

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

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

**ANNUAL REPORT**

OF

WS160-05-AR  
Marion Utilities, Inc.  
710 N.E. 30th Avenue  
Ocala, FL 34470-6460

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

# CRIPPEN, TRICE & HORNBY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

March 26, 2006

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David K. Hatten, C.P.A.

Gary L. Fuller, C.P.A.

To the Board of Directors  
Marion Utilities, Inc.  
Ocala, Florida

We have compiled the balance sheets of Marion Utilities, Inc. as of December 31, 2005 and 2004, and the related statements of income and retained earnings for the year ended December 31, 2005 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.

The financial statements have been prepared in conformity with the accounting practices prescribed for water and wastewater utilities by the Florida Public Service Commission, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Our compilation is limited to presenting in the form prescribed by the Florida Public Service Commission information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Florida Public Service Commission which differs from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Crippen, Trice & Hornby, LLP*

Members:  
American Institute of  
Certified Public Accountants

Florida Institute of  
Certified Public Accountants

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**EXECUTIVE  
SUMMARY**

UTILITY NAME: Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

**CERTIFICATION OF ANNUAL REPORT**

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


- |  |                                |    |   |
|--|--------------------------------|----|---|
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 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 the financial statement of the utility.  |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 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 the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified

1.	2.	3.	4.
x	x	x	x

  
\_\_\_\_\_  
(Signature of Chief Executive Officer of the utility) \*

1.	2.	3.	4.
x	x	x	x

  
\_\_\_\_\_  
(Signature of 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, 2005

Marion Utilities, Inc.  
(Exact Name of Utility)

County: Marion

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

710 NE 30th Avenue  
Ocala, Florida 34470

Telephone: 352-622-1171

E Mail Address:

WEB Site:

Sunshine State One-Call of Florida, Inc. Member Number

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

Tim E. Thompson  
710 NE 30th Avenue  
Ocala, Florida 34470

Telephone: 352-622-1171

List below the address of where the utility's books and records are located:

710 NE 30th Avenue  
Ocala, Florida 34470

Telephone: 352-622-1171

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

\_\_\_\_\_  
\_\_\_\_\_

Date of original organization of the utility: November 25, 1980

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% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	Tim E. Thompson	51%
2.	Linda L. Thompson	49%
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

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

NAME OR COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Tim E. Thompson	President	Marion Utilities, Inc.	Various
Elsie V. Crippen	CPA	Crippen, Trice & Hornby, LLP	Various
Jeffery P. Crippen	CPA	Crippen, Trice & Hornby, LLP (352) 732-4260	Various

(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.



## 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.

Marion Utilities, Inc. was organized in 1980. The officers and shareholders are Tim and Linda Thompson. The utility originally had 11 systems and 1,150 customers. Our growth has been steady with the future outlook very promising.

We have only two divisions of operation: administrative and field operations.

We acquired another utility as planned in 1988. In addition, facilities to serve 500 customers were installed in 1988. In 1989, additional facilities were installed to serve 250 customers.

We acquired another utility in 1990 that will eventually serve 90 connections. Distribution facilities were installed to serve 100 additional connections. Four standby power units were installed bringing all systems in compliance with current requirements.

We acquired another utility containing 88 lots in 1991 and expanded its distribution system to serve another 65 lots. We installed additional distributions systems to serve another 100 connections. Plans for 1992 included the addition of facilities to serve another 374 customers. Although we anticipated installing capacity for 374 additional customers, we were only able to receive permitting for 156. We have received the permits for the additional 218 that were planned to be installed in 1993.

In 1993, we installed lines and services for 100 of the 218 permitted. This was due to the developers downsizing their phase. The additional permitted areas should be completed in 1994 and 1995.

There were no new expansions in 1994 due to developers having to cope with new regulations and the comprehensive land development plan. We are hoping for at least three new phases in existing subdivisions in 1995. We did increase our number of customers during 1994 by 121.

In 1995, we completed the three new phases, adding 120 additional available connections. We upgraded our computer system to permit the use of a hand held meter reader system. It substantially increased performance of the system. We are planning construction of facilities to serve an additional 120 connections in 1996.

The utility had an over-earnings investigation by the Florida Public Service Commission in 1994 and 1995. The order was final November 30, 1995. All refunds were made in December, 1995.

In 1996, we completed distribution expansion in various subdivisions to add 197 future connections to our systems. We relocated our Greenfields water plant and placed it in service. We added additional storage facilities to Woods and Meadows Estates. We added 207 new customers to the system and are planning to add facilities for 600 new connections.

We added 97 new customers in 1997. We completed installation of distribution facilities for 198 connections of the proposed 600 with the balance to be completed in 1998. We also plan an upgrade of our Spruce Creek Plant to enable us to provide fire flow. We added a back-up well at Quadvilla Estates to conform to Department of Environmental Protection requirements.

(Continued on following page)

### 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.

In 1998 we added 108 customers. We completed the facilities for the additional 400 connections we had planned in 1997. The Spruce Creek water plant upgrade was completed. We are continuing construction of the permitted areas served by the Spruce Creek Plant.

In 1999, we added 123 new customers. We installed distribution facilities to serve an additional 40 future customers. We provided and distributed our first Consumer Confidence Report in a timely manner.

We added another 117 new customers in 2000. We installed distribution facilities to serve 230 future customers. We completed all chemical testing required by the Department of Environmental Protection and distribution our second Consumer Confidence Report.

In 2001, we added 155 new customers. We installed distribution facilities to serve 180 future customers.

In 2002, we added 170 new customers. We installed distribution facilities to serve 200 future customers. We entered into a contract to sell our Quadvilla systems to Silver Springs Regional Water & Sewer System. The transfer was still on the docket with the Commission at the end of 2002.

In 2003 we finalized the sale of our Quadvilla System. Although we lost 260 customers from the Quadvilla sale, we finished the year with 291 new customers for a net gain of 31. We installed distribution facilities to serve an additional 300 customers in the future.

In 2004 we added transmission and distribution lines to serve Summerbrooke subdivision. This was an extension of our Fore Acres system, which required the addition of a new well to provide fire flow. We also received permits to expand our Spruce Creek distribution system for 500 connections. Engineering is in progress to expand the water plant serving this area. We also increased our customer base by 350 connections.

During 2005 we completed construction of the permitted 500 connections in the Spruce Creek System. Plant expansion permits are in progress. We also gained 400 customers.

UTILITY NAME: Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

**PARENT / AFFILIATE ORGANIZATION CHART**

Current as of December 31, 2004

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

There are no parent or subsidiary companies.

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
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**COMPENSATION OF OFFICERS**

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Tim E. Thompson	President	100%	\$ 146,949
Linda L. Thompson	Secretary/ Treasurer	100%	146,949

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
Tim E. Thompson	President	4	\$ 1,500
Linda L. Thompson	Secretary/ Treasurer	4	1,500

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT  
December 31, 2005

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

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

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Tim E. Thompson	Rent		Lou Earl Properties
Linda L. Thompson	Rent		Lou Earl Properties
Both partners in the affiliate	Rent	\$ 34,175	23664 NE 124th Place Road, Salt Springs Florida 32634

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

**AFFILIATION OF OFFICERS AND DIRECTORS**

For each of the officials listed on page E-6, list the principle occupation or business 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.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Tim E. Thompson	President Marion Utilities, Inc.	Partner	Lou Earl Properties
			23664 NE 124th Place
			Road, Salt Springs
			Florida 32634
Linda L. Thompson	Secretary/Treasurer Marion Utilities, Inc.	Partner	Lou Earl Properties
			23664 NE 124th Place
			Road, Salt Springs
			Florida 32634







UTILITY NAME: Marion Utilities, Inc.

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

**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.
  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 reported. (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.
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
  - write-off of bad debts or loans

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		\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
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		_____	_____	_____	_____

**FINANCIAL  
SECTION**

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
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**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 4,530,276	\$ 4,993,627
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,635,184	1,769,740
Net Plant			\$ 2,895,092	\$ 3,223,887
114-115	Utility Plant Acquisition adjustment (Net)	F-7	(2,338)	(11,786)
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,892,754	\$ 3,212,101
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	\$ 0	\$ 0
122	Less: Accumulated Depreciation and Amortization		0	0
Net Nonutility Property			\$ 0	\$ 0
123	Investment In Associated Companies	F-10	0	0
124	Utility Investments	F-10	0	0
125	Other Investments	F-10	0	0
126-127	Special Funds	F-10	0	0
Total Other Property & Investments			\$ 0	\$ 0
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 392,346	\$ 303,492
132	Special Deposits	F-9		0
133	Other Special Deposits	F-9		0
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	16,073	13,051
145	Accounts Receivable from Associated Companies	F-12		0
146	Notes Receivable from Associated Companies	F-12		0
151-153	Material and Supplies		1,156	876
161	Stores Expense			
162	Prepayments		23,645	1,666
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		0
Total Current and Accrued Assets			\$ 433,220	\$ 319,085

\* Not Applicable for Class B Utilities

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____ 0
182	Extraordinary Property Losses	F-13	_____	_____ 0
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	1,727	1,543
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		1,612	1,612
			_____	_____
Total Deferred Debits			\$ align="right">3,339	\$ align="right">3,155
TOTAL ASSETS AND OTHER DEBITS			\$ align="right"> <u>3,329,313</u>	\$ align="right"> <u>3,534,341</u>

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

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

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 10	\$ 10
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		990	990
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	805,368	705,283
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 806,368	\$ 706,283
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	130,750	55,077
Total Long Term Debt			\$ 130,750	\$ 55,077
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		399,488	672,991
232	Notes Payable	F-18	78,073	76,683
233	Accounts Payable to Associated Companies	F-18		
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		104,585	119,015
236	Accrued Taxes	W/S-3	29,938	34,182
237	Accrued Interest	F-19	5,506	6,133
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	147,534	81,254
Total Current & Accrued Liabilities			\$ 765,124	\$ 990,258

\* Not Applicable for Class B Utilities

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	65,000	0
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		4,675	4,441
Total Deferred Credits			\$ <u>69,675</u>	\$ <u>4,441</u>
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ <u>0</u>	\$ <u>0</u>
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 2,528,118	\$ 2,834,915
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	975,204	1,075,907
Total Net C.I.A.C.			\$ <u>1,552,914</u>	\$ <u>1,759,008</u>
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 192,487	\$ 201,344
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		(188,005)	(182,070)
Total Accumulated Deferred Income Tax			\$ <u>4,482</u>	\$ <u>19,274</u>
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ <u>3,329,313</u>	\$ <u>3,534,341</u>

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**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 1,333,115	\$ 1,422,597
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		0
Net Operating Revenues			\$ 1,333,115	\$ 1,422,597
401	Operating Expenses	F-3(b)	\$ 1,071,786	\$ 1,104,962
403	Depreciation Expense:	F-3(b)	\$ 143,553	\$ 147,064
	Less: Amortization of CIAC	F-22	88,907	100,703
Net Depreciation Expense			\$ 54,646	\$ 46,361
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	6,156	6,156
407	Amortization Expense (Other than CIAC)	F-3(b)	1,115	1,214
408	Taxes Other Than Income	W/S-3	117,685	123,079
409	Current Income Taxes	W/S-3	0	0
410.10	Deferred Federal Income Taxes	W/S-3	8,407	13,938
410.11	Deferred State Income Taxes	W/S-3	2971	5,117
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	0	0
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	(233)	(233)
Utility Operating Expenses			\$ 1,262,533	\$ 1,300,594
Net Utility Operating Income			\$ 70,582	\$ 122,003
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		0
413	Income From Utility Plant Leased to Others			0
414	Gains (losses) From Disposition of Utility Property		6,089	1,093
420	Allowance for Funds Used During Construction			0
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 76,671	\$ 123,096

\* For each account, Column e should agree with Columns f, g and h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 1,386,856	\$ 30,119	\$ 5,622
\$ 1,386,856	\$ 30,119	\$ 5,622
\$ 1,064,215	\$ 37,417	\$ 3,330
142,483 94,731	4,581 5,972	
\$ 47,752	\$ (1,391)	\$
6,156 1,214 119,677 13,938 5,117  (233)	0 0 3,263    	0 0 139    
\$ 1,257,836	\$ 39,289	\$ 3,469
\$ 129,020	\$ (9,170)	\$ 2,153
1,093	0	
\$ 130,113	\$ (9,170)	\$ 2,153

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



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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ <u>76,671</u>	\$ <u>123,096</u>
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		<u>2,039</u>	<u>1,761</u>
421	Nonutility Income		<u>0</u>	_____
426	Miscellaneous Nonutility Expenses		<u>(3,519)</u>	<u>(3,967)</u>
Total Other Income and Deductions			\$ <u>(1,480)</u>	\$ <u>(2,206)</u>
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		<u>(4,668)</u>	<u>(4,262)</u>
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			\$ <u>(4,668)</u>	\$ <u>(4,262)</u>
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ <u>14,399</u>	\$ <u>15,237</u>
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ <u>14,399</u>	\$ <u>15,237</u>
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ <u>0</u>	\$ <u>0</u>
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ <u>0</u>	\$ <u>0</u>
<b>NET INCOME</b>			\$ <u><u>65,460</u></u>	\$ <u><u>109,915</u></u>

Explain Extraordinary Income:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 4,811,694	\$ 181,933
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	<u>1,597,870</u>	<u>152,254</u>
110	Accumulated Amortization	F-8	<u>19,616</u>	<u>0</u>
271	Contributions In Aid of Construction	F-22	<u>2,675,774</u>	<u>159,141</u>
252	Advances for Construction	F-20	<u>0</u>	
Subtotal			\$ <u>518,434</u>	\$ <u>-129,462</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	923,657	152,250
Subtotal			\$ <u>1,442,091</u>	\$ <u>22,788</u>
114	Plus or Minus: Acquisition Adjustments (2)	F-7	<u>164,972</u>	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>(154,951)</u>	
	Working Capital Allowance (3)			
	Other (Specify):			
	Deferred income tax on C IAC		<u>16,387</u>	
RATE BASE			\$ <u><u>1,468,499</u></u>	\$ <u><u>22,788</u></u>
NET UTILITY OPERATING INCOME			\$ <u><u>129,020</u></u>	\$ <u><u>(9,170)</u></u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u><u>8.79%</u></u>	<u><u>-40.24%</u></u>

**NOTES :**

- (1) Estimate based on the methodology used in the last rate proceeding.
- (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.

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**SCHEDULE OF CURRENT COST OF CAPITAL  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

<b>CLASS OF CAPITAL (a)</b>	<b>DOLLAR AMOUNT (2) (b)</b>	<b>PERCENTAGE OF CAPITAL (c)</b>	<b>ACTUAL COST RATES (3) (d)</b>	<b>WEIGHTED COST (c x d) (e)</b>
Common Equity	\$ 706,283	78.121%	10.72%	8.37%
Preferred Stock				
Long Term Debt	55,077	6.092%	5.85%	0.36%
Customer Deposits	119,015	13.164%	6.00%	0.79%
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes	19,274	2.132%	0.00%	0.00%
Other (Explain)				
Investment Tax Credits	4,441	0.491%	0.00%	0.00%
<b>Total</b>	<b>\$ 904,090</b>	<b>100.000%</b>		<b>9.52%</b>

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

---

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

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

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

**APPROVED RETURN ON EQUITY**

Current Commission Return on Equity:	<u>10.72%</u>
Commission order approving Return on Equity:	<u>95-1193-FOF-W/S</u>

NOT APPLICABLE

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>                    </u> %
Commission order approving AFUDC rate:	<u>                    </u>

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



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**UTILITY PLANT  
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 4,499,874	\$ 181,933	\$ 0	\$ 4,681,807
102	Utility Plant Leased to Other				
103	Property Held for Future Use	4,009			4,009
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	307,811			307,811
106	Completed Construction Not Classified				
	Total Utility Plant	\$ 4,811,694	\$ 181,933	\$ 0	\$ 4,993,627

**UTILITY PLANT ACQUISITION ADJUSTMENTS  
ACCOUNTS 114 AND 115**

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

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ _____	\$ _____	\$ _____	\$ _____
		<b>SEE SCHEDULE ATTACHED</b>			
	Total Plant Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

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**UTILITY PLANT ACQUISITION ADJUSTMENTS  
ACCOUNTS 114 AND 115**

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

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition adjustment				
	Order #11568	\$ 164,972			\$ 164,972
	Balance after order #11568	113,399			113,399
	Woods & Meadows	(17,697)			(17,697)
	Spruce Creek	(58,554)			(58,554)
	Deer Creek	6,733			6,733
	Windgate	20,895			20,895
	Total Plant Acquisition Adjustments	\$ 229,748	\$ -	\$ -	\$ 229,748
115	Accumulated Amortization				
	Order #11568	\$ (154,951)	\$ -	\$ -	\$ (154,951)
	Balance after order #11568	(107,944)			(107,944)
	Woods & Meadows	8,664			8,664
	Spruce Creek	26,837			26,837
	Deer Creek	(2,946)			(2,946)
	Windgate	(11,194)			(11,194)
	Total Accumulated Amortization	\$ (241,534)	\$ -	\$ -	\$ (241,534)
	Net Acquisition Adjustments	\$ (11,786)	\$ -	\$ -	\$ (11,786)



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**REGULATORY COMMISSION EXPENSE  
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
_____	\$ _____ 0	_____	\$ _____ 0
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____ 0	_____	\$ _____ 0

**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)
_____	\$ _____ 0	\$ _____ 0	\$ _____ 0	\$ _____ 0
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ _____ 0	\$ _____ 0	\$ _____ 0	\$ _____ 0

**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): _____ _____ _____	\$ _____ 0
Total Special Deposits	\$ _____ 0
OTHER SPECIAL DEPOSITS (Account 133): _____ _____ _____	\$ _____ 0
Total Other Special Deposits	\$ _____ 0



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

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ 0 _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____ 0
UTILITY INVESTMENTS (Account 124): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ 0 _____ _____ _____ _____
Total Utility Investment		\$ _____ 0
OTHER INVESTMENTS (Account 125): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ 0 _____ _____ _____ _____
Total Other Investment		\$ _____ 0
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): _____ _____ _____ _____ _____		\$ _____ 0 _____ _____ _____ _____
Total Special Funds		\$ _____ 0

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

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

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 13,051	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 13,051
OTHER ACCOUNTS RECEIVABLE ( Account 142):		
_____	\$ _____	
_____		
_____		
Total Other Accounts Receivable		\$ 0
NOTES RECEIVABLE (Account 144 ):		
_____	\$ 0	
_____		
_____		
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 13,051
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143 )		
Balance first of year	\$ 0	
Add: Provision for uncollectibles for current year	\$ 4,950	
Collection of accounts previously written off	151	
Utility Accounts		
Others		
_____		
_____		
Total Additions		\$ 5101
Deduct accounts written off during year:		
Utility Accounts	5,101	
Others		
_____		
_____		
Total accounts written off		\$ 5101
Balance end of year		\$ 0
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>		<b>\$ 13,051</b>

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ 0
Total	\$ 0

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES  
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
	%	\$ 0
	%	
	%	
	%	
	%	
	%	
	%	
	%	
	%	
Total		\$ 0

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS  
ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
	\$ 0
Total Miscellaneous Current and Accrued Liabilities	\$ 0

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**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): _____ _____ _____	\$ _____ _____ _____	0 _____ _____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____ 0
UNAMORTIZED PREMIUM ON DEBT (Account 251): _____ _____ _____	\$ _____ _____ _____	0 _____ _____
Total Unamortized Premium on Debt	\$ _____	\$ _____ 0

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____ _____ _____	\$ _____ 0 _____ _____
Total Extraordinary Property Losses	\$ _____ 0

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**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)		
_____	\$ _____	\$ _____ 0
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Deferred Rate Case Expense</b>	\$ <u>_____ 0</u>	\$ <u>_____ 0</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
Utility Deposits	\$ _____	\$ _____ 1,050
Loan costs, net of amortization	_____ 394	_____ 493
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Other Deferred Debits</b>	\$ <u>_____ 394</u>	\$ <u>_____ 1,543</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
_____	\$ _____ 0	\$ _____ 0
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Regulatory Assets</b>	\$ <u>_____ 0</u>	\$ <u>_____ 0</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ <u>_____ 394</u>	\$ <u>_____ 1,543</u>

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

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	%	\$ 1.00
Shares authorized		1,000
Shares issued and outstanding		100
Total par value of stock issued	%	\$ 10
Dividends declared per share for year	%	\$ 500
<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	%	\$

\* 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)	
	%		\$ 0
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 0

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

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**STATEMENT OF RETAINED EARNINGS**

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 805,368
439	Changes to Account: Adjustments to Retained Earnings ( requires Commission approval prior to use): Credits: _____	\$ _____ 0
	Total Credits:	\$ 0
	Debits: _____	\$ _____ 0
	Total Debits:	\$ 0
435	Balance Transferred from Income	\$ 109,915
436	Appropriations of Retained Earnings: _____ _____	_____ 0
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____ _____
438	Common Stock Dividends Declared _____	_____ 210,000
	Total Dividends Declared	\$ 210,000
215	Year end Balance	\$ 705,283
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ 0
214	Total Appropriated Retained Earnings	\$ 0
	Total Retained Earnings	\$ 705,283
Notes to Statement of Retained Earnings:		

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**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
	\$ 0
Total	\$ 0

**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)	
Note on vehicle     Issue date 3/31/04 - Maturity 3/31/09	0.00 %	Fixed	\$ 38,113
Note on vehicle     Issue date 3/3/03 - Maturity 3/3/06	4.50 %	Fixed	321
Commerical loan     Issue date 4/5/04 - Maturity 4/5/07	8.25 %	Variable	93,326
	%		
	%		
Less, Current Portion on page F-18	%		(76,683)
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 55,077

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



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**NOTES PAYABLE  
ACCOUNTS 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):			
Current portion of long term debt	%		\$ 76,683
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ 76,683
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
	%		\$ 0
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ 0

\* 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)
	\$ 0
Total	\$ 0

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ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ 529		\$ 9,027	\$ 9,029	\$ 527
Total Account 237.1	\$ 529		\$ 9,027	\$ 9,029	\$ 527
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$ 4,915	427	\$ 6,131	\$ 5,516	\$ 5,530
Customer Deposits - Water	62		79	65	76
Customer Deposits - Sewer					
Total Account 237.2	\$ 4,977		\$ 6,210	\$ 5,581	\$ 5,606
Total Account 237 (1)	\$ 5,506		\$ 15,237	\$ 14,610	\$ 6,133
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 15,237		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			\$ 15,237		

(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: Marion Utilities, Inc.

YEAR OF REPORT  
December 31, 2005

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued officers' salaries	\$ 23,438
Accrued employee salaries	19,668
Accrued professional fees	16,610
Accrued profit sharing contribution payable	4,822
Customer prepayments	16,716
Total Miscellaneous Current and Accrued Liabilities	\$ 81,254

ADVANCES FOR CONSTRUCTION  
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
Whispering Pines - Phase VI	\$ (65,000)	231	336,474	\$ 271,474	\$ 0
Total	\$ (65,000)		336,474	\$ 271,474	\$

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

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
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**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):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ <u>0</u>	\$ <u>0</u>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ <u>0</u>	\$ <u>0</u>
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ <u>0</u>	\$ <u>0</u>

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>2,368,977</u>	\$ <u>159,141</u>	\$ _____	\$ <u>2,528,118</u>
Add credits during year:	\$ <u>306,797</u>	\$ <u>0</u>	\$ _____	\$ <u>306,797</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>2,675,774</u></u>	\$ <u><u>159,141</u></u>	\$ <u><u>0</u></u>	\$ <u><u>2,834,915</u></u>

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>828,926</u>	\$ <u>146,278</u>	\$ _____	\$ <u>975,204</u>
Debits during the year:	\$ <u>94,731</u>	\$ <u>5,972</u>	\$ _____	\$ <u>100,703</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>923,657</u></u>	\$ <u><u>152,250</u></u>	\$ <u><u>0</u></u>	\$ <u><u>1,075,907</u></u>

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
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**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 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 computations 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, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 109,915
Reconciling items for the year:		
Taxable income not reported on books:		
Tax gain in excess of book gain on asset disposal		1,460
Deductions recorded on books not deducted for return:		
Officer's life insurance premiums		2,304
Net amortization of acquisition adjustments		9,448
Amortization - other		580
Accrued salaries and directors fees due to shareholders not paid		26,438
Charitable contribution carryforward		50
Income recorded on books not included in return:		
Amortization of CIAC		(100,702)
ITC restored to income		(233)
Deduction on return not charged against book income:		
Prior year accrued salaries to shareholders paid this year		(22,516)
Amortization of loan costs		394
Additional tax depreciation over book depreciation		(72,765)

Federal tax net income		\$ (45,627)
------------------------	--	-------------

Computation of tax :

Net loss - not applicable

**WATER  
OPERATION  
SECTION**

UTILITY NAME:

Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

**WATER LISTING OF SYSTEM GROUPS**

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-15) must be filed for each system in the group.

All of the following water pages (W-2 through W-15) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Marion Utilities/Marion	347 W	1
*Windgate Estates/Marion	347 W	2
*Includes Bordering Oaks Estates and Colebrook		



UTILITY NAME:

Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

SYSTEM NAME / COUNTY :

Marion Utilities/Marion County

**SCHEDULE OF YEAR END WATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 4,388,105
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,539,968
110	Accumulated Amortization	F-8	19,616
271	Contributions In Aid of Construction	W-7	2,609,427
252	Advances for Construction	F-20	0
Subtotal			\$ 219,094
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 876,514
Subtotal			\$ 1,095,608
	Plus or Minus:		
114	Acquisition Adjustments (2) <b>Order #11568 only</b>	F-7	164,972
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	(148,796)
	Working Capital Allowance (3)		
	Other (Specify): Deferred income taxes on CIAC		16,387
103	Property held for future use		4,009
105	Construction work in process		307,811
<b>WATER RATE BASE</b>			<b>\$ 1,439,991</b>
<b>WATER OPERATING INCOME</b>		<b>W-3</b>	<b>\$ 130,112</b>
<b>ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)</b>			<b>9.04%</b>

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

SYSTEM NAME / COUNTY : Windgate Estates/Marion County

**SCHEDULE OF YEAR END WATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 111,769
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	57,902
110	Accumulated Amortization	F-8	0
271	Contributions In Aid of Construction	W-7	66,347
252	Advances for Construction	F-20	0
Subtotal			\$ (12,480)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 47,143
Subtotal			\$ 34,663
	Plus or Minus:		
114	Acquisition Adjustments (2) <b>Order #11568 only</b>	F-7	0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	0
	Working Capital Allowance (3)		
	Other (Specify):		0
103	Property held for future use		0
105	Construction work in process		0
<b>WATER RATE BASE</b>			\$ 34,663
<b>WATER OPERATING INCOME</b>		W-3	\$ <b>Not Available</b>
<b>ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)</b>			

- NOTES : (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.  
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Marion Utilities/Marion County

### WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
<b>UTILITY OPERATING INCOME</b>			
400	Operating Revenues	W-9	\$ 1,386,856
469	Less: Guaranteed Revenue and AFPI	W-9	0
Net Operating Revenues			\$ 1,386,856
401	Operating Expenses	W-10(a)	\$ 1,064,215
403	Depreciation Expense	W-6(a)	142,483
	Less: Amortization of CIAC	W-8(a)	94,730
Net Depreciation Expense			\$ 47,753
406	Amortization of Utility Plant Acquisition Adjustment	F-7	6,156
407	Amortization Expense (Other than CIAC)	F-8	1,214
408.10	Taxes Other Than Income		62,409
408.11	Utility Regulatory Assessment Fee		22,014
408.12	Property Taxes		34,206
408.13	Payroll Taxes		1,048
408.13	Other Taxes and Licenses		1,048
408	Total Taxes Other Than Income		\$ 119,677
409.1	Income Taxes		13,938
410.10	Deferred Federal Income Taxes		5117
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		(233)
Utility Operating Expenses			\$ 1,257,837
Utility Operating Income			\$ 129,019
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		1,093
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ 130,112

UTILITY NAME:

Marion Utilities, Inc.

YEAR OF REPORT December 31, 2005
-------------------------------------

SYSTEM NAME / COUNTY :

Windgate Estates/Marion County

INFORMATION NOT AVAILABLE

**WATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	W-9	\$ _____
469	Less: Guaranteed Revenue and AFPI	W-9	_____
Net Operating Revenues			\$ _____
401	Operating Expenses	W-10(a)	\$ _____
403	Depreciation Expense	W-6(a)	_____
	Less: Amortization of CIAC	W-8(a)	_____
Net Depreciation Expense			\$ _____
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		_____
408.11	Property Taxes		_____
408.12	Payroll Taxes		_____
408.13	Other Taxes and Licenses		_____
408	Total Taxes Other Than Income		\$ _____
409.1	Income Taxes		_____
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			\$ _____
Utility Operating Income			\$ _____
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			\$ _____

**YEAR OF REPORT**  
December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY: Marion Utilities/Marion

**WATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 25,391	\$	\$	\$ 25,391
302	Franchises				
303	Land and Land Rights	105,417			105,417
304	Structures and Improvements	87,119			87,119
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	147,388			147,388
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment		5,000		301,654
311	Pumping Equipment	296,654		(5,603)	30,663
320	Water Treatment Equipment	36,266		(5,839)	179,545
330	Distribution Reservoirs and Standpipes	165,465	19,919		2,563,465
331	Transmission and Distribution Mains	2,357,194	206,271		406,414
333	Services	359,310	47,104		289,461
334	Meters and Meter Installations	270,008	19,453		
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	69,468	0	(2,143)	67,325
341	Transportation Equipment	134,945	0	0	134,945
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	9,509	734	(1,902)	8,341
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	5,458			5,458
347	Miscellaneous Equipment				
348	Other Tangible Plant	25,580	9,939	0	35,519
<b>TOTAL WATER PLANT</b>		\$ 4,095,172	\$ 308,420	\$ (15,487)	\$ 4,388,105

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

YEAR OF REPORT  
December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Marion Utilities/Marion County

WATER UTILITY PLANT MATRIX

ACCT. NO.	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	\$ 25,391	\$ 25,391				
302	Franchises						
303	Land and Land Rights	105,417					105,417
304	Structures and Improvements	87,119					87,119
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	147,388		147,388			
308	Infiltration Galleries and Tunnels						
309	Supply Mains						
310	Power Generation Equipment						
311	Pumping Equipment	301,654		301,654			
320	Water Treatment Equipment	30,663			30,663		
330	Distribution Reservoirs and Standpipes	179,545				179,545	
331	Transmission and Distribution Mains	2,563,465				2,563,465	
333	Services	406,414				406,414	
334	Meters and Meter Installations	289,461				289,461	
335	Hydrants						
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment						
340	Office Furniture and Equipment	67,325					67,325
341	Transportation Equipment	134,945					134,945
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	8,341					8,341
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment	5,458					5,458
347	Miscellaneous Equipment						
348	Other Tangible Plant	35,519					35,519
	TOTAL WATER PLANT	\$ 4,388,105	\$ 25,391	\$ 449,042	\$ 30,663	\$ 3,438,885	\$ 444,124

W-4(b)  
GROUP 1

**YEAR OF REPORT**  
December 31, 2005

**UTILITY NAME:** Marion Utilities, Inc.

**SYSTEM NAME / COUNTY :** Windgate Estates/Marion County

**WATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$	\$	\$	\$
302	Franchises				
303	Land and Land Rights	1,710			1,710
304	Structures and Improvements	9,677			9,677
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	11,500			11,500
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	12,593			12,593
320	Water Treatment Equipment	2,575			2,575
330	Distribution Reservoirs and Standpipes	8,454			8,454
331	Transmission and Distribution Mains	48,069			48,069
333	Services	6,531			6,531
334	Meters and Meter Installations	10,660	0		10,660
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
<b>TOTAL WATER PLANT</b>		\$ 111,769	\$	\$	\$ 111,769

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

YEAR OF REPORT  
December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Windgate Estates/Marion County

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.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)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
301	Organization		\$				\$
302	Franchises						
303	Land and Land Rights	1,710					1,710
304	Structures and Improvements	9,678					9,678
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	11,500		11,500			
308	Infiltration Galleries and Tunnels						
309	Supply Mains						
310	Power Generation Equipment						
311	Pumping Equipment	12,593		12,593			
320	Water Treatment Equipment	2,575			2,575		
330	Distribution Reservoirs and Standpipes	8,454				8,454	
331	Transmission and Distribution Mains	48,069				48,069	
333	Services	6,531				6,531	
334	Meters and Meter Installations	10,659				10,659	
335	Hydrants						
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment						
340	Office Furniture and Equipment						
341	Transportation Equipment						
342	Stores Equipment						
343	Tools, Shop and Garage Equipment						
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment						
347	Miscellaneous Equipment						
348	Other Tangible Plant						
TOTAL WATER PLANT		111,769	\$	24,093	2,575	73,713	\$ 11,388

W-4(b)  
GROUP 2



**YEAR OF REPORT**

December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Marion Utilities/Marion

**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)
304	Structures and Improvements	33		3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	10		10.00%
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: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Windgate Estates/Marion County

**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)
304	Structures and Improvements	33		3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
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.

**YEAR OF REPORT**  
December 31, 2005

**UTILITY NAME:** Marion Utilities, Inc.

**SYSTEM NAME / COUNTY :** Marion Utilities/Marion

**ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 51,420	\$ 2,374		\$ 2,374
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	86,254	4,417		4,417
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	187,365	13,883		13,883
320	Water Treatment Equipment	20,965	1,394		1,394
330	Distribution Reservoirs and Standpipes	77,142	4,674		4,674
331	Transmission and Distribution Mains	587,695	55,380		55,380
333	Services	101,673	9,562		9,562
334	Meters and Meter Installations	177,176	9,354		9,354
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	39,494	9,795		9,795
341	Transportation Equipment	56,964	25,470		25,470
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	3,996	576		576
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	3,370	298		298
347	Miscellaneous Equipment				
348	Other Tangible Plant	20,413	2,192		2,192
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 1,413,927</b>	<b>\$ 139,369</b>	<b>\$</b>	<b>\$ 139,369</b>

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

**YEAR OF REPORT**  
December 31, 2005

**UTILITY NAME:** Marion Utilities, Inc.

**SYSTEM NAME / COUNTY :** Marion Utilities/Marion County

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

ACCT. NO.	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) (l)
304	Structures and Improvements		\$		\$ 0	\$ 53,794
305	Collecting and Impounding Reservoirs				0	
306	Lake, River and Other Intakes				0	
307	Wells and Springs				0	90,671
308	Infiltration Galleries and Tunnels				0	
309	Supply Mains				0	
310	Power Generation Equipment				0	
311	Pumping Equipment				0	201,248
320	Water Treatment Equipment	(5,603)			(5,603)	16,756
330	Distribution Reservoirs and Standpipes	(5,285)			(5,285)	76,531
331	Transmission and Distribution Mains				0	643,075
333	Services				0	111,235
334	Meters and Meter Installations				0	186,530
335	Hydrants				0	
336	Backflow Prevention Devices				0	
339	Other Plant Miscellaneous Equipment				0	
340	Office Furniture and Equipment	(2,143)			(2,143)	47,146
341	Transportation Equipment	0			0	82,434
342	Stores Equipment				0	
343	Tools, Shop and Garage Equipment	(297)			(297)	4,275
344	Laboratory Equipment				0	
345	Power Operated Equipment				0	
346	Communication Equipment				0	3,668
347	Miscellaneous Equipment				0	
348	Other Tangible Plant	0			0	22,605
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>(13,328)</b>	<b>\$</b>	<b>\$</b>	<b>(13,328)</b>	<b>\$ 1,539,968</b>

W-6(b)  
GROUP 1

**YEAR OF REPORT**  
December 31, 2005

**UTILITY NAME:** Marion Utilities, Inc.

**SYSTEM NAME / COUNTY :** Windgate Estates/Marion County

**ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 3,643	\$ 293	\$	\$ 293
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	5,244	383		383
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	5,761	545		545
320	Water Treatment Equipment	1,137	100		100
330	Distribution Reservoirs and Standpipes	6,029	229		229
331	Transmission and Distribution Mains	20,263	1,118		1,118
333	Services	3,490	163		163
334	Meters and Meter Installations	9,221	283		283
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 54,788</b>	<b>\$ 3,114</b>	<b>\$</b>	<b>\$ 3,114</b>

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

**YEAR OF REPORT**  
December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY: Windgate Estates/Marion County

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

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED	SALVAGE AND INSURANCE	COST OF REMOVAL AND OTHER CHARGES	TOTAL CHARGES	BALANCE AT END OF YEAR
(a)	(b)	(g)	(h)	(i)	(j)	(k)
		\$	\$	\$	\$	\$
304	Structures and Improvements				0	3,936
305	Collecting and Impounding Reservoirs				0	
306	Lake, River and Other Intakes				0	
307	Wells and Springs				0	5,627
308	Infiltration Galleries and Tunnels				0	
309	Supply Mains				0	
310	Power Generation Equipment				0	6,306
311	Pumping Equipment				0	1,237
320	Water Treatment Equipment				0	6,258
330	Distribution Reservoirs and Standpipes				0	21,381
331	Transmission and Distribution Mains				0	3,653
333	Services				0	9,504
334	Meters and Meter Installations				0	
335	Hydrants				0	
336	Backflow Prevention Devices				0	
339	Other Plant Miscellaneous Equipment				0	
340	Office Furniture and Equipment				0	
341	Transportation Equipment				0	
342	Stores Equipment				0	
343	Tools, Shop and Garage Equipment				0	
344	Laboratory Equipment				0	
345	Power Operated Equipment				0	
346	Communication Equipment				0	
347	Miscellaneous Equipment				0	
348	Other Tangible Plant				0	
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		\$ 0	\$	\$	\$	\$ 57,902

UTILITY NAME: Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

SYSTEM NAME / COUNTY : Marion Utilities/Marion

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ 2,302,630
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 306,797
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		\$ 306,797
Less debits charged during the year (All debits charged during the year must be explained below)		\$ 0
Total Contributions In Aid of Construction		\$ 2,609,427

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: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
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SYSTEM NAME / COUNTY : Windgate Estates/Marion County

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>66,347</u>
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>0</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>        </u>
<b>Total Credits</b>		\$ <u>0</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>0</u>
<b>Total Contributions In Aid of Construction</b>		\$ <u>66,347</u>

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:




**YEAR OF REPORT**  
December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Marion Utilities/Marion County

**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)
Connection Fees	432	\$ 250 - 1,229	\$ 257,535
Construction			49,262
Total Credits			\$ 306,797

**ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 784,102
Debits during the year:	
Accruals charged to Account 272	\$ 92,412
Other debits (specify):	
_____	_____
_____	_____
Total debits	\$ 92,412
Credits during the year (specify):	
_____	\$ 0
_____	_____
Total credits	\$ 0
Balance end of year	\$ 876,514

**YEAR OF REPORT**

December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Windgate Estates/Marion County

**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)
Connection Fees	none	\$	\$
Total Credits			\$

**ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 44,824
Debits during the year:	
Accruals charged to Account 272	\$ 2,318
Other debits (specify):	
rounding	1
Total debits	\$ 2,319
Credits during the year (specify):	
	\$ 0
Total credits	\$ 0
Balance end of year	\$ 47,143

UTILITY NAME: Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

SYSTEM NAME / COUNTY : Marion Utilities/Marion County

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
None		\$
Total Credits		\$

UTILITY NAME: Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

SYSTEM NAME / COUNTY : Windgate Estates/Marion County

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
None		\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Credits		\$ _____

UTILITY NAME:

Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

SYSTEM NAME / COUNTY :

Marion Utilities/Marion County

**WATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	5,275	5,675	1,261,115
461.2	Sales to Commercial Customers			
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		5,275	5,675	\$ 1,261,115
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue		0	0	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		5,275	5,675	\$ 1,261,115
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			31,240
471	Miscellaneous Service Revenues			27,985
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			66516
Total Other Water Revenues				\$ 125,741
Total Water Operating Revenues				\$ 1,386,856

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

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> 31-Dec-05
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SYSTEM NAME / COUNTY : Windgate Estates/Marion County

NOT AVAILABLE

**WATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers			
461.2	Sales to Commercial Customers			
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales				\$
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				\$
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
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				\$

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

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Marion Utilities/Marion County

**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	\$ 232,299	\$ 35,170	\$ 19,991
603	Salaries and Wages - Officers, Directors and Majority Stockholders	293,898	14,695	7,347
604	Employee Pensions and Benefits	78,911	7,480	4,101
610	Purchased Water	0		
615	Purchased Power	82,904	80,222	
616	Fuel for Power Purchased	3,576		
618	Chemicals	9,218		
620	Materials and Supplies	0		
631	Contractual Services-Engineering	1,103		
632	Contractual Services - Accounting	25,211		
633	Contractual Services - Legal	3,361		
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Testing	16,397		
636	Contractual Services - Other			
641	Rental of Building/Real Property	34,175		
642	Rental of Equipment			
650	Transportation Expenses	28,563	4,361	2,181
656	Insurance - Vehicle	8,409		
657	Insurance - General Liability	5,908		
658	Insurance - Workman's Comp.	9,806		
659	Insurance - Other	40,732		
660	Advertising Expense	177		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	4,950		
675	Miscellaneous Expenses	184,617	19,412	9,706
Total Water Utility Expenses		\$ 1,064,215	\$ 161,340	\$ 43,326

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Marion Utilities/Marion County

WATER EXPENSE ACCOUNT MATRIX					
.3 WATER TREATMENT EXPENSES - OPERATION (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 43,475	\$	\$ 26,622	\$	\$ 100,166	\$ 6,875
		29,390		161,644	80,822
6,521		8,402		39,271	13,136
					2,682
3,382					194
9,218					
					1,103
					25,211
					3,361
16,397					34,175
4,361		5,452		3,271	8,937
					8,409
					5,908
					9,806
					40,732
					177
				4,950	
19,413		48,531		43,286	44,269
\$ 102,767	\$	\$ 118,397	\$	\$ 352,588	\$ 285,797



UTILITY NAME:

Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

SYSTEM NAME / COUNTY :

Windgate Estates/Marion County

WATER UTILITY EXPENSE ACCOUNTS			NOT AVAILABLE	
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	\$ _____	\$ _____	\$ _____
603	Salaries and Wages - Officers, Directors and Majority Stockholders	_____	_____	_____
604	Employee Pensions and Benefits	_____	_____	_____
610	Purchased Water	_____	_____	_____
615	Purchased Power	_____	_____	_____
616	Fuel for Power Purchased	_____	_____	_____
618	Chemicals	_____	_____	_____
620	Materials and Supplies	_____	_____	_____
631	Contractual Services-Engineering	_____	_____	_____
632	Contractual Services - Accounting	_____	_____	_____
633	Contractual Services - Legal	_____	_____	_____
634	Contractual Services - Mgt. Fees	_____	_____	_____
635	Contractual Services - Testing	_____	_____	_____
636	Contractual Services - Other	_____	_____	_____
641	Rental of Building/Real Property	_____	_____	_____
642	Rental of Equipment	_____	_____	_____
650	Transportation Expenses	_____	_____	_____
656	Insurance - Vehicle	_____	_____	_____
657	Insurance - General Liability	_____	_____	_____
658	Insurance - Workman's Comp.	_____	_____	_____
659	Insurance - Other	_____	_____	_____
660	Advertising Expense	_____	_____	_____
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	_____	_____	_____
667	Regulatory Commission Exp.-Other	_____	_____	_____
668	Water Resource Conservation Exp.	_____	_____	_____
670	Bad Debt Expense	_____	_____	_____
675	Miscellaneous Expenses	_____	_____	_____
Total Water Utility Expenses		\$ _____	\$ _____	\$ _____



UTILITY NAME:

Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

SYSTEM NAME / COUNTY :

Marion Utilities/Marion County

**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		41,984	6,978	35,006	35,006
February		39,399	964	38,435	38,435
March		37,233	3,341	33,892	33,892
April		50,509	5,346	45,163	45,163
May		56,827	8,154	48,673	48,673
June		42,746	2,613	40,133	40,133
July		45,614	8,156	37,458	37,458
August		45,671	3,617	42,054	42,054
September		52,607	7,363	45,244	45,244
October		49,068	8,659	40,409	40,409
November		51,278	7,339	43,939	43,939
December		40,138	8,976	31,162	31,162
Total for Year		553,074	71,506	481,568	481,568

If water is purchased for resale, indicate the following:

Vendor Not applicable

Point of delivery \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
Not applicable  
\_\_\_\_\_

each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
See attached schedule			

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

SYSTEM NAME / COUNTY : Windgate Estates/Marion County

NOT AVAILABLE

**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					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					
Total for Year					13,594

If water is purchased for resale, indicate the following:

Vendor Not applicable

Point of delivery \_\_\_\_\_

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

Not applicable

each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
<u>See attached schedule</u>			

**SUPPORTING SCHEDULE FOR PAGE W-11**

Marion Utilities, Inc.

Year of Report - December 31, 2005

<b>Subdivision</b>	<b>Capacity of Well</b>	<b>Gallons Per Day From Source</b>	<b>Type of Source</b>
Pine Ridge	604,000	65,258	Ground
Cedar Hills	1,173,000	90,986	Ground
Fore Acres	2,160,000	119,903	Ground
Golden Holiday	470,000	20,450	Ground
Fort King	604,000	38,000	Ground
Hi-Cliff	604,000	76,612	Ground
Rainbow Lakes Est.	1,238,000	115,419	Ground
Stone Oaks	316,000	13,387	Ground
Ponderosa	72,000	3,161	Ground
Waldbusser	72,000	2,806	Ground
Buckskin	201,000	8,064	Ground
Libra Oaks	175,000	9,714	Ground
Logans Run	259,000	9,516	Ground
Greenfields	1,238,000	163,451	Ground
Sheri Oaks	129,000	3,483	Ground
Oak Creek	129,000	27,258	Ground
McAteers	129,000	20,000	Ground
Woods & Meadows	979,000	113,096	Ground
Spruce Creek	2,736,000	422,935	Ground
Deer Creek	129,000	7,903	Ground
Windgate	518,000	45,354	Ground
Turning Point	518,000	13,129	Ground

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT  
December 31, 2005

SYSTEM NAME / COUNTY : All Systems/Marion County

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

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

UTILITY NAME: Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

SYSTEM NAME / COUNTY : Windgate Estates/Marion County

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

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

**SUPPORTING SCHEDULE FOR PAGE W-12**

Marion Utilities, Inc.

Year of Report - December 31, 2005

<b>Subdivision</b>	<b>Permitted Capacity of Plant GPD</b>	<b>Location of Measurement of Capacity</b>	<b>Type of Treatment</b>
Pine Ridge	220,000	Storage Tank	Hypo-Chlorination
Cedar Hills	264,000	Storage Tank	Hypo-Chlorination
Fore Acres	540,000	Storage Tank	Hypo-Chlorination
Golden Holiday	208,000	Storage Tank	Hypo-Chlorination
Fort King	360,000	Storage Tank	Hypo-Chlorination
Hi-Cliff	360,000	Storage Tank	Hypo-Chlorination
Rainbow Lakes Est.	547,000	Storage Tank	Hypo-Chlorination
Stone Oaks	158,000	Storage Tank	Hypo-Chlorination
Ponderosa	34,000	Storage Tank	Hypo-Chlorination
Waldbusser	34,000	Storage Tank	Hypo-Chlorination
Buckskin	64,000	Storage Tank	Hypo-Chlorination
Libra Oaks	61,000	Storage Tank	Hypo-Chlorination
Logans Run	125,000	Storage Tank	Hypo-Chlorination
Greenfields	547,000	Storage Tank	Hypo-Chlorination
Sheri Oaks	54,000	Storage Tank	Hypo-Chlorination
Oak Creek	54,000	Storage Tank	Hypo-Chlorination
McAteers	61,000	Storage Tank	Hypo-Chlorination
Woods & Meadows	370,000	Storage Tank	Hypo-Chlorination
Spruce Creek	1,500,000	Storage Tank	Hypo-Chlorination
Deer Creek	24,000	Storage Tank	Hypo-Chlorination
Windgate	84,000	Storage Tank	Hypo-Chlorination
Turning Point	66,150	Storage Tank	Hypo-Chlorination



UTILITY NAME:

Marion Utilities, Inc.

**YEAR OF REPORT**

December 31, 2005

SYSTEM NAME / COUNTY :

Marion Utilities/Marion County

**CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS**

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		
5/8"	Displacement	1.0	5,682	5,682
3/4"	Displacement	1.5		
1"	Displacement	2.5	30	75
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
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				5,757

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

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

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:  
 $ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$

ERC Calculation:

$$467,974,000 / 5,757 / 365 = 222$$

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Windgate Estates

**CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS**

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		
5/8"	Displacement	1.0	142	142
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
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				142

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

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

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:  
 $ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$

ERC Calculation:  $13,594,000 / 142 / 365 = 262$
--

UTILITY NAME:

Marion Utilities, Inc.

YEAR OF REPORT

December 31, 2005

SYSTEM NAME / COUNTY :

Pine Ridge/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 209
2. Maximum number of ERCs \* which can be served. 542
3. Present system connection capacity (in ERCs \*) using existing lines. 241
4. Future connection capacity (in ERCs \*) upon service area buildout. 241
5. Estimated annual increase in ERCs \*. 3
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities.
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? None filed
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 3421018
12. Water Management District Consumptive Use Permit None
  - a. Is the system in compliance with the requirements of the CUP? N/A
  - b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Cedar Hills/Marion County

YEAR OF REPORT  
December 31, 2005

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 402

2. Maximum number of ERCs \* which can be served. 650

3. Present system connection capacity (in ERCs \*) using existing lines. 402

4. Future connection capacity (in ERCs \*) upon service area buildout. 402

5. Estimated annual increase in ERCs \*. 1

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3420162

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME:

Marion Utilities, Inc.

YEAR OF REPORT

December 31, 2005

SYSTEM NAME / COUNTY :

Fore Acres/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 478

2. Maximum number of ERCs \* which can be served. 639

3. Present system connection capacity (in ERCs \*) using existing lines. 500

4. Future connection capacity (in ERCs \*) upon service area buildout. 500

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? Yes

If so, how much capacity is required? 750 GPM

7. Attach a description of the fire fighting facilities. 5 hydrants - 1,280 GPM

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3420608

12. Water Management District Consumptive Use Permit 3094

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? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Golden Holiday/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 174
2. Maximum number of ERCs \* which can be served. 512
3. Present system connection capacity (in ERCs \*) using existing lines. 173
4. Future connection capacity (in ERCs \*) upon service area buildout. 173
5. Estimated annual increase in ERCs \*. 0
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities.
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? None filed
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 3420456
12. Water Management District Consumptive Use Permit None
  - a. Is the system in compliance with the requirements of the CUP? N/A
  - b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Fort King/Marion County

YEAR OF REPORT  
December 31, 2005

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's \* the system can efficiently serve. 89

2. Maximum number of ERCs \* which can be served. 87

3. Present system connection capacity (in ERCs \*) using existing lines. 88

4. Future connection capacity (in ERCs \*) upon service area buildout. 88

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3420419

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Hi-Cliff/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 289

2. Maximum number of ERCs \* which can be served. 887

3. Present system connection capacity (in ERCs \*) using existing lines. 289

4. Future connection capacity (in ERCs \*) upon service area buildout. 289

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3420533

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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



UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Rainbow Lakes Estates/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 511

2. Maximum number of ERCs \* which can be served. 1,347

3. Present system connection capacity (in ERCs \*) using existing lines. 726

4. Future connection capacity (in ERCs \*) upon service area buildout. 1,000

5. Estimated annual increase in ERCs \*. 15

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 6424083

12. Water Management District Consumptive Use Permit 202999.02

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? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Stone Oaks/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 83

2. Maximum number of ERCs \* which can be served. 389

3. Present system connection capacity (in ERCs \*) using existing lines. 83

4. Future connection capacity (in ERCs \*) upon service area buildout. 83

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities. \_\_\_\_\_

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules. \_\_\_\_\_

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading. \_\_\_\_\_

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3421283

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Ponderosa/Marion County

YEAR OF REPORT  
December 31, 2005

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 22

2. Maximum number of ERCs \* which can be served. 84

3. Present system connection capacity (in ERCs \*) using existing lines. 22

4. Future connection capacity (in ERCs \*) upon service area buildout. 22

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3424808

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Waldbusser/Marion County

YEAR OF REPORT  
December 31, 2005

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 22

2. Maximum number of ERCs \* which can be served. 84

3. Present system connection capacity (in ERCs \*) using existing lines. 22

4. Future connection capacity (in ERCs \*) upon service area buildout. 22

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3424807 (non-community)

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Buckskin/Marion County

YEAR OF REPORT  
December 31, 2005

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 63

2. Maximum number of ERCs \* which can be served. 158

3. Present system connection capacity (in ERCs \*) using existing lines. 63

4. Future connection capacity (in ERCs \*) upon service area buildout. 63

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities. \_\_\_\_\_

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules. \_\_\_\_\_

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading. \_\_\_\_\_

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3420124

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Libra Oaks/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 91

2. Maximum number of ERCs \* which can be served. 150

3. Present system connection capacity (in ERCs \*) using existing lines. 128

4. Future connection capacity (in ERCs \*) upon service area buildout. 128

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 6424590

12. Water Management District Consumptive Use Permit 6574.01

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? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT  
December 31, 2005

SYSTEM NAME / COUNTY : International Villas/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 27
2. Maximum number of ERCs \* which can be served. 308
3. Present system connection capacity (in ERCs \*) using existing lines. 100
4. Future connection capacity (in ERCs \*) upon service area buildout. 100
5. Estimated annual increase in ERCs \*. 0
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities.
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? None filed
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 6424589
12. Water Management District Consumptive Use Permit 6884.01
  - 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? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Green Fields-Indian Pines/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 460
2. Maximum number of ERCs \* which can be served. 1,347
3. Present system connection capacity (in ERCs \*) using existing lines. 457
4. Future connection capacity (in ERCs \*) upon service area buildout. 457
5. Estimated annual increase in ERCs \*. 5
6. Is the utility required to have fire flow capacity? Yes  
If so, how much capacity is required? 750 GPM
7. Attach a description of the fire fighting facilities. 8 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? None filed
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 3425006
12. Water Management District Consumptive Use Permit 3101
  - 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? \_\_\_\_\_

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



UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Sheri Oaks/Marion County

YEAR OF REPORT  
December 31, 2005

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 19

2. Maximum number of ERCs \* which can be served. 133

3. Present system connection capacity (in ERCs \*) using existing lines. 23

4. Future connection capacity (in ERCs \*) upon service area buildout. 23

5. Estimated annual increase in ERCs \*. 1

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3424637 (non-community)

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Oak Creek Caverns/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 40
2. Maximum number of ERCs \* which can be served. 133
3. Present system connection capacity (in ERCs \*) using existing lines. 46
4. Future connection capacity (in ERCs \*) upon service area buildout. 46
5. Estimated annual increase in ERCs \*. 2
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities.
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? None filed
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? N/A
11. Department of Environmental Protection ID # 3424638
12. Water Management District Consumptive Use Permit None
  - a. Is the system in compliance with the requirements of the CUP? N/A
  - b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT  
December 31, 2005

SYSTEM NAME / COUNTY : McAteer Acres/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 67

2. Maximum number of ERCs \* which can be served. 150

3. Present system connection capacity (in ERCs \*) using existing lines. 70

4. Future connection capacity (in ERCs \*) upon service area buildout. 70

5. Estimated annual increase in ERCs \*. 1

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities.

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3424643

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Woods & Meadows/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 468
2. Maximum number of ERCs \* which can be served. 911
3. Present system connection capacity (in ERCs \*) using existing lines. 700
4. Future connection capacity (in ERCs \*) upon service area buildout. 700
5. Estimated annual increase in ERCs \*. 10
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities.
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? None filed
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 6424632
12. Water Management District Consumptive Use Permit 207849.03
  - 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? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT  
December 31, 2005

SYSTEM NAME / COUNTY : Spruce Creek/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 1,641
2. Maximum number of ERCs \* which can be served. 4,000
3. Present system connection capacity (in ERCs \*) using existing lines. 2,412
4. Future connection capacity (in ERCs \*) upon service area buildout. 3,632
5. Estimated annual increase in ERCs \*. 200
6. Is the utility required to have fire flow capacity? Yes  
If so, how much capacity is required? 1,350 GPM
7. Attach a description of the fire fighting facilities. 42 hydrants
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. Additional 623 lots permitted. Lines will be extended with developer and builders needs.
9. When did the company last file a capacity analysis report with the DEP? None filed
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 6424652
12. Water Management District Consumptive Use Permit 208481.03
  - 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? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Deer Creek/Marion County

YEAR OF REPORT  
December 31, 2005

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 47

2. Maximum number of ERCs \* which can be served. 59

3. Present system connection capacity (in ERCs \*) using existing lines. 50

4. Future connection capacity (in ERCs \*) upon service area buildout. 50

5. Estimated annual increase in ERCs \*. 0

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities. \_\_\_\_\_

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules. \_\_\_\_\_

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading. \_\_\_\_\_

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 6424653

12. Water Management District Consumptive Use Permit None

a. Is the system in compliance with the requirements of the CUP? N/A

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT  
December 31, 2005

SYSTEM NAME / COUNTY : Turning Pointe/Marion County

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 48
2. Maximum number of ERCs \* which can be served. 163
3. Present system connection capacity (in ERCs \*) using existing lines. 87
4. Future connection capacity (in ERCs \*) upon service area buildout. 87
5. Estimated annual increase in ERCs \*. 2
6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_
7. Attach a description of the fire fighting facilities.
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? None filed
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? No
11. Department of Environmental Protection ID # 3424841
12. Water Management District Consumptive Use Permit 20830296 AN
  - 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? \_\_\_\_\_

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

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Windgate Estates/Marion County

YEAR OF REPORT  
December 31, 2005

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 144

2. Maximum number of ERCs \* which can be served. 207

3. Present system connection capacity (in ERCs \*) using existing lines. 155

4. Future connection capacity (in ERCs \*) upon service area buildout. 155

5. Estimated annual increase in ERCs \*. 2

6. Is the utility required to have fire flow capacity? No  
If so, how much capacity is required? \_\_\_\_\_

7. Attach a description of the fire fighting facilities. \_\_\_\_\_

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? None filed

10. If the present system does not meet the requirements of DEP rules: N/A

a. Attach a description of the plant upgrade necessary to meet the DEP rules. \_\_\_\_\_

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading. \_\_\_\_\_

e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3421576

12. Water Management District Consumptive Use Permit 4581

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? \_\_\_\_\_

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



**WASTEWATER  
OPERATION  
SECTION**

UTILITY NAME:

Marion Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2005

**WASTEWATER LISTING OF SYSTEM GROUPS**

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.  
The wastewater financial schedules (S-2 through S-10) should be filed for the group in total.  
The wastewater engineering schedules (S-11 and S-12) must be filed for each system in the group.  
All of the following wastewater pages (S-2 through S-12) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Cedar Hills Sewer/Marion County	336 S	1

UTILITY NAME:

Marion Utilities, Inc.

**YEAR OF REPORT**

December 31, 2005

SYSTEM NAME / COUNTY :

Cedar Hills Sewer/Marion County

**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 181,933
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	152,254
110	Accumulated Amortization		
271	Contributions In Aid of Construction	S-7	159,141
252	Advances for Construction	F-20	
Subtotal			\$ (129,462)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 152,250
Subtotal			\$ 22,788
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		
	Other (Specify):		
WASTEWATER RATE BASE			\$ 22,788
WASTEWATER OPERATING INCOME		S-3	\$ (9,170)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			None

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

Marion Utilities, Inc.

**YEAR OF REPORT**

December 31, 2005

SYSTEM NAME / COUNTY :

Cedar Hills Sewer/Marion County

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
<b>UTILITY OPERATING INCOME</b>			
400	Operating Revenues	S-9(a)	\$ 30,119
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	
Net Operating Revenues			\$ 30,119
401	Operating Expenses	S-10(a)	\$ 37,417
403	Depreciation Expense	S-6(a)	4,581
	Less: Amortization of CIAC	S-8(a)	5,972
Net Depreciation Expense			\$ (1,391)
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		1,355
408.11	Property Taxes		933
408.12	Payroll Taxes		975
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 3,263
409.1	Income Taxes		
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			\$ 39,289
Utility Operating Income			\$ (9,170)
530	Add Back: Guaranteed Revenue (and AFPI)	S-9(a)	\$
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			\$ (9,170)

**YEAR OF REPORT**  
December 31, 2005

**UTILITY NAME:** Marion Utilities, Inc.

**SYSTEM NAME / COUNTY :** Cedar Hills Sewer/Marion County

**WASTEWATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$	\$	\$	\$
352	Franchises				
353	Land and Land Rights	3,869			3,869
354	Structures and Improvements	9,606			9,606
355	Power Generation Equipment				
360	Collection Sewers - Force	88,575			88,575
361	Collection Sewers - Gravity				
362	Special Collecting Structures	2,097			2,097
363	Services to Customers	17,363			17,363
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	7,717			7,717
371	Pumping Equipment	4,003			4,003
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	45,745			45,745
381	Plant Sewers				
382	Outfall Sewer Lines	102			102
389	Other Plant Miscellaneous Equipment	1,656			1,656
390	Office Furniture and 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	1,200			1,200
	<b>Total Wastewater Plant</b>	<b>\$ 181,933</b>	<b>\$</b>	<b>\$</b>	<b>\$ 181,933</b>

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

YEAR OF REPORT  
December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (k)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (l)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (m)	.7 GENERAL PLANT (n)
351	Organization	\$						
352	Franchises							
353	Land and Land Rights		3,869					
354	Structures and Improvements				9,606			
355	Power Generation Equipment							
360	Collection Sewers - Force		88,575					
361	Collection Sewers - Gravity							
362	Special Collecting Structures		2,097					
363	Services to Customers		17,363					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			7,717				
371	Pumping Equipment			4,003				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				45,745			
381	Plant Sewers							
382	Outfall Sewer Lines				102			
389	Other Plant Miscellaneous Equipment				1,656			
390	Office Furniture and 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							1,200
	Total Wastewater Plant	\$	\$ 111,904	\$ 11,720	\$ 57,109	\$	\$	\$ 1,200

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

S-4(b)  
GROUP \_\_1\_\_

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

<b>YEAR OF REPORT</b> December 31, 2005
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**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)
354	Structures and Improvements	33		3.03%
355	Power Generation Equipment			
360	Collection Sewers - Force	30		3.33%
361	Collection Sewers - Gravity			
362	Special Collecting Structures	37		2.70%
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	30		3.33%
371	Pumping Equipment	20		5.00%
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment	18		5.56%
381	Plant Sewers			
382	Outfall Sewer Lines	30		3.33%
389	Other Plant Miscellaneous Equipment	18		5.56%
390	Office Furniture and 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	33		3.03%
Wastewater Plant Composite Depreciation Rate *				

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

**UTILITY NAME:** Marion Utilities, Inc.  
**SYSTEM NAME / COUNTY :** Cedar Hills Sewer/Marion County

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION**

ACCT. NO.	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
(a)		\$	\$	\$	\$
354	Structures and Improvements	2,267	291		291
355	Power Generation Equipment				0
360	Collection Sewers - Force	78,236	2,953		2,953
361	Collection Sewers - Gravity				0
362	Special Collecting Structures	357	57		57
363	Services to Customers	13,935	457		457
364	Flow Measuring Devices				0
365	Flow Measuring Installations				0
366	Reuse Services				0
367	Reuse Meters and Meter Installations				0
370	Receiving Wells	6,816	257		257
371	Pumping Equipment	1,472	204		204
375	Reuse Transmission and Distribution System				0
380	Treatment and Disposal Equipment	42,975	275		275
381	Plant Sewers				0
382	Outfall Sewer Lines	23	3		3
389	Other Plant Miscellaneous Equipment	1,220	48		48
390	Office Furniture and Equipment				0
391	Transportation Equipment				0
392	Stores Equipment				0
393	Tools, Shop and Garage Equipment				0
394	Laboratory Equipment				0
395	Power Operated Equipment				0
396	Communication Equipment				0
397	Miscellaneous Equipment				0
398	Other Tangible Plant	372	36		36
Total Depreciable Wastewater Plant in Service		\$ 147,673	\$ 4,581	\$	\$ 4,581

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



**YEAR OF REPORT**  
December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION**

ACCT. NO.	ACCOUNT NAME	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 (e+f-j) (k)
354	Structures and Improvements	\$	\$	\$	\$	\$ 2,558
355	Power Generation Equipment				0	
360	Collection Sewers - Force				0	81,189
361	Collection Sewers - Gravity				0	
362	Special Collecting Structures				0	414
363	Services to Customers				0	14,392
364	Flow Measuring Devices				0	
365	Flow Measuring Installations				0	
366	Reuse Services				0	
367	Reuse Meters and Meter Installations				0	7,073
370	Receiving Wells				0	1,676
371	Pumping Equipment				0	
375	Reuse Transmission and Distribution System				0	43,250
380	Treatment and Disposal Equipment				0	26
381	Plant Sewers				0	1,268
382	Outfall Sewer Lines				0	
389	Other Plant Miscellaneous Equipment				0	
390	Office Furniture and Equipment				0	
391	Transportation Equipment				0	
392	Stores Equipment				0	
393	Tools, Shop and Garage Equipment				0	
394	Laboratory Equipment				0	
395	Power Operated Equipment				0	
396	Communication Equipment				0	
397	Miscellaneous Equipment				0	
398	Other Tangible Plant				0	408
Total Depreciable Wastewater Plant in Service						\$ 152,254

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

<b>YEAR OF REPORT</b> December 31, 2005
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UTILITY NAME: Marion Utilities, Inc.  
 SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

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

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ 159,141
Add credits during year:		
Contributions received from 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		\$ 0
Less debits charged during the year (All debits charged during the year must be explained below)		\$ 0
Total Contributions In Aid of Construction		\$ 159,141

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

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UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT  
December 31, 2005

SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

**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)
_____	_____	\$ _____	\$ None
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ _____

**ACCUMULATED AMORTIZATION OF WASTEWATER  
CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 146,278
Debits during the year:	
Accruals charged to Account 272	\$ 5,972
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 5,972
Credits during the year (specify) :	
_____	\$ 0
_____	_____
Total credits	\$ 0
Balance end of year	\$ 152,250

UTILITY NAME:

Marion Utilities, Inc.

**YEAR OF REPORT**

December 31, 2005

SYSTEM NAME / COUNTY :

Cedar Hills Sewer/Marion County

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
		\$ None
Total Credits		\$ 0

UTILITY NAME: Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
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SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
521.1	Flat Rate Revenues: Residential Revenues	118	118	\$ 30,119
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	<b>Total Flat Rate Revenues</b>	<u>118</u>	<u>118</u>	<u>\$ 30,119</u>
522.1	Measured Revenues: Residential Revenues			
522.2	Commercial Revenues			
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	<b>Total Measured Revenues</b>	<u>0</u>	<u>0</u>	<u>\$ 0</u>
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
<b>Total Wastewater Sales</b>		<u>118</u>	<u>118</u>	<u>\$ 30,119</u>
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
<b>Total Other Wastewater Revenues</b>				<u>\$ 0</u>

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

UTILITY NAME:

Marion Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2005
--

SYSTEM NAME / COUNTY :

Cedar Hills Sewer/Marion County

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF 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 Revenues			
540	Total Flat Rate Reuse Revenues	0	0	\$ 0
Measured Reuse Revenues:				
541.1	Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues	0	0	\$ 0
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ 0
Total Wastewater Operating Revenues				\$ 30,119

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

**YEAR OF REPORT**  
December 31, 2005

**UTILITY NAME:** Marion Utilities, Inc.

**SYSTEM NAME / COUNTY :** Cedar Hills Sewer/Marion County

**WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX**

ACCT. NO.	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	\$ 12,746	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits	1,912						
710	Purchased Sewage Treatment							
711	Sludge Removal Expense							
715	Purchased Power	5,588			279		5,309	
716	Fuel for Power Purchased							
718	Chemicals	5,260					5,260	
720	Materials and Supplies							
731	Contractual Services-Engineering							
732	Contractual Services - Accounting							
733	Contractual Services - Legal							
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing	6,296						6,296
736	Contractual Services - Other							
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expenses							
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workman's Comp.							
759	Insurance - Other							
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense							
775	Miscellaneous Expenses	5,615				562		5,053
	<b>Total Wastewater Utility Expenses</b>	<b>\$ 37,417</b>	<b>\$</b>	<b>\$</b>	<b>\$ 279</b>	<b>\$ 562</b>	<b>\$ 10,569</b>	<b>\$ 11,349</b>

S-10(a)  
GROUP 1

**YEAR OF REPORT**  
December 31, 2005

**UTILITY NAME:** Marion Utilities, Inc.

**SYSTEM NAME / COUNTY :** Cedar Hills Sewer/Marion County

**WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX**

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$	12,746	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders		1,912				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering						
732	Contractual Services - Accounting						
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.						
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense						
775	Miscellaneous Expenses						
Total Wastewater Utility Expenses		\$	14,658	\$	\$	\$	\$



**YEAR OF REPORT**

December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	118	118
5/8"	Displacement	1.0		
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
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				118

**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:

$$ERC = ( \text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day} )$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

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

ERC Calculation:

$$7,665,000 / 118 / 365 = 178$$

YEAR OF REPORT

December 31, 2005

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	0.0270		
Basis of Permit Capacity (1)	AADF		
Manufacturer	MARLOF		
Type (2)	Advance Treatment		
Hydraulic Capacity	Unknown		
Average Daily Flow	20,876		
Total Gallons of Wastewater Treated	7,620,000		
Method of Effluent Disposal	PONDS		

(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.

YEAR OF REPORT  
December 31, 2005

UTILITY NAME: Marion Utilities, Inc.  
SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

**OTHER WASTEWATER SYSTEM INFORMATION**

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

1. Present number of ERCs\* now being served \_\_\_\_\_ 118 \_\_\_\_\_
2. Maximum number of ERCs\* which can be served \_\_\_\_\_ 118 \_\_\_\_\_
3. Present system connection capacity (in ERCs\*) using existing lines \_\_\_\_\_ 118 \_\_\_\_\_
4. Future connection capacity (in ERCs\*) upon service area buildout \_\_\_\_\_ 0 \_\_\_\_\_
5. Estimated annual increase in ERCs\* \_\_\_\_\_ 0 \_\_\_\_\_
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
\_\_\_\_\_  
None  
\_\_\_\_\_
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? \_\_\_\_\_ No \_\_\_\_\_  
If so, when? \_\_\_\_\_
9. Has the utility been required by the DEP or water management district to implement reuse? \_\_\_\_\_ No \_\_\_\_\_  
If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_  
\_\_\_\_\_
10. When did the company last file a capacity analysis report with the DEP? \_\_\_\_\_ Never \_\_\_\_\_
11. If the present system does not meet the requirements of DEP rules:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules. \_\_\_\_\_
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading. \_\_\_\_\_
  - e. Is this system under any Consent Order with DEP? \_\_\_\_\_ No \_\_\_\_\_
12. Department of Environmental Protection ID # \_\_\_\_\_ FLA 010771 \_\_\_\_\_

\* An ERC is determined based on the calculation on S-11.

S-13  
GROUP 1  
SYSTEM \_\_\_\_\_

**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue**

*Water Operations*

*Class A & B*

**Company:** Marion Utilities, Inc.

**For the Year Ended December 31, 2005**

(a)	(b)	(c)	(d)
Accounts:	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:	\$	\$	\$
Unmetered Water Revenues (460)			0
Total Metered Sales (461.1 - 461.5)	1,261,115	1,261,115	
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)	125,741	125,741	
<b>Total Water Operating Revenue</b>	\$ 1,386,856	\$ 1,386,856	0
<b>Less, Expense for Purchased Water from FPSC-Regulated Utility</b>			
<b>Net Water Operating Revenue</b>	\$ 1,386,856	\$ 1,386,856	\$ 0

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences in column (d).

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

**Company:** Marion Utilities, Inc.  
**For the Year Ended December 31, 2005**

(a)	(b)	(c)	(d)
Accounts:	Gross Wastewater Revenues Per Sch. S-9	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:	\$	\$	\$
Total Flat-Rate Revenues (521.1 - 521.6)	30,119	30,119	0
Total Measured Revenues (522.1 - 522.5)			
Revenues from Public Authorities (523)			
Revenues from Other Systems (524)			
Interdepartmental Revenues (525)			
Total Other Wastewater Revenues (530 - 536)			
Reclaimed Water Sales (540.1 - 544)			
<b>Total Wastewater Operating Revenue</b>	\$ 30,119	\$ 30,119	0
Less, Expense for Purchased Wastewater from FPSC-Regulated Utility			
<b>Net Wastewater Operating Revenue</b>	\$ 30,119	\$ 30,119	\$ 0

Explanations:

Instructions:

For the current year, reconcile the gross wastewater revenues reported on Schedule S-9 with the gross wastewater revenues reported on the company's regulatory assessment fee return. Explain any differences in column (d).