilities, Inc.

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

**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	\$ 3,366,214	\$ 3,303,382
108-110	Less: Accumulated Depreciation and Amortization	F-8	(1,800,886)	(1,688,369)
Net Plant			1,565,328	1,615,013
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			1,565,328	1,615,013
<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	180,464	149,997
126-127	Special Funds	F-10		
Total Other Property and Investments			180,464	149,997
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		109,471	95,698
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	9,173	3,094
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			118,644	98,792

\* Not Applicable for Class B Utilities

UTILITY NAME: Forest Utilities, Inc.

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

**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	14,994	38,962
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			58,462
Total Deferred Debits			14,994	97,424
TOTAL ASSETS AND OTHER DEBITS			\$ 1,879,430	\$ 1,961,226

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

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

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

ACCT. 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	188,068	145,268
216	Reacquired Capital Stock		(80,000)	(80,000)
218	Proprietary Capital (Proprietorship and Partnership Only)		(2,965)	(9,243)
<b>Total Equity Capital</b>			<b>164,302</b>	<b>115,224</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	243,675	268,275
<b>Total Long Term Debt</b>			<b>243,675</b>	<b>268,275</b>
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		69,168	75,357
232	Notes Payable	F-18		
233	Accounts Payable to Associated Co.	F-18	87,765	87,765
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits			
236	Accrued Taxes		30,441	29,625
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	2,731	4,180
<b>Total Current and Accrued Liabilities</b>			<b>190,105</b>	<b>196,927</b>

\* 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 (Contributed Taxes)	F-21		73,325
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits				73,325
<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	2,666,459	2,623,111
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,519,638)	(1,421,993)
Total Net C.I.A.C.			1,146,821	1,201,118
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		124,669	100,927
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other		9,858	5,430
Total Accum. Deferred Income Taxes			134,527	106,357
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			<b>\$ 1,879,430</b>	<b>\$ 1,961,226</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)	\$ 658,336	\$ 676,462
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			658,336	676,462
401	Operating Expenses	F-3(b)	522,713	563,510
403	Depreciation Expense	F-3(b)	113,307	115,306
	Less: Amortization of CIAC	F-22	(95,173)	(97,645)
Net Depreciation Expense			18,134	17,661
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	69,436	69,142
409	Current Income Taxes	W/S-3	249	
410.10	Deferred Federal Income Taxes	W/S-3	16,174	23,742
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	(6,147)	
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			620,559	674,055
Net Utility Operating Income			37,777	2,407
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)]			37,777	2,407

\* 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 N/A	\$ 676,462	N/A
-	676,462	-
	563,510	
	115,306	
-	(97,645)	
-	17,661	-
	69,142	
	23,742	
	674,055	
N/A	2,407	
	2,407	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)]			\$ 37,777	\$ 2,407
<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		5,978	6,608
421	Miscellaneous Nonutility Revenue			
426	Miscellaneous Nonutility Expenses		(9,632)	49,000
Total Other Income and Deductions			(3,654)	55,608
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes		(1,661)	4,428
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			(1,661)	4,428
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	13,447	10,787
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			13,447	10,787
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
<b>NET INCOME</b>			<b>22,337</b>	<b>42,800</b>

Explain Extraordinary Income:

**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	N/A	\$ 3,366,214
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8		(1,800,886)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22		(2,666,459)
252	Advances for Construction	F-20		
Subtotal				(1,101,131)
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22		1,519,638
Subtotal				418,507
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			70,439
	Other (Specify):			
RATE BASE			\$ -	\$ 488,946
NET UTILITY OPERATING INCOME			\$ -	\$ 2,407
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-- %	0.49 %

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 (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ 164,302	30.85 %	11.34 %	3.50 %
Preferred Stock		%	-	%
Long Term Debt	243,675	45.75 %	4.00 %	1.8300 %
Customer Deposits		%	6.00 %	%
Tax Credits - Zero Cost		%	-	%
Tax Credits - Weighted Cost		%	-	%
Deferred Income Taxes	124,669	23.41 %	-	%
Other (Explain)		%	-	%
		%	%	%
<b>Total</b>	<b>\$ 532,646</b>	<b>100.01 %</b>		<b>5.33 %</b>

(1) If the Utility's capital structure is not used, explain which capital structure is used.

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

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates

**APPROVED RETURN ON EQUITY**

Current Commission Return on Equity:	<u>11.34</u> %
Commission order approving Return on Equity:	<u>PSC-02-1239-PAA-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 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	\$ 3,366,214	N/A	\$ 3,366,214
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	\$ 3,366,214	N/A	\$ 3,366,214

**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	\$ -	\$ -
					-
					-
					-
					-
					-
					-
Total Plant Acquisition Adjustment		\$ -	\$ -	\$ -	\$ -
115	Accumulated Amortization			\$ -	\$ -
					-
					-
					-
					-
					-
					-
Total Accumulated Amortization		\$ -	\$ -	\$ -	\$ -
Total Acquisition Adjustments		\$ -	\$ -	\$ -	\$ -

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION Account 108</b>				
Balance first of year	N/A	\$ 1,688,369	N/A	\$ 1,688,369
Credits during year:				
Accruals charged:				
to Account 108.1 (1)		115,306		115,306
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				
_____				
_____				
Salvage		7,577		7,577
Other Credits (specify) :				
_____				
_____				
Total credits		122,883		122,883
Debits during year:				
Book cost of plant retired		(10,366)		(10,366)
Cost of removal				
Other debits (specify)				
_____				
_____				
Total debits		(10,366)		(10,366)
Balance end of year	N/A	\$ 1,800,886	N/A	\$ 1,800,886

<b>ACCUMULATED AMORTIZATION Account 110</b>				
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.

**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 Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**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>		<b>\$ -</b>
UTILITY INVESTMENTS (Account 124): N/A	\$ -	\$ -
<b>Total Utility Investments</b>		<b>\$ -</b>
OTHER INVESTMENTS (Account 125):		
Salomon Smith Barney	\$ -	\$ 41,700
STI Classic Funds		138,764
<b>Total Other Investments</b>		<b>\$ 180,464</b>
SPECIAL FUNDS (Class A Utilities: Accounts 126 & 127; Class B Utilities: Account 127)) N/A		\$ -
<b>Total Special Funds</b>		<b>\$ -</b>



UTILITY NAME: Forest 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):		
Combined Water & Wastewater	\$ -	
Wastewater	7,215	
Other		
Total Customer Accounts Receivable		\$ 7,215
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
Miscellaneous accounts receivable	\$ 1,958	
Total Other Accounts Receivable		\$ 1,958
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		9,173
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		\$ 9,173

UTILITY NAME: Forest 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 Utilities, Inc.

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

**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):	\$ -	\$ -
Total Deferred Rate Case Expense	\$ -	\$ -
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
Service Availability Case - Docket 011682-SU	\$ 7,497	\$ 14,994
Total Other Deferred Debits	\$ 7,497	\$ 14,994
REGULATORY ASSETS (Class A Utilities: Account 186.3):		
None	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ 7,497	\$ 14,994

UTILITY NAME: Forest 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	\$ 75.00	\$ 75.00
Shares authorized		26.00
Shares issued and outstanding		26.00
Total par value of stock issued	\$ 1,950.00	\$ 1,950.00
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 Utilities, Inc.

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

**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	\$ 145,268
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	42,800
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	188,068
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	
	Total Retained Earnings	\$ 188,068
Notes to Statement of Retained Earnings:		

UTILITY NAME: Forest 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)	
Mortgage - Bank of America- Fort Myers; Issued:6/91; Matures: 1/06 ( Variable Rate is based on the Prime Rate )	4.00 %	V	\$ 243,675
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 243,675

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

UTILITY NAME: Forest 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)
Swor, Inc.	\$ 87,765
Total	\$ 87,765



**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					
Bank of America Mortgage Note	\$ -	427.3	\$ 10,787	\$ 10,787	\$ -
_____	-				-
_____					
_____					
<b>Total Account No. 237.1</b>	<b>-</b>		<b>10,787</b>	<b>10,787</b>	<b>-</b>
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
None					-
_____					
_____					
_____					
<b>Total Account 237.2</b>	<b>-</b>				
<b>Total Account 237 (1)</b>	<b>\$ -</b>		<b>\$ 10,787</b>	<b>\$ 10,787</b>	<b>\$ -</b>
<b>INTEREST EXPENSED:</b>					
Total accrual Account 237		237	\$ 10,787		
Less Capitalized Interest Portion of AFUDC:					
None					
_____					
_____					
_____					
<b>Net Interest Expensed to Account No. 427 (2)</b>			<b>\$ 10,787</b>		

(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 Utilities, Inc.

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

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES**  
**ACCOUNT 241**

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Prepaid Revenues by customers	\$ 2,731
Total Miscellaneous Current and Accrued Liabilities	<u>\$ 2,731</u>

**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	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> <b>December 31, 2003</b>
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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	\$ 73,325	\$ -
<b>Total Regulatory Liabilities</b>	<b>\$ 73,325</b>	<b>\$ -</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>\$ 73,325</b>	<b>\$ -</b>

UTILITY NAME: Forest Utilities, Inc.

**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	\$ 2,623,111	N/A	\$ 2,623,111
Add credits during year:		43,348		43,348
Less debits charged during				-
Total Contributions In Aid of Construction	\$ -	\$ 2,666,459	\$ -	\$ 2,666,459

**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	\$ 1,421,993	N/A	\$ 1,421,993
Debits during year:		97,645		97,645
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction		\$ 1,519,638		\$ 1,519,638

**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	F-3 (c)	\$ 42,800
Reconciling items for the year:		
Taxable income not reported on the books:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		
Deferred Income Taxes	F-3a, c	28,170
_____	F-3c	_____
_____	F-3a	_____
_____	_____	_____
Income recorded on books not included in return:		
Contributed Tax Amortization	F-3a	14,862
Unrealized gain on investment		21,602
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
Book-Tax timing difference		82,752
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income (loss)		\$ (48,246)
Computation of tax:		
A taxable loss is estimated; therefore, there is no tax.		

# **WATER OPERATION SECTION**

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

**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)	\$ 3,366,214
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(1,800,886)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(2,666,459)
252	Advances for Construction	F-20	
	Subtotal		(1,101,131)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	1,519,638
	Subtotal		418,507
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		70,439
	Other (Specify): Completed Construction not Classified		-
	WASTEWATER RATE BASE		\$ 488,946
	UTILITY OPERATING INCOME	S-3	\$ 2,407
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		0.49 %

- 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)
	<b>UTILITY OPERATING INCOME</b>		
400	Operating Revenues	S-9	\$ 676,462
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		676,462
401	Operating Expenses	S-10(a)	563,510
403	Depreciation Expense	S-6(a)	115,306
	Less: Amortization of CIAC	S-8(a)	(97,645)
	Net Depreciation Expense		17,661
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		30,441
408.11	Property Taxes		15,071
408.12	Payroll Taxes		22,838
408.13	Other Taxes & Licenses		792
408	Total Taxes Other Than Income		69,142
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		23,742
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		674,055
	Utility Operating Income		2,407
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		\$ 2,407

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

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

**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				
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	40,771		1,042,907
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment				
390	Office Furniture & Equipment	23,048			23,048
391	Transportation Equipment	32,128	17,427	10,366	39,189
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment	23,700			23,700
395	Power Operated Equipment		15,000		15,000
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 3,303,382	\$ 73,198	\$ 10,366	\$ 3,366,214

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.  
 Note (1): Rounding

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

YEAR OF REPORT  
 December 31, 2003

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				26,690			
354	Structure and Improvements			386,532				
355	Power Generation Equipment							
360	Collection Sewers - Force		171,112					
361	Collection Sewers - Gravity		1,482,015					
362	Special Collecting Structures		122,728					
363	Services to Customers		12,628					
364	Flow Measuring Devices		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				1,042,907			
380	Treatment & Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipme							
390	Office Furniture & Equipment							23,048
391	Transportation Equipment							39,189
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							23,700
396	Communication Equipment							15,000
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 17,331	\$ 1,791,817	\$ 386,532	\$ 1,069,597	\$ -	\$ -	\$ 100,937

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

S-4(b)  
 GROUP 1

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	15	%	6.67 %
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	3,248	433		433
354	Structure and Improvements	113,332	11,055		11,055
355	Power Generation Equipment				
360	Collection Sewers - Force	29,123	5,698		5,698
361	Collection Sewers - Gravity	803,022	42,386		42,386
362	Special Collecting Structures	35,277	4,909		4,909
363	Services to Customers	3,018	332		332
364	Flow Measuring Devices	2,334	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	593,803	37,833		37,833
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment				
390	Office Furniture & Equipment	40,902	3,842		3,842
391	Transportation Equipment	43,205	5,945		5,945
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment	21,105	1,581		1,581
395	Power Operated Equipment		625		625
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 1,688,369	\$ 115,306	\$ -	\$ 115,306

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

UTILITY NAME Forest Utilities, Inc.

SYSTEM NAME / COUNTY: Forest Utilities / Lee

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	\$ -	\$ -	\$ -	\$ -	3,681
352	Franchises					124,387
354	Structure and Improvements					
355	Power Generation Equipment					34,821
360	Collection Sewers - Force					845,408
361	Collection Sewers - Gravity					40,186
362	Special Collecting Structures					3,350
363	Services to Customers					3,001
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					
371	Pumping Equipment					
374	Reuse Distribution Reservoirs					
375	Reuse Transmission and Distribution System					
380	Treatment & Disposal Equipment					631,636
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					
390	Office Furniture & Equipment					44,744
391	Transportation Equipment	(10,366)	7,577		(2,789)	46,361
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					22,686
395	Power Operated Equipment					625
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service		\$ (10,366)	\$ 7,577	\$ -	\$ (2,789)	\$ 1,800,886

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

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

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (b)
Balance First of Year		\$ 2,623,111
Add credits during year: Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	S-8(a)	43,348
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	
Total Credits		43,348
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 2,666,459

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

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

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

**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)
Capacity charges	15	\$ 1,351	\$ 20,265
Capacity charges	14	933	13,062
Main Extension Charge	14	1,043	14,602
Rounding		-	2
Refund agreement for serv availability			(4,583)
Total Credits			\$ 43,348

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 1,421,993
Debits during year:	
Accruals charged to Account	97,645
Other Debits (specify):	
Total debits	97,645
Credits during year (specify):	
Total credits	
Balance end of year	\$ 1,519,638

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

YEAR OF REPORT  
 December 31, 2003

**WASTEWATER CIAC SCHEDULE "B"**

**ADDITIONS TO CONTRIBUTION IN AID OF CONSTRUCTION RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS FROM WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR**

DESCRIPTION (a)	INDICATE "CASH" OR "PROPERTY" (b)	WASTEWATER (c)
None		\$ -
Total Credits		\$ -

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
Flat Rate Revenues:				
521.1	Residential Revenues	620	638	\$ 189,727
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues	1,015	1,015	309,360
521.6	Other Revenues			
521	Total Flat Rate Revenues	1,635	1,653	499,087
Measured Revenues:				
522.1	Residential Revenues			
522.2	Commercial Revenues	33	49	103,872
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)	400	396	64,940
522	Total Measured Revenues	433	445	168,812
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	2,068	2,098	\$ 667,899
<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)			8,563
	Total Other Wastewater Revenues			\$ 8,563

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

**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				\$ 676,462

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

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

YEAR OF REPORT  
 December 31, 2003

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	\$ 130,507	\$ -	\$ -	\$ -	\$ -	\$ 130,507	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	163,000						
704	Employee Pensions and Benefits	28,578						
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	8,734					8,734	
715	Purchased Power	43,657						
716	Fuel for Power Production							
718	Chemicals	6,519						
720	Materials and Supplies	48,769				9,530		39,239
731	Contractual Services - Engineering	3,166						
732	Contractual Services - Accounting	17,506						
733	Contractual Services - Legal	40,203						
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing	15,892					15,892	
736	Contractual Services - Other	208					208	
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expense	5,470						
756	Insurance - Vehicle	5,710		5,470				
757	Insurance - General Liability	10,638		5,710				
758	Insurance - Workmens Comp.	6,647					10,638	
759	Insurance - Other							
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	7,497						
767	Regulatory Commission Exp.-Other	499						
770	Bad Debt Expense	20,310						
775	Miscellaneous Expenses							
	Total Wastewater Utility Expenses	\$ 563,510	\$ -	\$ 11,180	\$ -	\$ 9,530	\$ 172,498	\$ 39,239

S-10(a)  
 GROUP 1

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

YEAR OF REPORT  
 December 31, 2003

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		28,578				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense		43,657				
715	Purchased Power						
716	Fuel for Power Production						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services - Engineering		3,166				
732	Contractual Services - Accounting		17,506				
733	Contractual Services - Legal		40,203				
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expense						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workmens Comp.		6,647				
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other		7,497				
770	Bad Debt Expense		20,310				
775	Miscellaneous Expenses	499					
	Total Wastewater Utility Expenses	\$ 499	\$ 330,564	\$ -	\$ -	\$ -	\$ -

S-10(b)  
 GROUP 1

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

**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	638	638
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				2,465

**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:	(	83,424,000	/ 365 days ) / 280 gpd =	1,344
		(total gallons treated)		

Note: Forest Utilities ERC is 170gpd

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

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

**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		
Type (2)	Complete Mix		
Hydraulic Capacity	500,000		
Average Daily Flow	228,559		
Total Gallons of Wastewater Treated	83,424,000		
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 Utilities / Lee

**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>2,465</u>
2. Maximum number of ERC's * which can be served.	<u>2,941</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>2,465</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>2,941</u>
5. Estimated annual increase in ERC's	<u>Approximately 20</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.	<u>Forest Country Club - 83,424 mg</u>
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 DE	<u>N/A</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?	<u>No-Engineer currently performing odor control evaluation</u>
c. When will construction begin?	<u>Undetermined</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>Yes - OCG03-1352</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