

# CLASS "B"

WATER and/or SEWER UTILITIES

(Gross Revenue of \$150,000 or More but Less Than \$750,000 Each)

# ANNUAL REPORT

OF

RECEIVED

MAR 25 1999

Florida Public Service Commission  
Division of Water and Wastewater

Forest Utilities, Inc.

300-S

Certificate Number(s)



FOR THE

YEAR ENDED DECEMBER 31, 1998

OFFICIAL COPY  
DIVISION OF  
WATER AND SEWER

Do Not Remove from this Office

RECEIVED  
MAR 25 9 57 AM '99  
ADMINISTRATION  
MAIL ROOM

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

JAMES L. CARLSTEDT, C.P.A.  
JOHN H. CRONIN, JR., C.P.A.  
ERIC M. DOAN, C.P.A.  
ROBERT H. JACKSON, C.P.A.  
ELIZABETH A. MAY, C.P.A.  
BRENDA W. McBARRON, C.P.A.  
ROBERT C. NIXON, C.P.A.  
HOLLY M. TOWNER, C.P.A.  
JOHN A. VANTREASE, C.P.A.  
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD  
SUITE 200  
CLEARWATER, FLORIDA 33765-4479  
(727) 791-4020  
FACSIMILE  
(727) 797-3602  
e-Mail  
cjniw@worldnet.att.net

March 23, 1999

Officers and Directors  
Forest Utilities, Inc.

We have compiled the 1998 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

TABLE OF CONTENTS

Schedule	Page	Schedule	Page
<b>Executive Summary</b>			
Certification	E-1	Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers and Directors	E-8
Directory of Personnel Who Contact the Fla. Public Service Commission	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	
Parent/Affiliate Organization Chart	E-5	- Part I and II	E-10
Compensation of Officers & Directors	E-6	Composite of Statistics	E-11
Business Contracts With Officers,			
<b>Financial Section</b>			
Comparative Balance Sheet - Assets And Other Debits	F-1	Companies	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Capital Stock	F-14
COMPARATIVE Operating Statement	F-3	Long Term Debt	F-14
Schedule of Year End Rate Base	F-4	Statement of Retained Earnings	F-15
Utility Plant	F-5	Bonds	F-16
Utility Plant Acquisition Adjustments	F-5	Advances From Associated Companies	F-16
Accumulated Depreciation	F-6	Accrued Taxes	F-17
Accumulated Amortization	F-6	Accrued Interest	F-18
Nonutility Property	F-7	Regulatory Commission Expense - Amortization of Rate Case Expense	F-18
Special Deposits	F-7	Misc. Current and Accrued Liabilities	F-19
Investments and Special Funds	F-8	Advances for Construction	F-19
Accounts and Notes Receivable - Net	F-9	Contributions In Aid Of Construction	F-20
Accounts Receivable From Associated Companies	F-10	Additions to CIAC Received from Capacity, Main Extension and Customer Connection Charges	F-21
Notes Receivable From Associated Co.	F-10	Accum. Amortization of C.I.A.C.	F-21
Prepayments	F-11	Additions to CIAC Received from All Developers or Contractors Agreements	F-22
Miscellaneous Deferred Debits	F-11	Reconciliation of Reported Net Income With Taxable Income For	
Unamortized Debt Discount and Expense and Premium on Debt	F-12	Federal Income Taxes	F-23
Extraordinary Property Losses	F-13	AFUDC Calculation	F-24
Notes Payable	F-13	AFUDC Capital Structure Adjustments	F-25
Accounts Payable to Associated	F-13		
<b>Water Operation Section</b>			
Water Utility Plant Accounts	W-1	Statistics	W-6
Water Utility Expense Accounts	W-2	Water Treatment Plant, Mains, Services and Meters	W-7
Water Operating Revenue	W-3	Wells and Well Pumps, Reservoirs, and High Service Pumping	W-8
Basis for Water Depreciation Charges	W-4	Other Water System Information	W-9
Analysis of Entries in Water Depreciation Reserve	W-5	Calculation of ERC's	W-10
Pumping and Purchased Water			
<b>Sewer Operation Section</b>			
Sewer Utility Plant Accounts	S-1	Pumping Equipment and Service Connections	S-6
Sewer Utility Expense Accounts	S-2	Collecting and Force Mains	S-7
Sewer Operating Revenue	S-3	Other Sewer System Information	S-8
Basis for Sewer Depreciation Charges	S-4	Calculation of ERC's	S-9
Analysis of Entries in Sewer Depreciation Reserve	S-5		

# **EXECUTIVE SUMMARY**

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT  
December 31, 1998

UTILITY NAME: Forest Utilities, Inc.

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**

Forest Utilities, Inc.

County: Lee

(Exact Name of Utility)

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

6385 Presidential Court S.W.  
Fort Myers, Florida 33919

Telephone: ( 941 ) 481-0111

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

Robert C. Nixon, CPA  
Cronin, Jackson, Nixon and Wilson, CPA's  
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:

6385 Presidential Court S.W.  
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	%
2.			%
3.			%
4.			%
5.			%
6.			%
7.			%
8.			%
9.			%
10.			%

UTILITY NAME: Forest Utilities, Inc.

YEAR OF REPORT  
December 31, 1998

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

NAME OF COMPANY REPRESENTATIVE (1)(2)	TITLE OR POSITION	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Robert C Nixon	CPA	Cronin, Jackson, Nixon & Wilson	Accounting & rate matters
Martin S. Friedman	Attorney	Rose, Sundstrom and 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.

YEAR OF REPORT  
December 31, 1998

**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 projected growth rate is approximately 75 additional ERC's per year.
- (F) None



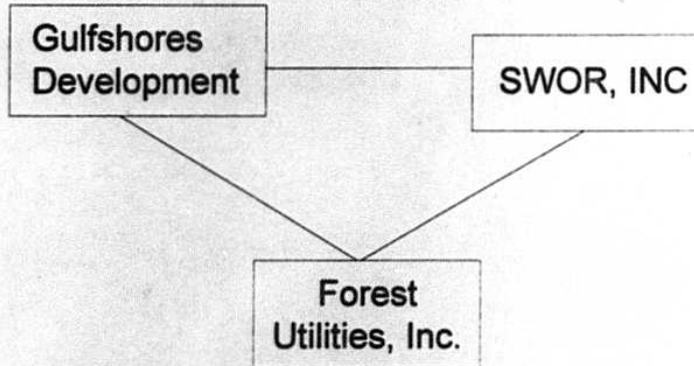
UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**PARENT / AFFILIATE ORGANIZATION CHART**  
Current as of 12/31/98

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).

1995



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

**YEAR OF REPORT**  
December 31, 1998

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 %	\$ 106,000
Doris Swor	Vice President / Secretary	10 %	\$ 25,000
Judy Mallett	Treasurer	30 %	\$ 39,900
			\$
			\$
			\$
			\$
			\$
			\$
			\$

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.

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

**BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES**

List all contracts, agreements, or other business arrangements\* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

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	Office, Accounting and Billing	\$ 32,500	Gulfshores Development
David W. Swor	Health Insurance	6,105	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.

**AFFILIATION OF OFFICERS AND DIRECTORS**

For each of the officials listed on page E-6, list the principle 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>PRINCIPLE                      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, 1998

**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, 1998
--

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

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

**Part I. Specific Instructions: Services and Products Received or Provided**

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Gulfshores Development	Office, Accounting and Billing	1/1/84	P	\$ 32,500
Swor, Inc.	Health Insurance	1985	P	6,105

**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

**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		\$	\$	\$	\$

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**COMPOSITE STATISTICS FOR ALL  
PRIVATELY OWNED WATER AND SEWER UTILITIES UNDER AGENCY JURISDICTION**

DESCRIPTION (a)	WATER (b)	SEWER (c)
PLANT (Intrastate Only)(000's Omitted):		
Plant in Service _____	\$ N/A	\$ 3,148
Construction Work In Progress _____		
Plant Acquisition Adjustment _____		
Plant Held For Future Use _____		
Materials and Supplies _____		
Less:		
Accumulated Depreciation and Accumulated Amortization _____		1,239
Contributions In Aid Of Construction (Net) _____		1,492
Net Book Cost _____	\$	\$ 417
REVENUES AND EXPENSES (Intrastate Only)(000's Omitted):		
Operating Revenues _____	\$	\$ 628
Depreciation and Amortization Expense _____	\$	\$ 22
Income Tax Expense _____		7
Taxes Other Than Income _____		66
Other Operating Expenses _____		508
Total Operating Expenses _____	\$	\$ 603
Net Operating Income _____	\$	\$ 25
Other Income _____	\$	\$ 27
Other Income Deductions _____		(31)
Net Income _____	\$	\$ 21
CUSTOMERS (Intrastate Only):		
Residential - Yearly Average _____		524
Commercial - Yearly Average _____		35
Industrial - Yearly Average _____		
Others - Yearly Average _____		1,401
Total _____		1,960
OTHER STATISTICS (Intrastate Only):		
Average Annual Residential Use Per 1,000 Gallons _____		43
Average Annual Residential Cost Per 1,000 Gallons _____	\$	\$ 7.10
Average Residential Monthly Bill _____	\$	\$ 25.55
Gross Plant Investment Per Customer _____	\$	\$ 1,606



**FINANCIAL**

**SECTION**

UTILITY NAME: Forest Utilities, Inc.

YEAR OF REPORT  
December 31, 1998

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>				
101-105	Utility Plant	F-5	\$ 3,147,839	\$ 3,007,927
108-110	Less: Accumulated Depreciation and Amortization	F-6	(1,239,038)	(1,134,201)
	Net Plant		1,908,801	1,873,726
114-115	Utility Plant Acquisition			
	Adjustments (Net)	F-5		
	Other Plant Adjustments (specify)			
	Total Net Utility Plant		1,908,801	1,873,726
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-7		
122	Less: Accumulated Depreciation and Amortization			
	Net Nonutility Property			
123	Investment in Associated Companies	F-8		
124	Utility Investments	F-8		
125	Other Investments (Note 1)	F-8	178,752	160,066
127	Special Funds	F-8		
	Total Other Property and Investments		178,752	160,066
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		212,317	237,381
132	Special Deposits	F-7		15,944
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts	F-9	4,816	19,564
145	Accounts Receivable from Associated Companies	F-10		
146	Notes Receivable from Associated Companies	F-10		
151	Materials and Supplies			
162	Prepayments	F-11		
171	Accrued Interest and Dividends Receivable			
174	Misc. Current and Accrued Assets			
	Total Current and Accrued Assets		217,133	272,889

UTILITY NAME: Forest Utilities, Inc.

YEAR OF REPORT  
December 31, 1998

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-12	\$ _____	\$ _____
182	Extraordinary Property Losses _____	F-12	_____	_____
186	Misc. Deferred Debits _____	F-11	_____	_____
190	Accumulated Deferred Income Taxes _____		74,276	98,407
	Total Deferred Debits _____		74,276	98,407
	TOTAL ASSETS AND OTHER DEBITS _____		\$ 2,378,962	\$ 2,405,088

NOTES TO THE BALANCE SHEET

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

Note (1): The Company invests cash in long and short term marketable securities. Per FASB 115, such accounts are to be reported at fair market value, with unrealized short term gains and losses charged against current year income and unrealized long term gains and losses shown as a separate line item of stockholders equity.

UTILITY NAME: Forest Utilities, Inc.

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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued _____	F-14	\$ 1,950	\$ 1,950
204	Preferred Stock Issued _____	F-14		
211	Other Paid-in Capital _____		57,249	57,249
212	Discount on Capital Stock _____			
213	Capital Stock Expense _____			
214-215	Retained Earnings _____	F-15	185,309	163,816
216	Reacquired Capital Stock _____		(80,000)	(80,000)
218	Proprietary Capital (Proprietorship and Partnership Only) Unrealized Equity Losses _____		13,839 (1)	6,530 (1)
	Total Equity Capital _____		178,347	149,545
<b>LONG TERM DEBT</b>				
221	Bonds _____	F-16		
223	Advances from Associated Companies _____	F-16		
224	Other Long Term Debt _____	F-14	352,858	369,728
	Total Long Term Debt _____		352,858	369,728
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable _____		66,394	82,565
232	Notes Payable _____	F-13		
233	Accounts Payable to Associated Co. _____	F-13	61,265	61,265
234	Notes Payable to Associated Co. _____	F-13		
235	Customer Deposits _____		3,545	3,545
236	Accrued Taxes _____	F-17	29,541	26,993
237	Accrued Interest _____	F-18		
238	Accrued Dividends _____			
239	Matured Long Term Debt _____			
240	Matured Interest _____			
241	Miscellaneous Current and Accrued Liabilities _____	F-19	3,091	
	Total Current and Accrued Liabilities _____		163,836	174,368

Note (1): See Note (1) on Page F-1b

UTILITY NAME: Forest Utilities, Inc.

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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium on Debt _____	F-12	\$ _____	\$ _____
252	Advances for Construction _____	F-19	_____	_____
253	Other Deferred Credits (Contributed Taxes) _____		124,076	130,439
255	Accumulated Deferred Investment Tax Credits _____		_____	_____
	Total Deferred Credits _____		124,076	130,439
<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-20	2,553,554	2,472,446
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-21	(1,061,303)	(975,458)
	Total Net C.I.A.C. _____		1,492,251	1,496,988
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation _____		58,119	73,349
282	Accumulated Deferred Income Taxes - Liberalized Depreciation _____		_____	_____
283	Accumulated Deferred Income Taxes - Other _____		9,475	10,671
	Total Accum. Deferred Income Taxes _____		67,594	84,020
	<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b> _____		<b>\$ 2,378,962</b>	<b>\$ 2,405,088</b>

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**COMPARATIVE OPERATING INCOME**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	<b>UTILITY OPERATING INCOME</b>			
400	Operating Revenues _____	\$ 607,850	F-3(b)	\$ 628,030
401	Operating Expenses _____	484,719	F-3(b)	506,463
403	Depreciation Expense _____	17,819	F-6	21,724
406	Amortization of Utility Plant Acquisition Adjustment _____			
407	Amortization Expense _____			
408.1	Taxes Other Than Income _____	56,008	F-17	66,360
409.1	Income Taxes _____	740	F-17	1,280
410.10	Deferred Federal Income Taxes _____	10,598		8,901
411.10	Provision for Deferred Income Taxes - Credit _____	(3,207)		(3,207)
412.10	Investment Tax Credits Deferred to Future Periods _____			
412.11	Investment Tax Credits Restored to Operating Income _____			
	Utility Operating Expenses _____	566,677		601,521
	Utility Operating Income _____	41,173		26,509
413	Income From Utility Plant Leased To Others _____			
414	Gains (Losses) From Disposition of Utility Property _____			
	Total Utility Operating Income [Enter here and on Page F-3(c)] _____	41,173		26,509

**COMPARATIVE OPERATING INCOME**

REF. PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (c)	OTHER (e)
W-3	\$ N/A	S-3	\$ 628,030	\$ N/A
W-2 F-6		S-2 F-6	506,463 21,724	
F-6 F-17 F-17		F-6 F-17 F-17	66,360 1,280 8,901	
			(3,207)	
			601,521	
	N/A		26,509	
	\$ N/A		\$ 26,509	\$ N/A

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**COMPARATIVE OPERATING INCOME (Cont'd)**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [From Page F-3(a)]	41,173		26,509
	<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	23,769		26,874
420	Allowance for Funds Used During Construction			
421	Nonutility Income	21,294		
426	Miscellaneous Nonutility Expenses	(590)		(5,186)
	Total Other Income and Deductions	44,473		21,688
	<b>TAXES APPLICABLE TO OTHER INCOME</b>			
408.20	Taxes Other Than Income		F-17	
409.20	Income Taxes		F-17	
410.20	Provision for Deferred Income Taxes	3,874		(1,196)
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	3,874		(1,196)
	<b>INTEREST EXPENSE</b>			
427	Interest Expense	30,356	F-18	27,900
428	Amortization of Debt Discount & Expense		F-12	
429	Amortization of Premium on Debt		F-12	
	Total Interest Expense	30,356		27,900
	<b>EXTRAORDINARY ITEMS</b>			
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items			
	<b>NET INCOME</b>	\$ 51,416		\$ 21,493



UTILITY NAME: Forest Utilities, Inc.

**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	SEWER UTILITY (e)
101	Utility Plant In Service _____	F-5	\$ N/A	\$ 3,147,839
	Less:			
	Nonused and Useful Plant (1) _____			106,798
108.1	Accumulated Depreciation _____	F-6		1,239,038
110.1	Accumulated Amortization _____	F-6		
271	Contributions in Aid of Construction _____	F-20		2,553,554
252	Advances for Construction _____	F-19		
	Subtotal _____			(751,551)
	Additions:			
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-21		1,061,303
	Subtotal _____			309,752
	Plus or Minus:			
114	Acquisition Adjustments (2) _____	F-5		
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5		
	Working Capital Allowance (3) _____			63,308
	Other (Specify):			
	Prepaid capacity charges - net of amortization _____			119,375
	RATE BASE _____		\$ _____	\$ 492,435
	UTILITY OPERATING INCOME _____		\$ _____	\$ 26,545
	ACHIEVED RATE OF RETURN _____		-- %	5.39 %

**NOTES:**

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculated using the 1/8th of O & M method.

UTILITY NAME: Forest Utilities, Inc.

YEAR OF REPORT  
December 31, 1998

UTILITY PLANT (ACCTS. 101 - 106)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts				
101	Utility Plant In Service	\$ N/A	\$ 3,147,839	\$ N/A	\$ 3,147,839
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
	Total Utility Plant	\$	\$ 3,147,839	\$	\$ 3,147,839

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)

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

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

UTILITY NAME: Forest Utilities, Inc.

YEAR OF REPORT  
December 31, 1998

ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year -----	\$ N/A	\$ 1,134,201	\$ N/A	\$ 1,134,201
Credits during year:				
Accruals charged:				
to Account 108 -----		103,648		103,648
Accruals charged other accounts (specify) -----				
Salvage -----		9,389		9,389
Other Credits (specify) -----				
Total credits -----		113,037		113,037
Debits during year:				
Book cost of plant retired -----		8,200		8,200
Cost of removal -----				
Other debits (specify) -----				
Total debits -----		8,200		8,200
Balance end of year -----	\$	\$ 1,239,038	\$ N/A	\$ 1,239,038

ACCUMULATED AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year -----	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Credits during year:				
Accruals charged:				
to Account 110 -----				
Accruals charged 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

UTILITY NAME: Forest Utilities, Inc.

**NONUTILITY PROPERTY (ACCT 121)**

Report separately each item of property with a book cost of \$25,000 or more included in Account 121. Other items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR BALANCE (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Nonutility Property _____	\$ _____	\$ _____	\$ _____	\$ N/A

**SPECIAL DEPOSITS (ACCTS. 132 - 133)**

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (ACCT. 132): N/A	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total Special Deposits _____	\$ _____

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 1998
--

**INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123 - 127)**

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): N/A <hr/> <hr/> <hr/> <hr/> <hr/> Total Investment In Associated Companies _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
UTILITY INVESTMENTS (ACCT. 124): N/A <hr/> <hr/> <hr/> <hr/> <hr/> Total Utility Investments _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
OTHER INVESTMENTS (ACCT. 125): Shearson, Lehman, Hutton Suntrust Bank Mutual <hr/> <hr/> <hr/> <hr/> <hr/> Total Other Investments _____	\$           64,362 54,329 _____ _____ _____	\$           110,584 68,168 _____ _____ _____
SPECIAL FUNDS (ACCTS. 126 & 127) N/A <hr/> <hr/> <hr/> <hr/> <hr/> Total Special Funds _____	_____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)**

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

DESCRIPTION (a)	TOTAL (b)
<b>ACCOUNTS RECEIVABLE:</b>	
Customer Accounts Receivable (Acct. 141):	
Water _____ \$ _____	
Sewer _____ 4,571	
Other _____	
Total Customer Accounts Receivable _____	4,571
<b>OTHER ACCOUNTS RECEIVABLE (Acct. 142):</b>	
Misc account receivable _____ \$ _____ 245	
_____	
_____	
Total Other Accounts Receivable _____	245
<b>NOTES RECEIVABLE (Acct. 144):</b>	
_____ \$ _____	
_____	
_____	
Total Notes Receivable _____	
Total Accounts and Notes Receivable _____	4,816
<b>ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Acct. 143):</b>	
Balance First of Year _____ N/A _____ \$ _____	
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 _____	\$ 4,816

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 145)**

Report each account receivable from associated companies separately.

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

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 146)**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
N/A		\$
Total _____		\$

UTILITY NAME: Forest Utilities, Inc.

**PREPAYMENTS (ACCT. 162)**

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance _____	\$ _____
Prepaid Rents _____	_____
Prepaid Interest _____	_____
Prepaid Taxes _____	_____
Other Prepayments (Specify): _____	_____
_____	_____
Total Prepayments _____	\$ NONE

**MISCELLANEOUS DEFERRED DEBITS (ACCT. 186):**

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) _____	\$ _____
Other Deferred Debits (Acct 186.2) _____	_____
_____	_____
Total Miscellaneous Deferred Debits _____	\$ NONE



UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS. 181 AND 251)**

Report the net discount and expense or premium separately for each security issue.		
DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181):		
N/A	\$	\$
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense _____	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Acct. 251):		
N/A	\$	\$
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt _____	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES (ACCT. 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.

YEAR OF REPORT  
December 31, 1998

NOTES PAYABLE (ACCTS. 232 AND 234)

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					
N/A			%		\$
			%		
			%		
			%		
			%		
Total Account 232					\$
ACCOUNT 234 - NOTES PAYABLE TO ASSOCIATED COMPANIES:					
N/A			%		\$
			%		
			%		
			%		
			%		
Total Account 234					\$

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.	
DESCRIPTION (a)	TOTAL (b)
SWOR, Inc.	\$ 61,265
Total	\$ 61,265

UTILITY NAME: Forest Utilities, Inc.

**CAPITAL STOCK (ACCTS. 201 and 204)**

DESCRIPTION (a)	COMMON STOCK (b)	PREFERRED STOCK (c)
Par or stated value per share _____	\$ 75.00	\$ N/A
Shares authorized _____	26	
Shares issued and outstanding _____	26	
Total par value of stock issued _____	\$ 1,950	\$ _____
Dividends declared per share for year _____	\$ None	\$ _____

**LONG TERM DEBT (ACCT. 224)**

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
	RATE (d)	FREQUENCY OF PAYMENT (e)	
Mortgage - NCNB - Fort Myers Date of issue: 6-9' Balloon payment due: 6-2001	10.75 %	Monthly	\$ 352,858
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
<b>Total</b> _____			\$ 352,858

UTILITY NAME: Forest Utilities, Inc.

YEAR OF REPORT  
December 31, 1998

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock.  
Show amounts of 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 -----	\$ 163,816
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 -----	21,493
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 -----	
	Balance end of year -----	185,309
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ Total Appropriated Retained Earnings -----	
	Total Retained Earnings -----	\$ 185,309

Notes to Statement of Retained Earnings:

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**BONDS (ACCT. 221)**

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

**ADVANCES FROM ASSOCIATED COMPANIES (ACCT. 223)**

Report each account payable separately.

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

UTILITY NAME: Forest Utilities, Inc.

**ACCRUED TAXES (ACCT. 236)**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year -----	\$	\$ 26,993	\$ N/A	\$ 26,993
	Accruals Charged:				
408.10	Utility Regulatory Assessment Fees -----		28,261		28,261
408.11	Property Taxes -----		15,306		15,306
408.12	Payroll Taxes -----		22,189		22,189
408.13	Other Taxes & Licenses -----		604		604
409.10	Federal Income Taxes -----		1,187		1,187
409.11	State Income Taxes -----		93		93
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) -----				
	Total Taxes Accrued -----		67,640		67,640
	Taxes Paid During Year:				
408.10	Utility Regulatory Assessment Fees -----		26,993		26,993
408.11	Property Taxes -----		15,306		15,306
408.12	Payroll Taxes -----		22,189		22,189
408.13	Other Taxes & Licenses -----		604		604
409.10	Federal Income Taxes -----				
409.11	State Income Taxes -----				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) -----				
	Total Taxes Paid -----		65,092		65,092
	Balance End of Year -----	\$ N/A	\$ 29,541	\$ N/A	\$ 29,541

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**ACCRUED INTEREST (ACCT. 237)**

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	\$ 27,900	\$ 27,900	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total Account No. 237.1	_____	_____	27,900	27,900	_____
ACCOUNT NO. 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES:	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total Account 237.2	_____	_____	_____	_____	_____
Total Account 237	\$ NONE	_____	\$ 27,900	\$ 27,900	\$ NONE

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

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. (d)	AMOUNT (e)
N/A	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	_____	\$ _____

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (ACCT. 241)**

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Prepaid customer accounts	\$ 3,091
Total Miscellaneous Current and Accrued Liabilities -----	\$ 3,091

**ADVANCES FOR CONSTRUCTION (ACCT. 252)**

NAME OF PAYOR (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS ACCT.		CREDITS (e)	BALANCE END OF YEAR (f)
		DEBIT (c)	AMOUNT (d)		
N/A	\$		\$	\$	\$
Total -----	\$		\$	\$	\$





UTILITY NAME: Forest Utilities, Inc.

**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)	WATER (d)	SEWER (e)
Capacity charges:	12	\$ 625.00	\$	\$ 7,500
Total Credits -----			\$ N/A	\$ 7,500

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year -----	\$	\$ 975,458	\$ N/A	\$ 975,458
Debits during year:				
Accruals charged to Account 272 -----		81,924		81,924
Other debits (specify):				
Adjust to proper balance		3,921		3,921
Total debits -----		85,845		85,845
Credits during year (specify):				
Total Credits -----				
Balance end of year -----	\$	\$ 1,061,303	\$ N/A	\$ 1,061,303

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

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

DESCRIPTION (a)	INDICATE "CASH" OR "PROPERTY" (b)	WATER (c)	SEWER (d)
Forest Country Club	Property	\$	\$ 58,875
Unrefundable CIAC Gross-up Collections	Cash		14,733
<b>Total Credits</b> -----		\$ N/A	\$ 73,608

UTILITY NAME: Forest Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**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 _____		\$ 21,493
Reconciling items for the year:		
Taxable income not reported on the books:		
_____		
_____		
_____		
Deductions recorded on books not deducted for return:		
Deferred federal income taxes (FASB 109)		4,498
Unrealized loss on investments		5,833
Depreciation adjustment for book only		2,667
Federal income taxes		1,187
Income recorded on books not included on return:		
_____		
_____		
Deduction on return not charged against book income:		
Tax basis depreciation & amortization		27,763
_____		
Federal tax net income _____		\$ 7,915
Computation of tax:	\$ 7,915	
Net income taxes @ 15%	\$ 1,187	

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

UTILITY NAME: Forest Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 1998
--

**SCHEDULE "A"**

**SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ N/A	%	%	%
Preferred Stock		%	%	%
Long Term Debt		%	%	%
Customer Deposits		%	%	%
Tax Credits - Zero Cost		%	%	%
Tax Credits - Weighted Cost		%	%	%
Deferred Income Taxes		%	%	%
Other (Explain)		%	%	%
<b>Total</b>	<b>\$ N/A</b>	<b>%</b>		<b>%</b>

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

**APPROVED AFUDC RATE**

Current Commission approved AFUDC rate: _____ % Commission order approving AFUDC rate: _____
---

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

UTILITY NAME: Forest Utilities Inc.

<b>YEAR OF REPORT</b> December 31, 1998
--

**SCHEDULE "B"**

**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS**

<b>CLASS OF CAPITAL (a)</b>	<b>PER BOOK BALANCE (b)</b>	<b>NON-UTILITY ADJUSTMENTS (c)</b>	<b>NON-JURIS. ADJUSTMENTS (d)</b>	<b>OTHER (1) ADJUSTMENTS (e)</b>	<b>CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)</b>
Common Equity	\$ N/A	\$	\$	\$	\$
Preferred Stock					
Long Term Debt					
Customer Deposits					
Tax Credits - Zero Cost					
Tax Credits - Weighted Cost					
Deferred Income Taxes					
Other (Explain)					
Total	\$ <u>N/A</u>	\$ <u></u>	\$ <u></u>	\$ <u></u>	\$ <u></u>

(1) Explain below all adjustments made in Column (e):

# **WATER**

# **OPERATION**

# **SECTION**

**Note: Forest Utilities, Inc. provides sewer service only; therefore, pages W-1 through W-10 have been omitted**

**SEWER  
OPERATION  
SECTION**



UTILITY NAME: Forest Utilities, Inc.

**SEWER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization _____	\$ _____	\$ _____	\$ _____
352	Franchises _____	17,331		
353	Land and Land Rights _____	26,690		
354	Structure and Improvements _____	281,873	97,680	
360	Collection Sewers - Force _____	54,226	27,270	
361	Collection Sewers - Gravity _____	1,481,295		
362	Special Collecting Structures _____	94,358		
363	Services to Customers _____	12,628		
364	Flow Measuring Devices _____			
365	Flow Measuring Installations _____			
370	Receiving Wells _____			
371	Pumping Equipment _____			
380	Treatment and Disposal Equipment _____	975,076	11,824	
381	Plant Sewers _____			
382	Outfall Sewer Lines _____			
389	Other Plant and Miscellaneous Equipment _____			
390	Office Furniture and Equipment _____	20,280	2,768	
391	Transportation Equipment _____	21,392	8,570	8,200
392	Stores Equipment _____			
393	Tools, Shop and Garage Equipment _____			
394	Laboratory Equipment _____	22,778		
395	Power Operated Equipment _____			
396	Communication Equipment _____			
397	Miscellaneous Equipment _____			
398	Other Tangible Plant _____			
	<b>Total Sewer Plant _____</b>	<b>\$ 3,007,927</b>	<b>\$ 148,112</b>	<b>\$ 8,200</b>

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

**SEWER UTILITY PLANT MATRIX**

	.1	.2	.3	.4	.5
CURRENT YEAR (f)	INTANGIBLE PLANT (g)	COLLECTION PLANT (h)	SYSTEM PUMPING PLANT (i)	TREATMENT AND DISPOSAL PLANT (j)	GENERAL PLANT (k)
\$	\$				
17,331	17,331				
26,690		\$	\$	\$ 26,690	\$
379,553			379,553		
81,496		81,496			
1,481,295		1,481,295			
94,358		94,358			
12,628		12,628			
986,900				986,900	
23,048					23,048
21,762					21,762
22,778					22,778
\$ 3,147,839	\$ 17,331	\$ 1,669,777	\$ 379,553	\$ 1,013,590	\$ 67,588

UTILITY NAME: Forest Utilities, Inc.

SEWER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1	.2
			COLLECTION EXPENSES - OPERATIONS (d)	COLLECTION EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees	\$ 110,164	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders	170,900		
704	Employee Pensions and Benefits	24,999		
710	Purchased Sewage Treatment			
711	Sludge Removal Expense	650		
715	Purchased Power	35,504		
716	Fuel for Power Purchased			
718	Chemicals	5,093		
720	Materials and Supplies	32,958		
731	Contractual Services - Engineering	1,329		
732	Contractual Services - Accounting	9,986		
733	Contractual Services - Legal	4,459		
734	Contractual Services - Management Fees	32,500		
735	Contractual Services - Other	3,780		
741	Rental of Building/Real Property			
742	Rental of Equipment			
750	Transportation Expense	4,944		
756	Insurance - Vehicle	3,856		
757	Insurance - General Liability	9,585		
758	Insurance - Workmens Compensation	3,540		
759	Insurance - Other			
760	Advertising Expense			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense			
767	Regulatory Commission Expenses Other			
770	Bad Debt Expense	559		
775	Miscellaneous Expenses	51,657		
	Total Sewer Utility Expenses	\$ 506,463	\$	\$

**SEWER EXPENSE ACCOUNT MATRIX**

.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ 110,164	\$ _____	\$ _____	\$ _____
					170,900
					24,999
		650			
		35,504			
		5,093			
			22,735		10,223
					1,329
					9,986
					4,459
					32,500
			3,780		
					4,944
					3,856
					9,585
					3,540
					559
	11,846	11,824	16,996		10,991
\$ _____	\$ 11,846	\$ 163,235	\$ 43,511	\$ 559	\$ 287,312

UTILITY NAME: Forest Utilities, Inc.

YEAR OF REPORT  
December 31, 1998

SEWER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues -----	498	549	\$ 160,665
521.2	Commercial Revenues -----			
521.3	Industrial Revenues -----			
521.4	Revenues From Public Authorities -----			
521.5	Multiple Family Dwelling Revenues -----	1,067	1,015	303,454
521.6	Other Revenues -----			
	Total Flat Rate Revenues -----	1,565	1,564	464,119
	Measured Revenues:			
522.1	Residential Revenues -----			
522.2	Commercial Revenues -----	27	42	88,879
522.3	Industrial Revenues -----			
522.4	Revenues From Public Authorities -----			
522.5	Multiple Family Dwelling Revenues ----- (36 Meters)	360	360	67,592
	Total Measured Revenues -----	387	402	156,471
523	Revenues From Public Authorities -----			
524	Revenues From Other Systems -----			
525	Interdepartmental Revenues -----			
	Totals -----	1,952	1,966	620,590
	Other Sewer Revenues:			
530	Guarenteed Revenues -----			
531	Sale of Sludge -----			
532	Forfeited Discounts -----			
534	Rents From Sewer Property -----			
535	Interdepartmental Rents -----			
536	Other Sewer Revenues -----			7,440
	Total Other Sewer Revenues -----			7,440
	Total Sewer Operating Revenues -----			\$ 628,030

UTILITY NAME: Forest Utilities, Inc.

**BASIS FOR SEWER 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 (f)
351	Organization		%	%
352	Franchises	40	%	2.50 %
354	Structure and Improvements	35	%	2.86 %
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		%	%
365	Flow Measuring Installations		%	%
370	Receiving Wells	25	%	4.00 %
371	Pumping Equipment		%	%
380	Treatment and Disposal Equipment	27	%	3.70 %
381	Plant Sewers		%	%
382	Outfall Sewer Lines		%	%
389	Other Plant and Miscellaneous Equipment		%	%
390	Office Furniture and 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		%	%
	Sewer 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.

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	1,083	433		433
354	Structure and Improvements	59,753	9,459		9,459
360	Collection Sewers - Force	5,563	2,260		2,260
361	Collection Sewers - Gravity	591,145	42,365		42,365
362	Special Collecting Structures	12,435	3,774		3,774
363	Services to Customers	1,358	332		332
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment				
380	Treatment and Disposal Equipment	409,604	36,297		36,297
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant and Miscellaneous Equipment				
390	Office Furniture and Equipment	21,922	3,612		3,612
391	Transportation Equipment	17,859	3,597		3,597
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment	13,479	1,519		1,519
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Depreciable Sewer Plant In Service	\$ 1,134,201	\$ 103,648	\$	\$ 103,648

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

**ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION (Cont'd)**

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	1,516
_____	_____	_____	_____	_____	69,212
_____	_____	_____	_____	_____	7,823
_____	_____	_____	_____	_____	633,510
_____	_____	_____	_____	_____	16,209
_____	_____	_____	_____	_____	1,690
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	445,901
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	25,534
8,200	9,389	_____	_____	1,189	22,645
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	14,998
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
\$ 8,200	\$ 9,389	\$ _____	\$ _____	\$ 1,189	\$ 1,239,038



UTILITY NAME: Forest Utilities, Inc.  
 SYSTEM NAME: Same

**YEAR OF REPORT**  
 December 31, 1998

**PUMPING EQUIPMENT**

	1	2	3	4	5	6
Lift station number _____						
Make or type and nameplate data of pump 2 pumps each lift station which are the same	Flygt CP3101	Flygt CP3101	Flygt 4316800S	Flygt CP3101	Flygt CP3085	Flygt CP3102
Impeller type	433	433	433/437	433	436	436
Year installed	1979	1979	1979	1979	1979	1981
Rated capacity	150 GPM	150 GPM	100 GPM	100 GPM	50 GPM	160 GPM
Size	4"	4"	4"	4"	4"	4"
Power:						
Electric	230V/30A	230V/30A	230V/30A	230V/30A	230V/30A	230V/30A
Mechanical						
Nameplate data of motor	5 HP	4 HP	5 HP	4 HP	2.3 HP	5 HP
Serial No. (1)			180-961010		120-0223359W	180-8750190
(2)			180-980172			

	7	8	9	10	11	12
Lift station number _____						
Make or type and nameplate data of pump 2 pumps each lift station which are the same	Flygt CP3085	Flygt CP3085	Flygt CP 3085	Flygt CP 3085	Flygt CP3102	Flygt C-3101
Impeller type	436	436	436	436	432	436
Year installed	1982	1982	1982	1982	1983	1983
Rated capacity	125 GPM	100 GPM	100 GPM	272 GPM	100 GPM	75 GPM
Size	4"	4"	4"	4"	4"	4"
Power:						
Electric	230V/30A	230V/10A	230V/30A	230V/30A	230V/30A	230V/30A
Mechanical						
Nameplate data of motor	2.3 HP	2.3 HP	4 HP	2.3 HP	5 HP	4 HP
Serial No. (1)	120-022332	120-080503		120-220016	180-9320050	
(2)		120-080501		120-220012	180-9320055	

**SERVICE CONNECTIONS**

	6"	8"				
Size (inches)	6"	8"				
Type (PVC, VCP, etc)	PVC	PVC				
Average length	35'	35'				
Number of active service connections	1,642	42				
Beginning of year	1,586	42				
Added during year	56					
Retired during year						
End of year	1,642	42				
Give full particulars concerning inactive connections	None	None				

UTILITY NAME: Forest Utilities, Inc.  
 SYSTEM NAME: Same

YEAR OF REPORT  
 December 31, 1998

PUMPING EQUIPMENT

Lift station number _____	13	14	15	16	17	
Make or type and nameplate data of pump 2 pumps each	Flygt	Flygt	Flygt	Flygt	Flygt	Flygt
lift station which are the same	CP3101	CP3101	CP3102/180	CP3085/181	CP3085	CP3085/181
Impeller type	432	434	433	436	436	Unknown
Year installed _____	1984	1984	1984	1984	1985	1985
Rated capacity _____	150 GPM	80 GPM	100 GPM	50 GPM	144 GPM	Unknown
Size _____	4"	4"	4"	4"	4"	4"
Power:						
Electric _____	230V/10A	230V/10A	230V/10A	230V/10A	230V/30A	230V/30A
Mechanical _____						
Nameplate data of motor _____	4 HP	4 HP	5 HP	2.3 HP	3 HP	3.2 HP
Serial No. (1)	180-8230313		181-8410066	181-8415599	181-8448539	180-8575107
(2)	180-8230315		181-8410065	181-8415592	181-5485057	

Lift station number _____	19	20	21	23	24	25
Make or type and nameplate data of pump 2 pumps each	Flygt	Flygt	Flygt	Flygt	Flygt	Flygt
lift station which are the same	CP3102/180	CP3102	CP 3085	CP3085/181	CP3102	CP 3085/182
Impeller type	433	433	438	436	436	438
Year installed _____	1986	1986	1986	1988	1988	1993
Rated capacity _____	150 GPM	150 GPM	50 GPM	100 GPM	250 GPM	Unknown
Size _____	4"	4"	4"	4"	4"	4"
Power:						
Electric _____	230V/10A	230V/10A	230V/10A	230V/10A	230V/30A	230V/10A
Mechanical _____						
Nameplate data of motor _____	4 HP	4 HP	2.3 HP	3.2 HP	4 HP	3 HP
Serial No. (1)	180-4520253	180-4520245	181-8660524	181-8711462	180-5241	181-9551657
(2)	180-4520252	180-4520246	181-86600834	181-8722002	180-6241	181-9551659

Lift station number _____						
Make or type and nameplate data of pump _____						
Year installed _____						
Rated capacity _____						
Size _____						
Power:						
Electric _____						
Mechanical _____						
Nameplate data of motor _____						

UTILITY NAME: Forest Utilities, Inc.  
SYSTEM NAME: Same

**COLLECTING MAINS**

COLLECTING MAINS:						
Size (inches) _____	8"	8"	10"	8"		
Type of main _____	VCP	PVC	DIP	DIP		
Length of main (nearest foot):						
Beginning of year _____	23,572	46,160	40	38		
Added during year _____						
Retired during year _____						
End of year _____	23,572	46,160	40	38		
MANHOLES:						
Size (inches) _____	4'					
(Brick Concrete) _____	Concrete					
Number:						
Beginning of year _____	352					
Added during year _____						
Retired during year _____						
End of year _____	352					

**FORCE MAINS**

FORCE MAINS:						
Size (inches) _____	4"	6"	4"	6"	10"	8"
Type of main _____	PVC	PVC	DIP	DIP	PVC	PVC
Length of main (nearest foot):						
Beginning of year _____	8,835	13,392	610	205	5,650	6,100
Added during year _____		240				660
Retired during year _____						
End of year _____	8,835	13,632	610	205	5,650	6,760

**UTILITY NAME:** Forest Utilities, Inc.  
**SYSTEM NAME:** Same

**TREATMENT PLANT**

Manufacturer _____	Custom Built	_____	_____
Type _____	Extended Air	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Capacity _____	500,000	_____	_____
Average Daily Flow _____	231,975	_____	_____
Effluent Disposal _____	Golf Course Irrigation	_____	_____
Total Gallons of Sewage Treated _____	8,467,100	_____	_____

**MASTER LIFT STATION PUMPS**

Manufacturer _____	See Pump No. 1, Page S-6	_____	_____	_____	_____
Capacity _____ (GPM)	_____	_____	_____	_____	_____
Motor: Mfr. _____	_____	_____	_____	_____	_____
Horsepower _____	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____	_____	_____	_____	_____	_____

**OTHER SEWER SYSTEM INFORMATION**

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

- Maximum number of ERC's \* which can be served. 844
- Estimated annual increase in ERC's \* . Approximately 75
- List permit numbers required by Chapter 14-17, Rules of the Department of Environmental Regulation (DER) for systems in operation. DO36-173533
- State any plans and estimated completion dates for any enlargements of this system. None
- If the present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
  - Evaluation of the present plant or plants in regard to meeting the DER's rules.
  - Plans for funding and construction of the required upgrading.
  - Have these plans been coordinated with the DER? N/A
  - Do they concur? \_\_\_\_\_
  - When will construction begin? \_\_\_\_\_
- In what percent of your certificated area have service connections been installed? 80 %

\* ERC = (Total Gallons Treated / 365 Days) / 275 Gallons Per Day

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment.

UTILITY NAME: Forest Utilities, Inc.  
SYSTEM NAME: Same

**CALCULATION OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL UNITS**

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
5/8"	Displacement	1.0	1,588	1,588
3/4"	Displacement	1.5		
1"	Displacement	2.5	75	188
1 1/2"	Displacement or Turbine	5.0	15	75
2"	Displacement, Compound or Turbine	8.0	6	48
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 SEWER System Meter Equivalents -----				1,899

**CALCULATION OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS**

$$\left( \frac{84,671,000}{365 \text{ days}} \right) / 275 \text{ gpd} = \underline{\underline{844}}$$

(total gallons treated)