

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

## **WATER and/or WASTEWATER UTILITIES**

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

# **ANNUAL REPORT**

**OF**

**SU317-06-AR**

**North Fort Myers Utility, Inc.**

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Exact Legal Name of Respondent

**353-W, 247-S, 309-S**

Certificate Numbers

Submitted To The

**STATE OF FLORIDA**



**PUBLIC SERVICE COMMISSION**

**FOR THE**

**YEAR ENDED DECEMBER 31, 2006**

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

*JAMES L. CARLSTEDT, C.P.A.*  
*PAUL E. DECHARIO, C.P.A.*  
*KATHERINE U. JACKSON, C.P.A.*  
*ROBERT H. JACKSON, C.P.A.*  
*CHERYL T. LOSEE, C.P.A.*  
*ROBERT C. NIXON, C.P.A.*  
*JEANETTE SUNG, C.P.A.*  
*HOLLY M. TOWNER, C.P.A.*  
*JAMES L. WILSON, C.P.A.*

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March 29, 2007

Officers and Directors  
North Fort Myers Utility, Inc.

We have compiled the balance sheets of North Fort Myers Utility, Inc. as of December 31, 2006 and 2005, and the related statements of income and retained earnings for the year(s) then ended, included 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. We have also compiled the supplementary information presented in the prescribed form.

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 North Fort Myers Utility, Inc. We have not audited or reviewed the accompanying financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any form of assurance on them.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

We are not independent with respect to North Fort Myers Utility, Inc.

*Cronin, Jackson, Nixon & Wilson*  
CRONIN, JACKSON, NIXON & WILSON

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**EXECUTIVE**

**SUMMARY**

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT  
December 31, 2006

UTILITY NAME: North Fort Myers Utility, Inc.

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

YES NO

( X ) ( ) 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO

( X ) ( ) 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO

( X ) ( ) 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.

YES NO

( X ) ( ) 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified

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

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

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

\_\_\_\_\_  
(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, 2006
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North Fort Myers Utility, Inc.  
 (Exact Name of Utility)

County: Lee

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

P.O. Box 2547  
 North Ft. Myers, Florida 33902

Telephone: ( 239 ) 543-1005

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:

P.O. Box 2547  
 North Ft. Myers, Florida 33902  
 Telephone: ( 239 ) 543-1005

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

McKean, Paul, Chrycy, Fletcher & Co.

Date of original organization of the utility: 01/12/77

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.	Old Bridge Park Corporation	100.0	%
2.			%
3.			%
4.			%
5.			%
6.			%
7.			%
8.			%
9.			%
10.			%

UTILITY NAME: North Fort Myers Utility, Inc.

<b>YEAR OF REPORT</b> December 31, 2006
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**DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Joel Schenkman	Chairman of the Bd., President & CEO	N. Ft. Myers Utility, Inc.	Various matters
A.A. "Tony" Reeves III	Utility Director	N. Ft. Myers Utility, Inc.	Various matters
William E Sundstrom, Martin S. Friedman	Attorney Attorney	Rose, Sundstrom and Bentley	Legal Matters
Robert C. Nixon	CPA	Cronin, Jackson, Nixon & Wilson	Rate and accounting matters

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

**UTILITY NAME** North Fort Myers Utility, Inc.

**COMPANY PROFILE**

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

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

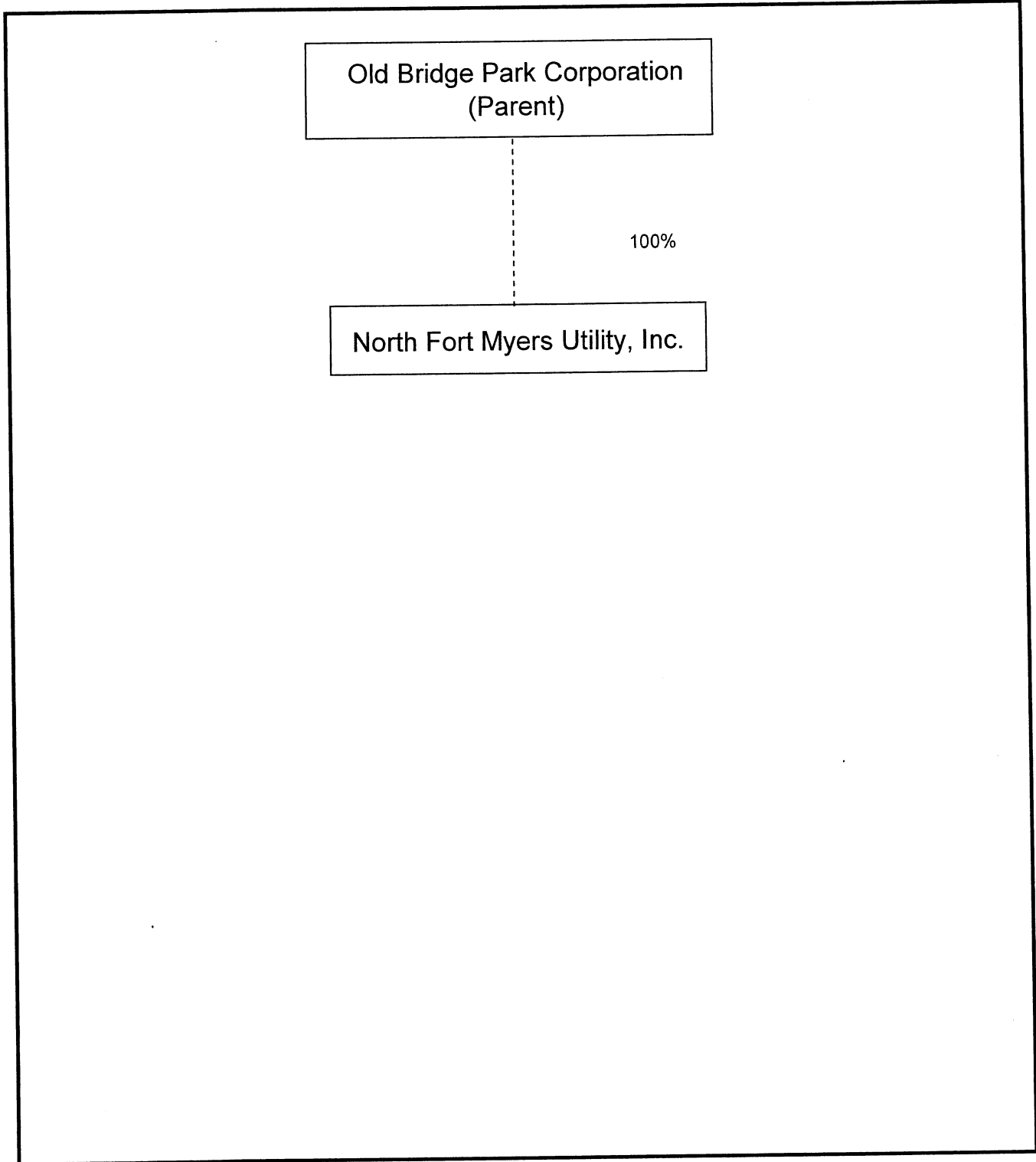
- (A) The Company was originally organized in 1977 to provide central sewer service to Old Bridge Park, a mobile home community. Since that time, the company has expanded its service area to include a large portion of the unincorporated area North of the Caloosahatchee River. With the purchase of the Pine Lakes system, the Company also operates a water system.
- (B) Water treatment and Sewage treatment and disposal services only.
- (C) To provide adequate treatment and disposal service and a fair rate of return on investment to the Company's stockholders.
- (D) Water and Sewer divisions only.
- (E) Growth is projected at approximately 600 ERC's per year
- (F) The Company purchased the Del Tura Wastewater Collection System

UTILITY NAME: North Fort Myers Utility, Inc.

YEAR OF REPORT  
December 31, 2006

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

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



UTILITY NAME: North Fort Myers Utility, 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.			
<b>NAME (a)</b>	<b>TITLE (b)</b>	<b>% OF TIME SPENT AS OFFICER OF UTILITY (c)</b>	<b>OFFICERS COMPENSATION (d)</b>
Jack Schenkman	Chairman Emeritus	100	% \$ -
Miriam Schenkman	Secretary	20	% \$ -
Joel Schenkman	Chairman of the Board, President & CEO	30	% \$ 221,000
Michael Schenkman	Executive Vice President	20	% \$ 30,000
			% \$
			% \$
			% \$
			% \$

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as an director from the respondent.			
<b>NAME (a)</b>	<b>TITLE (b)</b>	<b>NUMBER OF DIRECTORS MEETINGS ATTENDED (c)</b>	<b>DIRECTORS COMPENSATION (d)</b>
Joel Schenkman	Chairman of the Board, President & CEO	1	\$ None
Michael Schenkman	Executive Vice President	1	\$ None
Randy Schenkman	Secretary	1	\$ None
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: North Fort Myers Utility, Inc.

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

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

<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>
None		\$	

\* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.



**UTILITY NAME:** North Fort Myers Utility, Inc.

**AFFILIATION OF OFFICERS AND DIRECTORS**

For each of the officials listed on page E-6, list the principal occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

<b>NAME (a)</b>	<b>PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)</b>	<b>AFFILIATION OR CONNECTION (c)</b>	<b>NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)</b>
Jack Schenkman	Utility Officer	Chairman Emeritus	Old Bridge Park Corp. North Fort Myers, Florida
Miriam Schenkman	Utility Officer	Secretary	Same
Joel Schenkman	Utility CEO	President & CEO	Same
Michael Schenkman	Utility Officer	Vice President	Same

**UTILITY NAME:** North Fort Myers Utility, Inc.

**BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT OF PROVIDING WATER OR SEWER SERVICE**

Complete the following for any business which is conducted as a byproduct, coproduct or joint product as a result of providing water and/or sewer service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenues and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
None	\$		\$		\$	

UTILITY NAME: North Fort Myers Utility, Inc.

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

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

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

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
 

<ul style="list-style-type: none"> <li>- management, legal and accounting services</li> <li>- computer services</li> <li>- engineering &amp; construction services</li> <li>- repairing and servicing of equipment</li> </ul>	<ul style="list-style-type: none"> <li>- material and supplies furnished</li> <li>- leasing of structures, land and equipment</li> <li>- rental transactions</li> <li>- sale, purchase or transfer of various products</li> </ul>
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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)
None				\$

UTILITY NAME: North Fort Myers Utility, Inc.

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

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

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.

2. Below are examples of some types of transactions to include:

- purchase, sale or transfer of equipment.
- purchase, sale or transfer of land and structures.
- purchase, sale or transfer of securities.
- noncash transfers of assets.
- noncash dividends other than stock dividends.
- writeoff of bad debts or loans.

3. The columnar instructions follow:

- (a) Enter name of related party or company.
- (b) Describe briefly the type of assets purchased, sold or transferred.
- (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
- (d) Enter the net book value for each item reported.
- (e) Enter the net profit or loss for each item (column (c) - column (d)).
- (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
None		\$	\$	\$	\$

**FINANCIAL**

**SECTION**

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	\$ 48,353,730	\$ 37,622,570
108-110	Less: Accumulated Depreciation and Amortization	F-8	(13,692,654)	(11,908,506)
Net Plant			34,661,076	25,714,064
114-115	Utility Plant Acquisition Adjustments (Net)	F-7	3,425,859	2,978,179
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			38,086,935	28,692,243
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9		
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property				
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10	1,632,530	961,583
Total Other Property and Investments			1,632,530	961,583
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		379,729	265,642
132	Special Deposits	F-9	32,211	32,211
133	Other Special Deposits	F-9	1,162,401	3,556,613
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts	F-11	586,756	613,998
145	Accounts Receivable from Associated Companies	F-12	431,563	
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments		312,720	216,426
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			2,905,380	4,684,890

\* Not Applicable for Class B Utilities

UTILITY NAME: North Fort Myers Utility, Inc.

**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	\$ 1,791,662	\$ 1,643,000
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14	281,131	300,655
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			2,072,793	1,943,655
TOTAL ASSETS AND OTHER DEBITS			\$ 44,697,638	\$ 36,282,371

\* 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	\$ 1,000	\$ 1,000
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		15,104,652	15,004,652
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings (Deficit)	F-16	(18,519,750)	(17,482,135)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital (Deficit)			(3,414,098)	(2,476,483)
<b>LONG TERM DEBT</b>				
221	Bonds	F-15	30,125,000	25,625,000
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	799,000	
Total Long Term Debt			30,924,000	25,625,000
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		1,179,806	1,639,264
232	Notes Payable	F-18		
233	Accounts Payable to Associated Co.	F-18	(8,657)	(11,514)
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		52,767	56,612
236	Accrued Taxes		98,025	95,830
237	Accrued Interest	F-19	88,380	
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	74,746	70,772
Total Current and Accrued Liabilities			1,485,067	1,850,964

\* 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	1,015,450	1,057,878
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			1,015,450	1,057,878
<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	19,113,081	14,225,580
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(4,425,862)	(4,000,568)
Total Net C.I.A.C.			14,687,219	10,225,012
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation			
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes				
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			<b>\$ 44,697,638</b>	<b>\$ 36,282,371</b>

UTILITY NAME: North Fort Myers Utility, Inc.

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 3,999,435	\$ 4,276,872
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			3,999,435	4,276,872
401	Operating Expenses	F-3(b)	2,870,969	3,278,341
403	Depreciation Expense	F-3(b)	991,779	1,110,603
	Less: Amortization of CIAC	F-22	(322,757)	(425,294)
Net Depreciation Expense			669,022	685,309
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	19,524	19,524
408	Taxes Other Than Income	W/S-3	353,579	374,843
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			3,913,094	4,358,017
Net Utility Operating Income			86,341	(81,145)
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		53,621	385,626
Total Utility Operating Income [Enter here and on Page F-3(c)]			139,962	304,481

\* 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)
\$ 406,333	\$ 3,870,539	N/A
406,333	3,870,539	-
453,631	2,824,710	
44,938	1,065,665	
(14,454)	(410,840)	
30,484	654,825	-
	19,524	
35,163	339,680	
519,278	3,838,739	
(112,945)	31,800	
	385,626	
(112,945)	417,426	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)]			\$ 139,962	\$ 304,481
<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		101,366	134,023
421	Miscellaneous Nonutility Revenue		49,928	56,018
426	Miscellaneous Nonutility Expenses		(205,433)	(264,091)
Total Other Income and Deductions			(54,139)	(74,050)
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable to Other Income				
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	617,742	1,008,320
428	Amortization of Debt Discount & Expense	F-13	483,311	259,726
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			1,101,053	1,268,046
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
<b>NET INCOME</b>			<b>(1,015,230)</b>	<b>(1,037,615)</b>

Explain Extraordinary Income:

UTILITY NAME: North Fort Myers Utility, Inc.

**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 2,043,744	\$ 34,340,742
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	(1,166,880)	(12,525,774)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	(578,621)	(18,534,460)
252	Advances for Construction	F-20		
Subtotal			298,243	3,280,508
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	315,331	4,110,531
Subtotal			613,574	7,391,039
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		56,704	353,089
	Other (Specify):			
	Completed Construction not Classified		-	-
RATE BASE			\$ 670,278	\$ 7,744,128
NET UTILITY OPERATING INCOME			\$ (112,945)	\$ 31,800
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-- %	0.41 %

NOTES:

- (1) Estimated if not known.
  - (2) Include only those Acquisition Adjustments that have been approved by the Commission.
  - (3) Calculation consistent with last rate proceeding.
- In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Method.

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (2) (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ -	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	- %	_____ %
Long Term Debt	30,924,000	99.83 %	4.36 %	4.3526 %
Customer Deposits	52,767	0.17 %	6.00 %	0.0102 %
Tax Credits - Zero Cost	_____	_____ %	- %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	- %	_____ %
Deferred Income Taxes	_____	_____ %	- %	_____ %
Other (Explain)	_____	_____ %	- %	_____ %
Note Payable - Associated Company	_____	_____ %	_____ %	_____ %
<b>Total</b>	<b>\$ 30,976,767</b>	<b>100.00 %</b>		<b>4.36 %</b>

- (1) Should equal amounts on Schedule F-6, Column (g).
- (2) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established. The current leverage formula is being used pending receipt of the transfer order. 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>Unknown</u> %
Commission order approving Return on Equity:	_____

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

Current Commission approved AFUDC rate:	_____ <u>8.40</u> %
Commission order approving AFUDC rate:	_____ <u>PSC-92-0862-FOF-SU</u>

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.



UTILITY NAME: North Fort Myers Utility, Inc.

**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	\$ 2,043,744	\$ 34,340,742	N/A	\$ 36,384,486
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress		11,969,244		11,969,244
106	Completed Construction Not Classified				
Total Utility Plant		\$ 2,043,744	\$ 46,309,986	N/A	\$ 48,353,730

**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				
	Lake Arrowhead, Lazy Days, Tamiami	\$ -	\$ 292,423	\$ -	\$ 292,423
	Lake Arrowhead/Lake Estates	683,407	1,326,613		2,010,020
	Hérons Glen	-	1,710,810		1,710,810
	Del Tura		717,030		717,030
					-
					-
Total Plant Acquisition Adjustment		\$ 683,407	\$ 4,046,876	\$ -	\$ 4,730,283
115	Accumulated Amortization				
	Lake Arrowhead, Lazy Days, Tamiami	\$ -	\$ (222,629)	\$ -	\$ (222,629)
	Lake Arrowhead/Lake Estates	(310,706)	(603,240)		(913,946)
	Hérons Glen	-	(155,898)		(155,898)
	Del Tura		(11,951)		(11,951)
					-
					-
Total Accumulated Amortization		\$ (310,706)	\$ (993,718)	\$ -	\$ (1,304,424)
Total Acquisition Adjustments		\$ 372,701	\$ 3,053,158	\$ -	\$ 3,425,859



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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 1,166,671	\$ 10,741,835	N/A	\$ 11,908,506
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	44,938	1,065,665		1,110,603
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				
Salvage				
Other Credits (specify):				
A/D transferred in from Del Tura		796,817		796,817
Total credits	44,938	1,862,482		1,907,420
Debits during year:				
Book cost of plant retired	(44,729)	(78,543)		(123,272)
Cost of removal				
Other debits (specify):				
Total debits	(44,729)	(78,543)		(123,272)
Balance end of year	\$ 1,166,880	\$ 12,525,774	N/A	\$ 13,692,654

ACCUMULATED AMORTIZATION Account 110				
Balance first of year N/A	N/A	N/A	N/A	N/A
Credits during year:				
Accruals charged:				
to Account 110.2 (2)				
Other Accounts (specify):				
Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				
Total debits				
Balance end of year	N/A	N/A	N/A	N/A

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

UTILITY NAME: North Fort Myers Utility, Inc.

**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): Utility Security Deposits	\$ 32,211
Total Special Deposits	\$ 32,211
OTHER SPECIAL DEPOSITS (Account 133): Bond Repair & Replacement Fund	\$ 344,490
Construction Funds	731,011
Deep Well Security CD	86,900
Total Other Special Deposits	\$ 1,162,401

UTILITY NAME: North Fort Myers Utility, Inc.

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

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): N/A	\$ -	\$ -
Total Investment In Associated Companies		\$ -
UTILITY INVESTMENTS (ACCT. 124): N/A	\$ -	\$ -
Total Utility Investments		\$ -
OTHER INVESTMENTS (ACCT. 125): N/A	\$ -	\$ -
Total Other Investments		\$ -
SPECIAL FUNDS (ACCTS. 126 & 127) Bond sinking fund	\$ -	\$ 1,632,530
Total Special Funds		\$ 1,632,530

**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, and Reuse	\$ 470,457	
Wastewater		
Other: Unbilled revenue	96,005	
Total Customer Accounts Receivable		\$ 566,462
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
Miscellaneous	\$ 1,188	
City of Cape Coral	1,116	
Interest trustee	33,471	
Total Other Accounts Receivable		\$ 35,775
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		602,237
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ -	
Add: Provision for uncollectables for current year	15,481	
Collections of accounts previously written off		
Utility accounts		
Others		
Total Additions	15,481	
Deduct accounts written off during year:		
Utility accounts		
Others		
Total accounts written off		
Balance end of year		15,481
Total Accounts and Notes Receivable - Net		\$ 586,756

**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Sun River Utility	\$ 431,563
Total	\$ 431,563

**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: North Fort Myers Utility, Inc.

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT  
ACCOUNTS 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 (Account 181):		
Bond Closing Costs - Series 2003	\$ 141,176	\$ 552,211
Bond Closing Costs - Series 2005	111,760	901,599
Bond Closing Costs - Series 2006	6,790	337,852
	-	
<b>Total Unamortized Debt Discount and Expense</b>	<b>\$ 259,726</b>	<b>\$ 1,791,662</b>
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$ -	\$ -
<b>Total Unamortized Premium on Debt</b>	<b>\$ -</b>	<b>\$ -</b>

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

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

**MISCELLANEOUS DEFERRED DEBITS  
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1): None	\$ -	\$ -
Total Deferred Rate Case Expense	\$ -	\$ -
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): Retired Plant	\$ 19,524	\$ 281,131
Total Other Deferred Debits	\$ 19,524	\$ 281,131
REGULATORY ASSETS (Class A Utilities: Account 186.3): None	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	<b>\$ 19,524</b>	<b>\$ 281,131</b>

UTILITY NAME: North Fort Myers Utility, Inc.

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

DESCRIPTION (a)	RATE (b)	TOTAL (d)
<b>COMMON STOCK</b>		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized		1,000
Shares issued and outstanding		1,000
Total par value of stock issued	\$ 1,000	\$ 1,000
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)	
IDRB 2003 Series A ; 4/03 - 6/22	3.97 %	LIBOR	\$ 8,615,000
IDRB 2003 Series B ; 4/03 - 6/10	5.45 %	LIBOR	1,565,000
IDRB 2005 Series A ; 6/05 - 6/25	3.97 %	LIBOR	13,190,000
IDRB 2005 Series B ; 6/05 - 6/10	5.45 %	LIBOR	1,655,000
IDRB 2006 Series A ; 6/06 - 6/12	3.97 %	LIBOR	5,100,000
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 30,125,000

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



**UTILITY NAME:** North Fort Myers Utility, Inc.

**STATEMENT OF RETAINED EARNINGS**

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance beginning of year (Deficit)	\$ (17,482,135)
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	(1,037,615)
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	(18,519,750)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____ _____ _____
214	Total Appropriated Retained Earnings	
	Total Retained Earnings (Deficit)	\$ (18,519,750)

Notes to Statement of Retained Earnings:

UTILITY NAME: North Fort Myers Utility, Inc.

<b>YEAR OF REPORT</b> <b>December 31, 2006</b>
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**ADVANCES FROM ASSOCIATED COMPANIES**  
**ACCOUNT 223**

Report each advance separately.

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

**OTHER LONG TERM DEBT**  
**ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
Sun Trust Bank LOC: \$2,500,000; Issued 4/04; Open maturity	7.15 %	LIBOR + 1.8	\$ 799,000
Total			\$ 799,000

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

UTILITY NAME: North Fort Myers Utility, Inc.

**NOTES PAYABLE (ACCTS. 232 AND 234)**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
NOTES PAYABLE (Account 232): N/A			\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ -
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): N/A			
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES  
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Payables (receivables) for operational advances - Old Bridge Park, LLC	\$ (8,657)
Total	\$ (8,657)

**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)		
<b>ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt</b>					
Industrial Revenue Bonds	\$ -	427.1	\$ 999,960	\$ 915,602	\$ 84,358
Sun Trust		427.1	5,181	1,159	4,022
<b>Total Account No. 237.1</b>	-		1,005,141	916,761	88,380
<b>ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities</b>					
Customer Deposits	-	427.4	3,179	3,179	-
<b>Total Account 237.2</b>	-		3,179	3,179	
<b>Total Account 237 (1)</b>	\$ -		\$ 1,008,320	\$ 919,940	\$ 88,380
<b>INTEREST EXPENSED:</b>					
Total accrual Account 237		237	\$ 1,008,320		
<b>Less Capitalized Interest Portion of AFUDC:</b>					
None					
<b>Net Interest Expensed to Account No. 427 (2)</b>			\$ 1,008,320		

(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: North Fort Myers Utility, Inc.

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241**

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Miscellaneous	\$ 74,746
Total Miscellaneous Current and Accrued Liabilities	\$ 74,746

**ADVANCES FOR CONSTRUCTION  
ACCOUNT 252**

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

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

**OTHER DEFERRED CREDITS  
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1)		
Excess Tax Impact	\$ 42,428	\$ 1,015,450
Total Regulatory Liabilities	\$ 42,428	\$ 1,015,450
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)		
N/A	\$ -	\$ -
	\$ -	\$ -
Total Deferred Liabilities	\$ -	\$ -
TOTAL OTHER DEFERRED CREDITS	\$ 42,428	\$ 1,015,450

UTILITY NAME: North Fort Myers Utility, 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	\$ 578,321	\$ 13,647,259	N/A	\$ 14,225,580
Add credits during year:	300	4,887,201		4,887,501
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 578,621	\$ 18,534,460		\$ 19,113,081

**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	\$ 300,877	\$ 3,699,691	N/A	\$ 4,000,568
Debits during year:	14,454	410,840		425,294
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 315,331	\$ 4,110,531		\$ 4,425,862

UTILITY NAME: North Fort Myers Utility, Inc.

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

1. The reconciliation should include the same detail as furnished on schedule M-1 of the federal income tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.

2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among group members.

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year (loss)	<u>F-3 (c)</u>	\$ <u>(1,037,615)</u>
Reconciling items for the year:		
Taxable income not reported on the books:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Income recorded on books not included in return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income (loss)		\$ <u>(1,037,615)</u>
Computation of tax: The Company is a Sub-Chapter S Corporation; therefore, this Schedule is not applicable.		



**WATER  
OPERATION  
SECTION**



UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**SCHEDULE OF YEAR END WATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,043,744
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	(1,166,880)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	(578,621)
252	Advances for Construction	F-20	
	Subtotal		298,243
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	315,331
	Subtotal		613,574
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		56,704
	Other (Specify):		-
	WATER RATE BASE		\$ 670,278
	UTILITY OPERATING INCOME	W-3	\$ (112,945)
ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Base)			-- %

- NOTES: (1) Class A calculate consistent with last rate proceeding. Class B estimated if not known.  
 (2) Include only those Acquisition Adjustments that have been approved by the Commission.  
 (3) Calculation consistent with last rate proceeding.  
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**WATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 406,333
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		406,333
401	Operating Expenses	W-10(a)	453,631
403	Depreciation Expense	W-6(a)	44,938
	Less: Amortization of CIAC	W-8(a)	(14,454)
	Net Depreciation Expense		30,484
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		18,520
408.11	Property Taxes		12,394
408.12	Payroll Taxes		4,249
408.13	Other Taxes & Licenses		
408	Total Taxes Other Than Income		35,163
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		519,278
	Utility Operating Income (Loss)		(112,945)
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	-
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ (112,945)

**YEAR OF REPORT**  
December 31, 2006

**UTILITY NAME:** North Fort Myers Utility, Inc.  
**SYSTEM NAME / COUNTY:** Pine Lakes / Lee

**WATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 4,054	\$ -	\$ -	\$ 4,054
302	Franchises	750			750
303	Land and Land Rights	4,733			4,733
304	Structure and Improvements	244,843			244,843
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	82,316	4,018	4,018	82,316
308	Infiltration Galleries and Tunnels				
309	Supply Mains	4,202			4,202
310	Power Generation Equipment				
311	Pumping Equipment	25,000			25,000
320	Water Treatment Equipment	25,538	54,327	28,134	51,731
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains	1,023,339	16,770	12,577	1,027,532
333	Services	177,360			177,360
334	Meters and Meter Installations	112,341			112,341
335	Hydrants	128,266			128,266
339	Other Plant / Miscellaneous Equipment	7,615			7,615
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	812			812
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	172,189			172,189
	TOTAL WATER PLANT	\$ 2,013,358	\$ 75,115	\$ 44,729	\$ 2,043,744

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

**UTILITY NAME:** North Fort Myers Utility, Inc.  
**SYSTEM NAME / COUNTY:** Pine Lakes / Lee

**WATER UTILITY PLANT MATRIX**

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 4,054	\$ 4,054				
302	Franchises	750	750				
303	Land and Land Rights	4,733			4,733		
304	Structure and Improvements	244,843			244,843		
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	82,316		82,316			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	4,202		4,202			
310	Power Generation Equipment						
311	Pumping Equipment	25,000		25,000			
320	Water Treatment Equipment	51,731			51,731		
330	Distribution Reservoirs and Standpipes					1,027,532	
331	Transmission and Distribution Mains	1,027,532				177,360	
333	Services	177,360				112,341	
334	Meters and Meter Installations	112,341				128,266	
335	Hydrants	128,266					
339	Other Plant / Miscellaneous Equipment	7,615			7,615		
340	Office Furniture and Equipment						
341	Transportation Equipment						
342	Stores Equipment						812
343	Tools, Shop and Garage Equipment	812					
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment						
347	Miscellaneous Equipment						172,189
348	Other Tangible Plant	172,189					
	TOTAL WATER PLANT	\$ 2,043,744	\$ 4,804	\$ 111,518	\$ 308,922	\$ 1,445,499	\$ 173,001

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**BASIS FOR WATER DEPRECIATION CHARGES**

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
301	Organization	40	%	2.50 %
302	Franchises	40	%	2.50 %
304	Structure and Improvements	27	%	3.70 %
305	Collecting and Impounding Reservoirs		%	%
306	Lake, River and Other Intakes		%	%
307	Wells and Springs	27	%	3.70 %
308	Infiltration Galleries and Tunnels		%	%
309	Supply Mains	35	%	2.86 %
310	Power Generation Equipment		%	%
311	Pumping Equipment	20	%	5.00 %
320	Water Treatment Equipment	18	%	5.56 %
330	Distribution Reservoirs and Standpipes		%	%
331	Transmission and Distribution Mains	38	%	2.63 %
333	Services	34	%	2.94 %
334	Meters and Meter Installations	20	%	5.00 %
335	Hydrants	40	%	2.50 %
339	Other Plant / Miscellaneous Equipment	25	%	4.00 %
340	Office Furniture and Equipment		%	%
341	Transportation Equipment		%	%
342	Stores Equipment		%	%
343	Tools, Shop and Garage Equipment	16	%	6.25 %
344	Laboratory Equipment		%	%
345	Power Operated Equipment		%	%
346	Communication Equipment		%	%
347	Miscellaneous Equipment		%	%
348	Other Tangible Plant	10	%	10.00 %
Water Plant Composite Depreciation Rate *			%	%

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

**UTILITY NAME:** North Fort Myers Utility, Inc.  
**SYSTEM NAME / COUNTY:** Pine Lakes / Lee

**ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e) (Note 1)	TOTAL CREDITS (d + e) (f)
301	Organization	\$ 3,513	\$ 101		\$ 101
302	Franchises	604	19		19
304	Structure and Improvements	170,950	7,420		7,420
305	Collecting and Impounding				
306	Lake, River and Other Intakes				
307	Wells and Springs	62,148	2,791		2,791
308	Infiltration Galleries and				
309	Supply Mains	3,009	120		120
310	Power Generation Equipment				
311	Pumping Equipment	25,000	-		
320	Water Treatment Equipment (1)	25,538	3,772		3,772
330	Distribution Reservoirs and				
331	Transmission and Distribution	457,452	21,321		21,321
333	Services	82,259	4,434		4,434
334	Meters and Meter Installations	110,690	1,651		1,651
335	Hydrants	49,919	2,850		2,850
339	Other Plant and Miscellaneous				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment (1)	284	81		81
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment	3,116	378		378
348	Other Tangible Plant	172,189	-		
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 1,166,671</b>	<b>\$ 44,938</b>	<b>\$ -</b>	<b>\$ 44,938</b>

\* Specify nature of transaction.  
Use ( ) to denote reversal entries.  
Note (1): Miscellaneous adjustment to correct account balances.



UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

YEAR OF REPORT  
 December 31, 2006

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
301	Organization	\$ -	\$ -	\$ -	\$ -	3,614
302	Franchises					623
304	Structure and Improvements					178,370
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs	(4,018)			(4,018)	60,921
308	Infiltration Galleries and Tunnels					
309	Supply Mains					3,129
310	Power Generation Equipment					
311	Pumping Equipment					25,000
320	Water Treatment Equipment	(28,134)			(28,134)	1,176
330	Distribution Reservoirs and Standpipes					
331	Transmission and Distribution	(12,577)			(12,577)	466,196
333	Services					86,693
334	Meters and Meter Installations					112,341
335	Hydrants					52,769
339	Other Plant / Miscellaneous Equipment					
340	Office Furniture and Equipment					
341	Transportation Equipment					
342	Stores Equipment					365
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					3,494
347	Miscellaneous Equipment					172,189
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ (44,729)	\$ -	\$ -	\$ (44,729)	\$ 1,166,880

Note (1): To correct depreciation expense for rounding differences between beginning and ending balances

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (b)
Balance First of Year		\$ 578,321
Add credits during year: Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	W-8(a)	300
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		300
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 578,621

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: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**WATER CIAC SCHEDULE "A"**  
**ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY, MAIN**  
**EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR**

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Meter Fee	1	\$ 300.00	\$ 300
<b>Total Credits</b>			\$ <u>300</u>

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 300,877
Debits during year:	
Accruals charged to Account	14,454
Other Debits (specify):	
Total debits	14,454
Credits during year (specify):	
Total credits	
Balance end of year	\$ <u>315,331</u>

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

YEAR OF REPORT December 31, 2006
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**WATER 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)	WATER (c)
N/A		\$ -
Total Credits _____		\$ -

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
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**WATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
460	Water Sales: Unmetered Water Revenue			
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	1,829	1,831	\$ 378,358
461.2	Metered Sales to Commercial Customers	15	15	27,975
461.3	Metered Sales to Industrial Customers			
461.4	Metered Sales to Public Authorities			
461.5	Metered Sales to Multiple Family Dwellings			
	Total Metered Sales	1,844	1,846	406,333
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
	Total Fire Protection Revenue			
464	Other Sales to Public Authorities			
465	Sales to Irrigation Customers			
466	Sales for Resale			
467	Interdepartmental Sales			
	Total Water Sales	1,844	1,846	406,333
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			
	Total Water Operating Revenues			\$ 406,333

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

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 13,875	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	47,906		
604	Employee Pensions and Benefits			
610	Purchased Water	138,818	138,818	
615	Purchased Power	9,034		
616	Fuel for Power Purchased			
618	Chemicals			
620	Materials and Supplies	34,302	8,402	
631	Contractual Services - Engineering			
632	Contractual Services - Accounting	12,810		
633	Contractual Services - Legal	3,657		
634	Contractual Services - Mgt. Fees	3,394		
635	Contractual Services - Testing			
636	Contractual Services - Other	122,774		
641	Rental of Building/Real Property	7,151		
642	Rental of Equipment			
650	Transportation Expense	343		
656	Insurance - Vehicle			
657	Insurance - General Liability	7,392		
658	Insurance - Workmens Comp.	327		
659	Insurance - Other	7,202		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense			
675	Miscellaneous Expenses	44,646		
Total Water Utility Expenses		\$ 453,631	\$ 147,220	

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**WATER EXPENSE ACCOUNT MATRIX**

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ -	\$ -	\$ -	\$ -	\$ 13,875	\$ -
					47,906
		8,700		334	
25,900					
					12,810
					3,657
					3,394
		122,774			
					7,151
					343
		7,392			
7,202					327
				8,112	36,534
\$ 33,102		\$ 138,866		\$ 22,321	\$ 112,122

**PUMPING AND PURCHASED WATER STATISTICS**

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	3,452	4,024	500	6,976	6,566
February	3,883	3,595		7,478	7,643
March	4,618	4,641	1,500	7,759	7,204
April	4,411	4,119		8,530	8,283
May	4,209	3,387	1,500	6,096	5,900
June	3,584	2,876	2,500	3,960	3,651
July	4,407	2,409	3,000	3,816	3,461
August	5,067	2,562	4,700	2,929	2,774
September	8,611	2,562	7,500	3,673	3,513
October	6,122	4,092	5,000	5,214	4,911
November	4,253	3,878	1,000	7,131	6,856
December	4,169	3,781	2,500	5,450	5,143
Total for year	56,786	41,926	29,700	69,012	65,905

If water is purchased for resale, indicate the following:

Vendor Lee County Utilities  
 Point of delivery US 41 and Pine Lakes front gate

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

Note: Pine Lakes is a dead end system. Due to health department regulations and the large number of winter only residents, frequent high volume flushing is required to maintain the proper chlorine residuals. This problem is experienced by the Utility and the City of Cape Coral, which maintains a 16" main to provide service to the winter population.

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well	.200MGD	101,000	Ground



UTILITY NAME: North Fort Myers Utility, Inc.  
SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

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

Permitted Capacity of Plant (GPD):	<u>200,000</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc):	<u>Aeration / Chlorination</u>
<b>LIME TREATMENT</b>	
Unit rating (i.e., GPM, pounds per gallon):	<u>N/A</u> Manufacturer <u>N/A</u>
<b>FILTRATION</b>	
Type and size of area:	
Pressure (in square feet):	<u>N/A</u> Manufacturer <u>N/A</u>
Gravity (in GPM/square feet):	<u>N/A</u> Manufacturer <u>N/A</u>

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

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,831	1,831
5/8"	Displacement	1.0		
3/4"	Displacement	1.5	6	9
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0	6	30
2"	Displacement, Compound or Turbine	8.0	3	24
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 Water System Meter Equivalents				1,894

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

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

Use one of the following methods:

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

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

<p>ERC Calculation:</p> <p>ERC =     65,905 gallons, divided by                      350 gallons per day                      <u>365</u> days</p> <p>              <u>515.9</u> ERC's</p>
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UTILITY NAME: North Fort Myers Utility, Inc.  
SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* that system can efficiently serve. 1,894

2. Maximum number of ERC's \* which can be served. 1,894

3. Present system connection capacity (in ERC's \*) using existing lines. 1,894

4. Future system connection capacity (in ERC's \*) upon service area buildout. 1,894

5. Estimated annual increase in ERC's \* . System is built - out

6. Is the utility required to have fire flow capacity? Yes  
If so, how much capacity is required? 1500 GPM for 4 hours

7. Attach a description of the fire fighting facilities. High speed pumps at storage tank; 79 hydrants

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
None

9. When did the company last file a capacity analysis report with the DEP? N/A

10. If the present system does not meet the requirements of DEP rules:  
a. Attach a description of the plant upgrade necessary to meet the DEP rules.  
b. Have these plans been approved by DEP? N/A  
c. When will construction N/A  
d. Attach plans for funding the required upgrading.  
e. Is this system under any Consent Order of the DEP? No

11. Department of Environmental Protection ID # 53640440

12. Water Management District Consumptive Use Permit # 36-00081-W  
a. Is the system in compliance with the requirements of the CUP? Yes  
b. If not, what are the utility's plans to gain compliance? N/A

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

**WASTEWATER  
OPERATION  
SECTION**



**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 30,794,847
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(10,443,750)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(17,509,318)
252	Advances for Construction	F-20	
	Subtotal		2,841,779
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	3,539,852
	Subtotal		6,381,631
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		309,183
	Other (Specify): Completed Construction not Classified		-
	WASTEWATER RATE BASE		\$ 6,690,814
	UTILITY OPERATING INCOME	S-3	\$ 11,033
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		0.16 %

- 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.

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)	\$ 3,545,895
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(2,082,024)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(1,025,142)
252	Advances for Construction	F-20	
	Subtotal		<u>438,729</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	570,679
	Subtotal		<u>1,009,408</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		43,906
	Other (Specify):		-
	WASTEWATER RATE BASE		<u>\$ 1,053,314</u>
	UTILITY OPERATING INCOME	S-3	<u>\$ 20,767</u>
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		<u>1.97 %</u>

- NOTES: (1) Class A calculate consistent with last rate proceeding. Class B estimated if not known.  
 (2) Include only those Acquisition Adjustments that have been approved by the Commission.  
 (3) Calculation consistent with last rate proceeding.  
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	UTILITY OPERATING INCOME		
	Operating Revenues	S-9	\$ 3,410,054
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		3,410,054
401	Operating Expenses	S-10(a)	2,473,465
403	Depreciation Expense	S-6(a)	977,094
	Less: Amortization of CIAC	S-8(a)	(385,212)
	Net Depreciation Expense		591,882
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC) (Loss on plant abandonment)	F-8	19,524
408.10	Taxes Other Than Income		
	Utility Regulatory Assessment Fee		153,403
408.11	Property Taxes		146,853
408.12	Payroll Taxes		13,744
408.13	Other Taxes & Licenses		150
408	Total Taxes Other Than Income		314,150
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		3,399,021
	Utility Operating Income		11,033
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		385,626
	Total Utility Operating Income		\$ 396,659



WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	S-9	\$ 460,485
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		460,485
401	Operating Expenses	S-10(a)	351,245
403	Depreciation Expense	S-6(a)	88,571
	Less: Amortization of CIAC	S-8(a)	(25,628)
	Net Depreciation Expense		62,943
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		20,521
408.11	Property Taxes		760
408.12	Payroll Taxes		4,249
408.13	Other Taxes & Licenses		
408	Total Taxes Other Than Income		25,530
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		439,718
	Utility Operating Income		20,767
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		\$ 20,767

**UTILITY NAME:** North Fort Myers Utility, Inc.  
**SYSTEM NAME / COUNTY:** North Fort Myers / Lee

**WASTEWATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 14,525	\$ -	\$ -	\$ 14,525
352	Franchises	40,126			40,126
353	Land and Land Rights	448,102			448,102
354	Structure and Improvements	7,627,822			7,627,822
355	Power Generation Equipment				
360	Collection Sewers - Force	4,221,296	381,784		4,603,080
361	Collection Sewers - Gravity	4,425,463	1,684,140		6,109,603
362	Special Collecting Structures	193,149	105,478		298,627
363	Services to Customers	812,844	440,539		1,253,383
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	2,460,212	223,763		2,683,975
371	Pumping Equipment	1,017,903	339,933	(11,114)	1,346,722
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System	342,733	703,643		1,046,376
380	Treatment & Disposal Equipment	4,577,720	73,027	(62,943)	4,587,804
381	Plant Sewers	123,480			123,480
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	58,946		(58,946) (1)	
390	Office Furniture & Equipment	52,748	4,586	(4,486)	
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	48,084	1,751		49,835
394	Laboratory Equipment	29,009			29,009
395	Power Operated Equipment	128,702	233,552		362,254
396	Communication Equipment	2,873			2,873
397	Miscellaneous Equipment	24,076		53,003 (1)	77,079
398	Other Tangible Plant	31,381		5,943 (1)	37,324
	Total Wastewater Plant	\$ 26,681,194	\$ 4,192,196	\$ (78,543)	\$ 30,794,847

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

Note (1): Reclassification

**UTILITY NAME:** North Fort Myers Utility, Inc.  
**SYSTEM NAME / COUNTY:** North Fort Myers / Lee

**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	\$ 14,525						
352	Franchises	40,126						
353	Land and Land Rights		\$ 2,552	\$ -	\$ 445,550	\$ -	\$ -	
354	Structure and Improvements		7,627,822					
355	Power Generation Equipment							
360	Collection Sewers - Force		4,603,080					
361	Collection Sewers - Gravity		6,109,603					
362	Special Collecting Structures		298,627					
363	Services to Customers		1,253,383					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations			2,683,975				
370	Receiving Wells			1,346,722				
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System				4,587,804		1,046,376	
380	Treatment & Disposal Equipment				123,480			
381	Plant Sewers							
382	Outfall Sewer Lines							52,848
389	Other Plant / Miscellaneous Equipment							
390	Office Furniture & Equipment							49,835
391	Transportation Equipment							29,009
392	Stores Equipment							362,254
393	Tools, Shop and Garage Equipment							2,873
394	Laboratory Equipment							77,079
395	Power Operated Equipment							37,324
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 54,651	\$ 19,895,067	\$ 4,030,697	\$ 5,156,834	\$ -	\$ 1,046,376	\$ 611,222

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

**UTILITY NAME:** North Fort Myers Utility, Inc.  
**SYSTEM NAME / COUNTY:** Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**WASTEWATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	4,054		\$ -	\$ 4,054
352	Franchises	750			750
353	Land and Land Rights	55,213			55,213
354	Structure and Improvements	494,728			494,728
355	Power Generation Equipment				
360	Collection Sewers - Force	176,531			176,531
361	Collection Sewers - Gravity	1,546,953			1,546,953
362	Special Collecting Structures	37,450			37,450
363	Services to Customers	354,397			354,397
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	329,615			329,615
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment	400,542			400,542
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	138,212			138,212
390	Office Furniture & Equipment				
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	4,880			4,880
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment	2,570			2,570
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 3,545,895	\$ -	\$ -	\$ 3,545,895

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

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	\$ 4,054						
352	Franchises	750						
353	Land and Land Rights		\$ -	\$ -	\$ 55,213	\$ -	\$ -	\$ -
354	Structure and Improvements				494,728			
355	Power Generation Equipment							
360	Collection Sewers - Force		176,531					
361	Collection Sewers - Gravity		1,546,953					
362	Special Collecting Structures		37,450					
363	Services to Customers		354,397					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment			329,615				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System				400,542			
380	Treatment & Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipment				138,212			
390	Office Furniture & Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 4,804	\$ 2,115,331	\$ 329,615	\$ 1,088,695	\$ -	\$ -	\$ 7,450

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

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
351	Organization	40	%	2.50 %
352	Franchises	40	%	2.50 %
354	Structure and Improvements	32	%	3.13 %
355	Power Generation Equipment		%	%
360	Collection Sewers - Force	30	%	3.33 %
361	Collection Sewers - Gravity	45	%	2.22 %
362	Special Collecting Structures	30	%	3.33 %
363	Services to Customers	38	%	2.63 %
364	Flow Measuring Devices		%	%
365	Flow Measuring Installations		%	%
366	Reuse Services		%	%
367	Reuse Meters and Meter Installations		%	%
370	Receiving Wells	18	%	5.56 %
371	Pumping Equipment	18	%	5.56 %
374	Reuse Distribution Reservoirs		%	%
375	Reuse Transmission and Distribution System	30	%	3.33 %
380	Treatment & Disposal Equipment	18	%	5.56 %
381	Plant Sewers	35	%	2.86 %
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment	18	%	5.56 %
390	Office Furniture & Equipment	6	%	16.67 %
391	Transportation Equipment		%	%
392	Stores Equipment		%	%
393	Tools, Shop and Garage Equipment	16	%	6.25 %
394	Laboratory Equipment	15	%	6.67 %
395	Power Operated Equip	12	%	8.33 %
396	Communication Equipment	10	%	10.00 %
397	Miscellaneous Equipment	15	%	6.67 %
398	Other Tangible Plant	10	%	10.00 %
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.

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	40	%	2.50 %
352	Franchises	40	%	2.50 %
354	Structure and Improvements	27	%	3.70 %
355	Power Generation Equipment		%	%
360	Collection Sewers - Force	27	%	3.70 %
361	Collection Sewers - Gravity	40	%	2.50 %
362	Special Collecting Structures	40	%	2.50 %
363	Services to Customers	34	%	2.94 %
364	Flow Measuring Devices		%	%
365	Flow Measuring Installations		%	%
366	Reuse Services		%	%
367	Reuse Meters and Meter Installations		%	%
370	Receiving Wells		%	%
371	Pumping Equipment	18	%	5.56 %
374	Reuse Distribution Reservoirs		%	%
375	Reuse Transmission and Distribution System		%	%
380	Treatment & Disposal Equipment	18	%	5.56 %
381	Plant Sewers		%	%
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment	18	%	5.56 %
390	Office Furniture & Equipment		%	%
391	Transportation Equipment		%	%
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	27	%	3.70 %
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	\$ 5,265	\$ 363	\$ -	\$ 363
352	Franchises	23,975	1,003		1,003
354	Structure and Improvements	3,034,372	219,181		219,181
355	Power Generation Equipment				
360	Collection Sewers - Force	951,217	149,226	36,222	185,448
361	Collection Sewers - Gravity	1,427,980	134,541	448,504	583,045
362	Special Collecting Structures	10,461	1,020		1,020
363	Services to Customers	230,660	29,611	90,178	119,789
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	744,841	96,852		96,852
371	Pumping Equipment	383,672	60,929	200,291	261,220
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System (1)	92,477	23,115		23,115
380	Treatment & Disposal Equipment	1,648,614	225,878	21,622	247,500
381	Plant Sewers	30,429	3,528		3,528
382	Outfall Sewer Lines	(24,274)	-		
389	Other Plant / Miscellaneous Equipment	58,699	-	(58,699)	(58,699)
390	Office Furniture & Equipment	28,762	5,572		5,572
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	27,369	2,898		2,898
394	Laboratory Equipment	24,861	1,021		1,021
395	Power Operated Equipment	23,502	19,294		19,294
396	Communication Equipment	2,834	39		39
397	Miscellaneous Equipment	14,387	1,773	52,756	54,529
398	Other Tangible Plant	8,273	1,250	5,943	7,193
Total Depreciable Wastewater Plant in Service		\$ 8,748,376	\$ 977,094	\$ 796,817	\$ 1,773,911

\* Specify nature of transaction.

Use ( ) to denote reversal entries.

Note: Other Credits to (a) to record historic accumulated depreciation transferred in from Del Tura; (b) reclassify from Account 389 to Accounts 397 and 398



**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	\$ -	\$ -	\$ -	\$ -	\$ 5,628
352	Franchises					24,978
354	Structure and Improvements					3,253,553
355	Power Generation Equipment					
360	Collection Sewers - Force			2	2	1,136,667
361	Collection Sewers - Gravity			1	1	2,011,026
362	Special Collecting Structures					11,481
363	Services to Customers			1	1	350,450
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells	(11,114)			(11,114)	830,579
371	Pumping Equipment			2	2	644,894
374	Reuse Distribution Reservoirs					
375	Reuse Transmission and Distribution System					
380	Treatment & Disposal Equipment	(62,943)			(62,943)	1,833,171
381	Plant Sewers					33,957
382	Outfall Sewer Lines					(24,274)
389	Other Plant / Miscellaneous Equipment (1)					
390	Office Furniture & Equipment	(4,486)			(4,486)	29,848
391	Transportation Equipment					
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					30,267
394	Laboratory Equipment					25,882
395	Power Operated Equipment (1)					42,796
396	Communication Equipment					2,873
397	Miscellaneous Equipment (1)					68,916
398	Other Tangible Plant					15,466
Total Depreciable Wastewater Plant in Service		\$ (78,543)	\$ -	\$ 6	\$ (78,537)	\$ 10,443,750

Notes: (1) Miscellaneous adjustments to correct rounding

**UTILITY NAME:** North Fort Myers Utility, Inc.  
**SYSTEM NAME / COUNTY:** Pine Lakes / Lee

**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	\$ 4,054	\$ -		\$ -
352	Franchises	728	22		22
354	Structure and Improvements	223,670	15,460		15,460
355	Power Generation Equipment				
360	Collection Sewers - Force	116,229	5,885		5,885
361	Collection Sewers - Gravity	638,553	34,377		34,377
362	Special Collecting Structures	19,919	1,248		1,248
363	Services to Customers	196,433	9,327		9,327
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment	329,615			
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment	318,596	22,252		22,252
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	138,212			
390	Office Furniture & Equipment				
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment	4,880	-		
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment	2,570	-		
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 1,993,459	\$ 88,571		\$ 88,571

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

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	\$ -	\$ -	\$ -	\$ -	\$ 4,054
352	Franchises					750
354	Structure and Improvements					239,130
355	Power Generation Equipment					
360	Collection Sewers - Force					122,114
361	Collection Sewers - Gravity					672,930
362	Special Collecting Structures					21,167
363	Services to Customers					205,760
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					
371	Pumping Equipment					329,615
374	Reuse Distribution Reservoirs					
375	Reuse Transmission and Distribution System					
380	Treatment & Disposal Equipment					340,848
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					138,206
390	Office Furniture & Equipment					
391	Transportation Equipment					
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					4,880
395	Power Operated Equipment					
396	Communication Equipment					
397	Miscellaneous Equipment					2,570
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service						\$ 2,082,024

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: North Fort Myers / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**CONTRIBUTIONS IN AID OF CONSTRUCTION**  
**ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (b)
Balance First of Year		\$ 12,622,117
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	S-8(a)	940,036
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	3,947,165
Total Credits		4,887,201
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 17,509,318

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: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (b)
Balance First of Year		\$ 1,025,142
Add credits during year: Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	S-8(a)	
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	
Total Credits		
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 1,025,142

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: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: North Fort Myers / Lee

**YEAR OF REPORT**  
**December 31, 2006**

**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 Fees	119	\$ 462	\$ 54,979
Capacity Fees	1,375	635	873,126
Capacity Fees	3	233	700
Main Ext Fees	2	5,615	11,231
<b>Total Credits</b>			\$ 940,036

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 3,154,640
Debits during year:	
Accruals charged to Account	385,212
Other Debits (specify):	
Total debits	385,212
Credits during year (specify):	
Total credits	
Balance end of year	\$ 3,539,852

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

YEAR OF REPORT  
 December 31, 2006

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

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

DESCRIPTION (a)	
Balance first of year	\$ 545,051
Debits during year:	
Accruals charged to Account	25,628
Other Debits (specify):	
Rounding	
Total debits	25,628
Credits during year (specify):	
Total credits	
Balance end of year	\$ 570,679

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: North Fort Myers / Lee

YEAR OF REPORT  
 December 31, 2006

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)
Bayshore Self Storage - 5871 Bayshore Rd	Cash	\$ 2,934
Raymond Lumber 7751 Bayshore	Cash	9,610
Bayshore Commons	Cash	10,472
Bayshore Shoppes	Cash	10,915
Commons Park - Slater & Bayshore	Cash	14,091
Fountain Bridge Presrves	Cash	47,435
Enclaves of Eagle Nest	Cash	57,362
Diplomat Mixed Use	Cash	100,523
Pioneer Village	Cash	211,933
Palermo Project - Cranes Landing	Cash	238,193
Estates of Entrada	Cash	277,872
Cranes Landing - Palermo	Cash	476,386
Del Tura Cap Fees	Cash	632,975
Meach Richard - Spring Woods	Cash	51
K & B Homes (Coon Rd)	Cash	17,800
Moore & Waksler - Coon Rd L/S	Cash	136,191
Magnolia Landing Cont. Property	Property	65,402
Magnolia Landings Contr. WW Collection System	Property	1,099,642
KB Homes/Bayshore Commons Project	Property	345,672
Pioneer Village	Acquired	35,000
Lee EMS	Property	120,030
Elderly Housing	Property	36,676
Total Credits		\$ 3,947,165



UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

<b>YEAR OF REPORT</b> December 31, 2006
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**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)
WASTEWATER SALES				
Flat Rate Revenues:				
521.1	Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
Measured Revenues:				
522.1	Residential Revenues	7,943	8,036	\$ 2,258,173
522.2	Commercial Revenues	276	286	995,489
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues	32	35	127,476
522	Total Measured Revenues	8,251	8,357	3,381,138
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	8,251	8,357	\$ 3,381,138
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			28,916
	Total Other Wastewater Revenues			\$ 28,916

\* 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				
540.1	Flat Rate Reuse Revenues: 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			
541.1	Measured Reuse Revenues: 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				\$ 3,410,054

\* 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)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
522.1	Measured Revenues: Residential Revenues	1,791	1,792	\$ 429,791
522.2	Commercial Revenues	15	15	19,978
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)			
522	Total Measured Revenues	1,806	1,807	449,769
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	1,806	1,807	\$ 449,769
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
	Total Other Wastewater Revenues			\$ -

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

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: 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			
541.1	Measured Reuse Revenues: Residential Reuse Revenues			
541.2	Commercial Reuse Revenues	1	1	10,716
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues			10,716
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				10,716
Total Wastewater Operating Revenues				\$ 460,485

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

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 COLLECTION 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	\$ 137,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	77,813						
704	Employee Pensions and Benefits							
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	530,862					530,862	
715	Purchased Power	305,999	39,741		96,818		167,273	
716	Fuel for Power Purchased	98					98	
718	Chemicals	7,312	7,312					
720	Materials and Supplies	32,101	3,583		6,593		18,234	3,691
731	Contractual Services - Engineering	3,323	2,769					
732	Contractual Services - Accounting	79,292						
733	Contractual Services - Legal	22,517						
734	Contractual Services - Mgt. Fees	273						
735	Contractual Services - Testing							
736	Contractual Services - Other	884,250					862,250	
741	Rental of Building/Real Property	21,496						
742	Rental of Equipment							
750	Transportation Expense	2,057						
756	Insurance - Vehicle							
757	Insurance - General Liability	44,351					44,351	
758	Insurance - Workmens Comp.	2,269						
759	Insurance - Other	31,417						
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	900					900	
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense							
775	Miscellaneous Expenses	289,214	8,159					
	Total Wastewater Utility Expenses	\$ 2,473,465	\$ 61,564	\$ -	\$ 103,411	\$ -	\$ 1,623,993	\$ 3,691

UTILITY NAME: North Fort Myers Utility, Inc.  
SYSTEM NAME / COUNTY: North Fort Myers / Lee

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	\$ 62,366	\$ 75,555	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders		77,813				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense	2,167					
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services - Engineering		554				
732	Contractual Services - Accounting		79,292				
733	Contractual Services - Legal		22,517				
734	Contractual Services - Mgt. Fees		273				
735	Contractual Services - Testing						
736	Contractual Services - Other		22,000				
741	Rental of Building/Real Property	11,081	10,415				
742	Rental of Equipment	2,057					
750	Transportation Expense						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workmens Comp.		2,269				
759	Insurance - Other		31,417				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense						
775	Miscellaneous Expenses	51,965	229,065				
	Total Wastewater Utility Expenses	\$ 129,636	\$ 551,170	\$ -	\$ -	\$ -	\$ -

UTILITY NAME: North Fort Myers Utility, Inc.  
SYSTEM NAME / COUNTY: Pine Lakes / Lee

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 COLLECTION 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	\$ 13,909	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	47,906						
704	Employee Pensions and Benefits							
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	27,560					27,560	
715	Purchased Power	41,306			4,467		36,505	
716	Fuel for Power Purchased							
718	Chemicals							
720	Materials and Supplies	8,154					5,825	2,329
731	Contractual Services - Engineering							
732	Contractual Services - Accounting	12,810						
733	Contractual Services - Legal	3,657						
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing							
736	Contractual Services - Other	126,441					122,774	
741	Rental of Building/Real Property	6,485						
742	Rental of Equipment							
750	Transportation Expense	343						
756	Insurance - Vehicle							
757	Insurance - General Liability	13,942					13,942	
758	Insurance - Workmens Comp.	327						
759	Insurance - Other	7,202						
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other	1,635					1,635	
770	Bad Debt Expense						(6,550)	
775	Miscellaneous Expenses	39,568						
	Total Wastewater Utility Expenses	\$ 351,245	\$ -	\$ -	\$ 4,467	\$ -	\$ 201,691	\$ 2,329



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	\$ 13,909	\$ -	\$ -			
703	Salaries and Wages - Officers, Directors and Majority Stockholders		47,906				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense	334					
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services - Engineering						
732	Contractual Services - Accounting	12,810	3,657				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing		3,667				
736	Contractual Services - Other	6,485					
741	Rental of Building/Real Property						
742	Rental of Equipment	343					
750	Transportation Expense						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workmens Comp.		327				
759	Insurance - Other		7,202				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense						
775	Miscellaneous Expenses		46,118				
	Total Wastewater Utility Expenses	\$ 33,881	\$ 108,877				

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: North Fort Myers / Lee

YEAR OF REPORT  
 December 31, 2006

**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	8,038	8,038
5/8"	Displacement	1.0	172	172
3/4"	Displacement	1.5	11	17
1"	Displacement	2.5	41	103
1 1/2"	Displacement or Turbine	5.0	37	185
2"	Displacement, Compound or Turbine	8.0	44	352
3"	Displacement	15.0		
3"	Compound	16.0	7	112
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	3	75
4"	Turbine	30.0		
6"	Displacement or Compound	50.0	4	200
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0	1	115
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				9,369

**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

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

ERC Calculation:	(	556,622,000	/ 365 days ) / 280 gpd =	5,446
		(total gallons treated)		

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

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

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	END OF YEAR (e)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,792	1,792
5/8"	Displacement	1.0		
3/4"	Displacement	1.5	6	9
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0	6	30
2"	Displacement, Compound or Turbine	8.0	3	24
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				1,855

**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

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

ERC Calculation:	(	<u>42,862,000</u>	/ 365 days ) / 280 gpd =	<u>419</u>
		(total gallons treated)		

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: North Fort Myers / Lee

**YEAR OF REPORT**  
**December 31, 2006**

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

Permitted Capacity	3.5 MGD		
Basis of Permit Capacity (1)	AADF		
Manufacturer	Custom		
Type (2)	Oxidation Ditch		
Hydraulic Capacity	3.5 MGD		
Average Daily Flow	1,524,992		
Total Gallons of Wastewater Treated	556,622,000		
Method of Effluent Disposal	Reuse/Deepwell		

- (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: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

**YEAR OF REPORT**  
**December 31, 2006**

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

Permitted Capacity	.300MGD		
Basis of Permit Capacity (1)	AADF		
Manufacturer	Marolf		
Type (2)	Extended Air		
Hydraulic Capacity	.300MGD		
Average Daily Flow	117,430		
Total Gallons of Wastewater Treated	42,862,000		
Method of Effluent Disposal	Reuse		

- (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: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: North Fort Myers / Lee

YEAR OF REPORT December 31, 2006
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**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>9,369</u>		
2. Maximum number of ERC's * which can be served.	<u>12,727</u>		
3. Present system connection capacity (in ERC's *) using existing lines.	<u>8,582</u>		
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>Unknown</u>		
5. Estimated annual increase in ERC's * .	<u>Approximatly 600</u>		
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.			
<u>New wastewater force mains and reuse main to Del Tura; Design addition to treatment plant for construction in 2008 &amp; 2009</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>Six Lakes: 19.074</u>	<u>Old Bridge Park</u>	<u>49.041</u>
	<u>Riverbend: 76.218</u>	<u>Tree Farm</u>	<u>25.594</u>
	<u>Sabal Springs: 61.983</u>	<u>City of Cape Coral</u>	<u>3.183</u>
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? <u>N/A</u>			
If so, when? <u>N/A</u>			
9. Has the utility been required by the DEP or water management district to implement reuse? <u>No</u>			
If so, what are the utility's plans to comply with the DEP? <u>N/A</u>			
10. When did the company last file a capacity analysis report with the DEP? <u>9/04</u>			
11. If the present system does not meet the requirements of DEP rules:			
a. Attach a description of the plant upgrade necessary to meet the DEP rules.			
b. Have these plans been approved by DEP? <u>N/A</u>			
c. When will construction begin? <u>N/A</u>			
d. Attach plans for funding the required upgrading. <u>N/A</u>			
e. Is this system under any Consent Order of the DEP? <u>N/A</u>			
11. Department of Environmental Protection ID # <u>FLA 014548 &amp; Deepwell Permit U036-301451</u>			

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

UTILITY NAME: North Fort Myers Utility, Inc.  
 SYSTEM NAME / COUNTY: Pine Lakes / Lee

YEAR OF REPORT December 31, 2006
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**OTHER WASTEWATER SYSTEM INFORMATION**

Furnish information below for each system. A separate page should be supplied where necessary.	
1. Present ERC's * that system can efficiently serve.	<u>1,855</u>
2. Maximum number of ERC's * which can be served.	<u>1,855</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1,855</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>1,855</u>
5. Estimated annual increase in ERC's * .	<u>Built out</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>Pine Lakes Golf Course - 100%</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 DEP?	<u>NA</u>
10. When did the company last file a capacity analysis report with the DEP?	<u>None</u>
11. If the present system does not meet the requirements of DEP rules:	
a. Attach a description of the plant upgrade necessary to meet the DEP rules.	
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will construction begin?	<u>N/A</u>
d. Attach plans for funding the required upgrading.	<u>N/A</u>
e. Is this system under any Consent Order of the DEP?	<u>N/A</u>
11. Department of Environmental Protection ID #	<u>DO36-197398</u>

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

**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Water Operations  
Class A & B**

**Company: North Fort Myers Utility, Inc.**

**For the Year Ended December 31, 2006**

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales ((461.1 - 461.5)	406,333	406,333	-
Total Fire Protection Revenue (462.1 - 462.2)	-	-	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	-	-	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	-	-	-
<b>Total Water Operating Revenue</b>	<b>\$ 406,333</b>	<b>\$ 406,333</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Water Operating Revenues</b>	<b>\$ 406,333</b>	<b>\$ 406,333</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).



**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Wastewater Operations  
Class A & B**

**Company: North Fort Myers Utility, Inc.**

**For the Year Ended December 31, 2006**

(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)	\$ -	\$ 12,670	\$ (12,670)
Total Measured Revenues (522.1 - 522.5)	3,830,907	3,830,907	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	39,632	26,962	12,670
Reclaimed Water Sales (540.1 - 544)	-	-	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 3,870,539</b>	<b>\$ 3,870,539</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>\$ 3,870,539</b>	<b>\$ 3,870,539</b>	<b>\$ -</b>

Explanations:  
Difference in classification per books versus RAF return

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).