

CLASS "A" OR "B"

OFFICIAL COPY
Public Service Commission
19 West Broward Blvd, Suite 600
Fort Lauderdale, FL 33301

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS160-09-AR

Marion Utilities, Inc.

Exact Legal Name of Respondent

347 W and 336 S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

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PUBLIC SERVICE
COMMISSION
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ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2009

CRIPPEN, TRICE, HORNBY & FORD, LLP

CERTIFIED PUBLIC ACCOUNTANTS



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Jeffrey J. Beaudet, C.P.A.

March 25, 2010

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

We have compiled the balance sheets of Marion Utilities, Inc. as of December 31, 2009 and 2008, and the related statements of income and retained earnings for the year ended December 31, 2009 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 & Ford, LLP

Members:
American Institute of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added; provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems".
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Economic Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

CERTIFICATION OF ANNUAL REPORT

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

YES NO

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

YES NO

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

YES NO

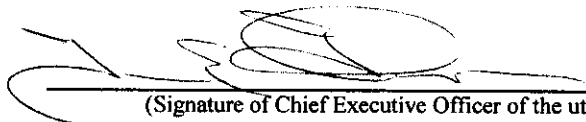
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.

YES NO

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, 2009
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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 MU 1408

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.	<u>Tim E. Thompson</u>	<u>51%</u>
2.	<u>Linda L. Thompson</u>	<u>49%</u>
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____

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.
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- 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.

In 2006 we started planning for our Spruce Creek Water Plant Expansion. We added 347 customers to our system.

In 2007 we continued our planning for the Spruce Creek Plant Expansion. Our goal is to commence construction in late 2008. We have delayed this upgrade due to the slow down in new home construction.

We delayed construction of our Spruce Creek Plant Expansion in 2008. The slow down in new home construction continued in our area as the overall economy weakens.

In 2009 the number of foreclosures in this area continued to rise, leaving us with 371 vacant accounts.

PARENT / AFFILIATE ORGANIZATION CHART

Current as of December 31, 2009

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.

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%	\$ 181,794
Linda L. Thompson	Secretary/ Treasurer	100%	181,794

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	\$ 2,100
Linda L. Thompson	Secretary/ Treasurer	4	2,100

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
Lou Earl Properties	Rent	November, 1983	P	\$ 39,552

UTILITY NAME: Marion Utilities, Inc.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

- Part II. Specific Instructions: Sale, Purchase and Transfer of Assets**
- Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
 - 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
 - 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.

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

**FINANCIAL
SECTION**

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 5,299,198	\$ 5,306,483
108-110	Less: Accumulated Depreciation and Amortization	F-8	2,236,568	2,309,088
Net Plant			\$ 3,062,630	\$ 2,997,395
114-115	Utility Plant Acquisition adjustment (Net)	F-7	(24,286)	(23,295)
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 3,038,344	\$ 2,974,100
OTHER PROPERTY AND INVESTMENTS				
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
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 291,906	\$ 323,057
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	28,825	31,058
145	Accounts Receivable from Associated Companies	F-12		0
146	Notes Receivable from Associated Companies	F-12		0
151-153	Material and Supplies		3,115	1,256
161	Stores Expense			
162	Prepayments		1,564	1,532
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12	0	0
Total Current and Accrued Assets			\$ 325,410	\$ 356,903

* Not Applicable for Class B Utilities

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT

December 31, 2009

**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	\$ 0
182	Extraordinary Property Losses	F-13	0	0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Misc. Deferred Debits	F-14	1,050	1,050
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes		1,612	1,612
	Total Deferred Debits		\$ 2,662	\$ 2,662
	TOTAL ASSETS AND OTHER DEBITS		\$ <u>3,366,416</u>	\$ <u>3,333,665</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.

YEAR OF REPORT

December 31, 2009

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
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	609,447	665,210
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 610,447	\$ 666,210
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	8,550	16,240
Total Long Term Debt			\$ 8,550	\$ 16,240
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		523,310	517,542
232	Notes Payable	F-18	18,124	20,958
233	Accounts Payable to Associated Companies	F-18		
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		118,750	122,760
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	6,481	6,651
238	XXXX Accrued regulatory fees		35,653	35,080
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	119,151	126,861
Total Current & Accrued Liabilities			\$ 821,469	\$ 829,852

* Not Applicable for Class B Utilities

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT December 31, 2009
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**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	132,286	132,286
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		3,740	3,506
Total Deferred Credits			\$ <u>136,026</u>	\$ <u>135,792</u>
OPERATING RESERVES				
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>
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 3,103,254	\$ 3,107,744
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,397,567	1,506,410
Total Net C.I.A.C.			\$ <u>1,705,687</u>	\$ <u>1,601,334</u>
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 191,522	\$ 191,522
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		(107,285)	(107,285)
Total Accumulated Deferred Income Tax			\$ <u>84,237</u>	\$ <u>84,237</u>
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>3,366,416</u>	\$ <u>3,333,665</u>

UTILITY NAME: Marion Utilities, Inc.

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 1,576,320	\$ 1,564,198
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	0	0
Net Operating Revenues			\$ 1,576,320	\$ 1,564,198
401	Operating Expenses	F-3(b)	\$ 1,341,301	\$ 1,335,130
403	Depreciation Expense:	F-3(b)	\$ 147,658	\$ 139,929
	Less: Amortization of CIAC	F-22	108,779	108,843
Net Depreciation Expense			\$ 38,879	\$ 31,086
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	0	0
407	Amortization Expense (Other than CIAC)	F-3(b)	820	570
408	Taxes Other Than Income	W/S-3	136,016	135,863
409	Current Income Taxes	W/S-3	0	0
410.10	Deferred Federal Income Taxes	W/S-3	0	0
410.11	Deferred State Income Taxes	W/S-3	0	0
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	0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	(233)	(234)
Utility Operating Expenses			\$ 1,516,783	\$ 1,502,415
Net Utility Operating Income			\$ 59,537	\$ 61,783
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		(20)	271
420	Allowance for Funds Used During Construction			0
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 59,517	\$ 62,054

* 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)
\$ <u>1,525,081</u>	\$ <u>31,369</u>	\$ <u>7,748</u>
\$ <u>1,525,081</u>	\$ <u>31,369</u>	\$ <u>7,748</u>
\$ <u>1,286,502</u>	\$ <u>43,183</u>	\$ <u>5,445</u>
<u>138,270</u>	<u>1,659</u>	<u> </u>
<u>108,843</u>	<u>0</u>	<u> </u>
\$ <u>29,427</u>	\$ <u>1,659</u>	\$ <u> </u>
<u>0</u>	<u>0</u>	<u>0</u>
<u>570</u>	<u>0</u>	<u>0</u>
<u>132,405</u>	<u>3,182</u>	<u>276</u>
<u>0</u>	<u>0</u>	<u> </u>
<u>0</u>	<u>0</u>	<u> </u>
<u>0</u>	<u>0</u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u>(234)</u>	<u> </u>	<u> </u>
\$ <u>1,448,670</u>	\$ <u>48,024</u>	\$ <u>5,721</u>
\$ <u>76,411</u>	\$ <u>(16,655)</u>	\$ <u>2,027</u>
<u> </u>	<u> </u>	<u> </u>
<u>271</u>	<u>0</u>	<u> </u>
\$ <u>76,682</u>	\$ <u>(16,655)</u>	\$ <u>2,027</u>

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

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)]			\$ 59,517	\$ 62,054
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		1,885	1,547
421	Nonutility Income		991	991
426	Miscellaneous Nonutility Expenses		(895)	(675)
Total Other Income and Deductions			\$ 1,981	\$ 1,863
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		0	0
410.20	Provision for Deferred Income Taxes		0	0
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			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 6,940	\$ 8,150
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 6,940	\$ 8,150
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ 0	\$ 0
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			<u>\$ 54,558</u>	<u>\$ 55,767</u>

Explain Extraordinary Income:

UTILITY NAME: Marion Utilities, Inc.

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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	\$ 5,121,674	\$ 184,808
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	2,119,977	166,466
110	Accumulated Amortization	F-8	22,645	0
271	Contributions In Aid of Construction	F-22	2,948,603	159,141
252	Advances for Construction	F-20	132,286	
Subtotal			\$ -101,837	\$ -140,799
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	1,351,138	155,272
Subtotal			\$ 1,249,301	\$ 14,473
114	Plus or Minus: Acquisition Adjustments (2)	F-7	164,972	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	(164,972)	
	Working Capital Allowance (3)		125,826	
	Other (Specify): Deferred income tax on C IAC		16,387	
RATE BASE			\$ 1,391,514	\$ 14,473
NET UTILITY OPERATING INCOME			\$ 76,411	\$ (16,655)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			5.49%	-115.08%

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)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 666,210	74.608%	10.72%	8.00%
Preferred Stock				
Long Term Debt	16,240	1.819%	4.49%	0.08%
Customer Deposits	122,760	13.748%	6.00%	0.82%
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes	84,237	9.434%	0.00%	0.00%
Other (Explain)				
Investment Tax Credits	3,506	0.393%	0.00%	0.00%
Total	\$ 892,953	100.000%		8.90%

(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:	_____ %
Commission order approving AFUDC rate:	_____

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

UTILITY NAME:

Marion Utilities, Inc.

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SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (I) ADJUSTMENTS SPECIFIC (e)	OTHER (I) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 666,210	\$	\$	\$	\$	\$ 666,210
Preferred Stock						
Long Term Debt	16,240					16,240
Customer Deposits	122,760					122,760
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes	0					0
Other (Explain)						
Investment Tax Credits	3,506					3,506
Total	\$ 808,716	\$	\$	\$	\$	\$ 808,716

(I) Explain below all adjustments made in Columns (e) and (f):

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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	\$ 4,899,191	\$ 184,808	\$ 0	\$ 5,083,999
102	Utility Plant Leased to Other				
103	Property Held for Future Use	1,581			1,581
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	220,902			220,902
106	Completed Construction Not Classified				
	Total Utility Plant	\$ 5,121,674	\$ 184,808	\$ 0	\$ 5,306,482

**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	\$ _____	\$ _____	\$ _____	\$ _____
	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	\$ (164,972)	\$ -	\$ -	\$ (164,972)
	Balance after order #11568	(113,399)			(113,399)
	Woods & Meadows	10,433			10,433
	Spruce Creek	32,693			32,693
	Deer Creek	(3,619)			(3,619)
	Windgate	(14,179)			(14,179)
	Total Accumulated Amortization	\$ (253,043)	\$ -	\$ -	\$ (253,043)
	Net Acquisition Adjustments	\$ (23,295)	\$ -	\$ -	\$ (23,295)

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 2,049,686	\$ 164,807	\$ 0	\$ 2,214,493
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 136,777	\$ 3,152	\$ _____	\$ 139,929
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits	\$ 136,777	\$ 3,152	\$ 0	\$ 139,929
Debits during year:				
Book cost of plant retired	67,979	0	_____	67,979
Cost of Removal	_____	_____	_____	_____
Other Debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ 67,979	\$ 0	\$ 0	\$ 67,979
Balance end of year	\$ <u>2,119,977</u>	\$ <u>166,466</u>	\$ <u>0</u>	\$ <u>2,286,443</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 22,075	\$ 0	\$ 0	\$ 22,075
Credit during year:				
Accruals charged to:				
Account 407	\$ 570	\$ 0	\$ 0	\$ 570
Account 110.2 (2)	_____	_____	_____	_____
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total credits	\$ 570	\$ 0	\$ 0	\$ 570
Debits during year:				
Book cost of plant retired	0	_____	_____	_____
Other debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>22,645</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>22,645</u>

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

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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

UTILITY NAME: Marion Utilities, Inc.

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

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

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 31,049	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 31,049
OTHER ACCOUNTS RECEIVABLE (Account 142):		
Returned check	\$ 9	
Total Other Accounts Receivable		\$ 9
NOTES RECEIVABLE (Account 144):		
	\$ 0	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 31,058
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ 0	
Add: Provision for uncollectibles for current year	\$ 11,792	
Collection of accounts previously written off	36	
Utility Accounts		
Others		
Total Additions	\$ 11828	
Deduct accounts written off during year:		
Utility Accounts	11,828	
Others		
Total accounts written off	\$ 11828	
Balance end of year		\$ 0
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 31,058

UTILITY NAME: Marion Utilities, Inc.

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

UTILITY NAME: Marion Utilities, Inc.

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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)
_____	\$ _____
_____	_____
_____	_____
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
	_____	_____
	_____	_____
	_____	_____
Total Deferred Rate Case Expense	\$ _____ 0	\$ _____ 0
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
Utility Deposits	\$ _____	\$ _____ 1,050
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
Total Other Deferred Debits	\$ _____ 0	\$ _____ 1,050
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$ _____ 0	\$ _____ 0
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
Total Regulatory Assets	\$ _____ 0	\$ _____ 0
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ _____	\$ _____ 1,050

UTILITY NAME: Marion Utilities, Inc.

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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
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	%	\$ 0
PREFERRED STOCK		
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

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 609,447
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	\$ 55,767
436	Appropriations of Retained Earnings:	0
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared	
438	Common Stock Dividends Declared	0
	Total Dividends Declared	\$ 0
215	Year end Balance	\$ 665,214
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	\$ 665,214
Notes to Statement of Retained Earnings:		

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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	\$ 0	427	\$ 1,202	\$ 1,135	\$ 67
Total Account 237.1	\$ 0		\$ 1,202	\$ 1,135	\$ 67
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$ 6,417	427	\$ 6,929	\$ 6,845	\$ 6,501
Customer Deposits - Water	64	427	19	0	83
Customer Deposits - Sewer					
Total Account 237.2	\$ 6,481		\$ 6,948	\$ 6,845	\$ 6,584
Total Account 237 (1)	\$ 6,481		\$ 8,150	\$ 7,980	\$ 6,651
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 8,150		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			\$ 8,150		

(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

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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued directors fees	\$ 4,200
Accrued officers' salaries	20,000
Accrued profit sharing contribution payable	62,809
Accrued professional fees	17,100
Customer prepayments	22,752
Total Miscellaneous Current and Accrued Liabilities	\$ 126,861

ADVANCES FOR CONSTRUCTION
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	ACCT. DEBIT (c)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
			AMOUNT (d)			
Southern Multicapital Corp	\$ 132,286	231	\$ 0		\$ 0	\$ 132,286
Total	\$ 132,286		\$ 0		\$ 0	\$ 132,286

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

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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>
TOTAL OTHER DEFERRED CREDITS	\$ <u>0</u>	\$ <u>0</u>

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

**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>2,944,113</u>	\$ <u>159,141</u>	\$ _____	\$ <u>3,103,254</u>
Add credits during year:	\$ <u>4,490</u>	\$ <u>0</u>	\$ _____	\$ <u>4,490</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u>2,948,603</u>	\$ <u>159,141</u>	\$ <u>0</u>	\$ <u>3,107,744</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>1,242,295</u>	\$ <u>155,272</u>	\$ _____	\$ <u>1,397,567</u>
Debits during the year:	\$ <u>108,843</u>	\$ <u>0</u>	\$ _____	\$ <u>108,843</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>1,351,138</u>	\$ <u>155,272</u>	\$ <u>0</u>	\$ <u>1,506,410</u>

**WATER
OPERATION
SECTION**

GROUP 1

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT December 31, 2009
--

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)	\$ 4,784,774
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	2,049,134
110	Accumulated Amortization	F-8	22,645
271	Contributions In Aid of Construction	W-7	2,881,556
252	Advances for Construction	F-20	132,286
Subtotal			\$ -300,847
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 1,295,702
Subtotal			\$ 994,855
	Plus or Minus:		
114	Acquisition Adjustments (2) Order #11568 only	F-7	164,972
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	(164,972)
	Working Capital Allowance (3)		125,826
	Other (Specify): Deferred income taxes on CIAC		16,387
103	Property held for future use		1,581
105	Construction work in process		220,902
WATER RATE BASE			\$ 1,359,551
WATER OPERATING INCOME		W-3	\$ 76,682
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			5.64%

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, 2009

SYSTEM NAME / COUNTY :

Marion Utilities/Marion County

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	W-9	\$ 1,525,081
469	Less: Guaranteed Revenue and AFPI	W-9	0
Net Operating Revenues			\$ 1,525,081
401	Operating Expenses	W-10(a)	\$ 1,286,502
403	Depreciation Expense 135,118+3,152	W-6(a)	138,270
	Less: Amortization of CIAC 106,925+1,918	W-8(a)	108,843
Net Depreciation Expense			\$ 29,427
406	Amortization of Utility Plant Acquisition Adjustment	F-7	0
407	Amortization Expense (Other than CIAC)	F-8	570
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		68,629
408.11	Property Taxes		25,593
408.12	Payroll Taxes		37,299
408.13	Other Taxes and Licenses		884
408	Total Taxes Other Than Income		\$ 132,405
409.1	Income Taxes		0
410.10	Deferred Federal Income Taxes		0
410.11	Deferred State Income Taxes		0
411.10	Provision for Deferred Income Taxes - Credit		0
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		(234)
Utility Operating Expenses			\$ 1,448,670
Utility Operating Income			\$ 76,411
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		271
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ 76,682

YEAR OF REPORT
December 31, 2009

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	88,494	0		88,494
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	305,158	0	0	305,158
320	Water Treatment Equipment	30,663	0	0	30,663
330	Distribution Reservoirs and Standpipes	188,304	12,189	2,875	197,618
331	Transmission and Distribution Mains	2,792,155	13,564		2,805,719
333	Services	500,004	0		500,004
334	Meters and Meter Installations	301,125	559		301,684
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	78,825	0	0	78,825
341	Transportation Equipment	150,391	51,286	67,439	134,238
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	23,198	0	0	23,198
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	5,458			5,458
347	Miscellaneous Equipment				
348	Other Tangible Plant	35,519	0	0	35,519
TOTAL WATER PLANT		\$ 4,777,490	\$ 77,598	\$ 70,314	\$ 4,784,774

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

UTILITY NAME:

Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Marion Utilities/Marion County

YEAR OF REPORT
December 31, 2009

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	88,494					88,494
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	305,158		305,158			
320	Water Treatment Equipment	30,663			30,663		
330	Distribution Reservoirs and Standpipes	197,618				197,618	
331	Transmission and Distribution Mains	2,805,719				2,805,719	
333	Services	500,004				500,004	
334	Meters and Meter Installations	301,684				301,684	
335	Hydrants						
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment						
340	Office Furniture and Equipment	78,825					78,825
341	Transportation Equipment	134,238					134,238
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	23,198					23,198
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		\$ 4,784,774	\$ 25,391	\$ 452,546	\$ 30,663	\$ 3,805,025	\$ 471,149

W-4(b)
GROUP 1

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.

YEAR OF REPORT
December 31, 2009

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	\$ 60,515	\$ 2,013	\$	\$ 2,013
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	101,933	3,353		3,353
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	237,564	11,493		11,493
320	Water Treatment Equipment	20,939	1,382		1,382
330	Distribution Reservoirs and Standpipes	90,488	4,932		4,932
331	Transmission and Distribution Mains	887,266	61,586		61,586
333	Services	146,259	12,351		12,351
334	Meters and Meter Installations	216,597	9,323		9,323
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	64,547	2,966		2,966
341	Transportation Equipment	114,765	22,101		22,101
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	6,974	1,380		1,380
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	4,562	298		298
347	Miscellaneous Equipment				
348	Other Tangible Plant	29,586	1,940		1,940
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,981,995	\$ 135,118	\$	\$ 135,118

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

YEAR OF REPORT
December 31, 2009

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

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c-f-k) (l)
304	Structures and Improvements	\$	\$	\$	\$ 0	\$ 62,528
305	Collecting and Impounding Reservoirs				0	
306	Lake, River and Other Intakes				0	
307	Wells and Springs				0	105,286
308	Infiltration Galleries and Tunnels				0	
309	Supply Mains				0	
310	Power Generation Equipment				0	
311	Pumping Equipment				0	249,057
320	Water Treatment Equipment				0	22,321
330	Distribution Reservoirs and Standpipes	2,446			2,446	92,974
331	Transmission and Distribution Mains				0	948,852
333	Services				0	158,610
334	Meters and Meter Installations				0	225,920
335	Hydrants				0	
336	Backflow Prevention Devices				0	
339	Other Plant Miscellaneous Equipment				0	
340	Office Furniture and Equipment				0	67,513
341	Transportation Equipment	65,533			65,533	71,333
342	Stores Equipment				0	
343	Tools, Shop and Garage Equipment				0	8,354
344	Laboratory Equipment				0	
345	Power Operated Equipment				0	
346	Communication Equipment				0	4,860
347	Miscellaneous Equipment				0	
348	Other Tangible Plant				0	31,526
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 67,979	\$	\$	\$ 67,979	\$ 2,049,134

W-6(b)
GROUP 1

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	7	\$ 250 - 755	\$ 3,420
Construction			1,070
Total Credits			\$ 4,490

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 1,188,777
Debits during the year:	
Accruals charged to Account 272	\$ 106,925
Other debits (specify):	
Total debits	\$ 106,925
Credits during the year (specify):	
	\$ 0
Total credits	\$ 0
Balance end of year	\$ 1,295,702

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

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, 2009
--

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	6,097	6,147	1,434,035
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		6,097	6,147	\$ 1,434,035
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		6,097	6,147	\$ 1,434,035
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			51,220
471	Miscellaneous Service Revenues			15,975
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			23,851
Total Other Water Revenues				\$ 91,046
Total Water Operating Revenues				\$ 1,525,081

* 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	\$ 239,519	\$ 36,689	\$ 30,268
603	Salaries and Wages - Officers, Directors and Majority Stockholders	363,588	18,179	9,090
604	Employee Pensions and Benefits	120,649	10,974	7,871
610	Purchased Water	0		
615	Purchased Power	105,626	100,905	
616	Fuel for Power Purchased	7,002		
618	Chemicals	16,298		
620	Materials and Supplies	0		
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	25,176		
633	Contractual Services - Legal	2,644		
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Testing	35,556		
636	Contractual Services - Other	0		
641	Rental of Building/Real Property	39,552		
642	Rental of Equipment			
650	Transportation Expenses	14,581	2,842	1,421
656	Insurance - Vehicle	11,045		
657	Insurance - General Liability	7,033		
658	Insurance - Workman's Comp.	12,211		
659	Insurance - Other	73,351		
660	Advertising Expense	277		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	11,792		
675	Miscellaneous Expenses	200,602	19,201	9,601
Total Water Utility Expenses		\$ 1,286,502	\$ 188,790	\$ 58,251

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)
\$ 49,530	\$	\$ 30,128	\$	\$ 86,150	\$ 6,754
		36,359		199,973	99,987
9,906		13,325		57,225	21,348
					4,721
6,547					455
16,298					
					0
					25,176
					2,644
35,556					0
					39,552
2,842		3,552		2,131	1,793
					11,045
					7,033
					12,211
					73,351
					277
				11,792	
19,201		48,003		57,389	47,207
\$ 139,880	\$	\$ 131,367	\$	\$ 414,660	\$ 353,554

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

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		44,988	3,000	41,988	40,659
February		40,780	3,000	37,780	35,134
March		50,313	5,000	45,313	44,390
April		59,960	5,000	54,960	50,608
May		61,167	1,000	60,167	59,747
June		54,990	6,000	48,990	45,017
July		45,845	3,000	42,845	41,170
August		44,420	4,000	40,420	35,347
September		42,709	4,000	38,709	36,190
October		52,120	6,000	46,120	41,036
November		45,076	4,000	41,076	39,647
December		36,227	5,000	31,227	31,269
Total for Year		578,595	49,000	529,595	500,214

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

List for 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, 2009

Subdivision	Capacity of Well	Gallons Per Day From Source	Type of Source
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

YEAR OF REPORT
December 31, 2009

UTILITY NAME: Marion Utilities, Inc.
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>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon):	Manufacturer: _____
FILTRATION	
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, 2009

Subdivision	Permitted Capacity of Plant GPD	Location of Measurement of Capacity	Type of Treatment
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.

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	6,109	6,109
3/4"	Displacement	1.5		
1"	Displacement	2.5	32	80
1 1/2"	Displacement or Turbine	5.0	3	15
2"	Displacement, Compound or Turbine	8.0	3	24
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				6,228

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 = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC Calculation:

$$500,214,000 / 6,228 / 365 = 218$$

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

YEAR OF REPORT
December 31, 2009

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. 211

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, 2009

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. 405

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

3. Present system connection capacity (in ERCs *) using existing lines. 405

4. Future connection capacity (in ERCs *) upon service area buildout. 405

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.
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. 495
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

YEAR OF REPORT
December 31, 2009

OTHER WATER SYSTEM INFORMATION

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

1. Present ERCs * the system can efficiently serve. 183

2. Maximum number of ERCs * which can be served. 512

3. Present system connection capacity (in ERCs *) using existing lines. 183

4. Future connection capacity (in ERCs *) upon service area buildout. 183

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.

YEAR OF REPORT
December 31, 2009

SYSTEM NAME / COUNTY :

Fort King/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. 94

2. Maximum number of ERCs * which can be served. 100

3. Present system connection capacity (in ERCs *) using existing lines. 94

4. Future connection capacity (in ERCs *) upon service area buildout. 94

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.

YEAR OF REPORT
December 31, 2009

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. 299

2. Maximum number of ERCs * which can be served. 299

3. Present system connection capacity (in ERCs *) using existing lines. 299

4. Future connection capacity (in ERCs *) upon service area buildout. 299

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.

YEAR OF REPORT
December 31, 2009

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. 539

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? Yes - 750 gpm
If so, how much capacity is required? _____

7. Attach a description of the fire fighting facilities. 20 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 # 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

YEAR OF REPORT
December 31, 2009

OTHER WATER SYSTEM INFORMATION

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

1. Present ERCs * the system can efficiently serve. 85

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

3. Present system connection capacity (in ERCs *) using existing lines. 85

4. Future connection capacity (in ERCs *) upon service area buildout. 85

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, 2009

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, 2009

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.

YEAR OF REPORT
December 31, 2009

SYSTEM NAME / COUNTY : Buckskin/Marion County

OTHER WATER SYSTEM INFORMATION

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

1. Present ERCs * the system can efficiently serve. 73

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

3. Present system connection capacity (in ERCs *) using existing lines. 73

4. Future connection capacity (in ERCs *) upon service area buildout. 73

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.

YEAR OF REPORT
December 31, 2009

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. 106
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.

W-14
GROUP 1
SYSTEM _____

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

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 ERCs * the system can efficiently serve. 41

2. Maximum number of ERCs * which can be served. 308

3. Present system connection capacity (in ERCs *) using existing lines. 41

4. Future connection capacity (in ERCs *) upon service area buildout. 308

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.

YEAR OF REPORT
December 31, 2009

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. 522
2. Maximum number of ERCs * which can be served. 1,347
3. Present system connection capacity (in ERCs *) using existing lines. 522
4. Future connection capacity (in ERCs *) upon service area buildout. 522
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

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. 21

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

3. Present system connection capacity (in ERCs *) using existing lines. 21

4. Future connection capacity (in ERCs *) upon service area buildout. 133

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. 43

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.
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. 510
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.
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. 2,359
2. Maximum number of ERCs * which can be served. 4,000
3. Present system connection capacity (in ERCs *) using existing lines. 2,359
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

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. 49
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.
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. 85
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?
If so, how much capacity is required? No
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.

**WATER
OPERATION
SECTION**

GROUP 2

UTILITY NAME:

Marion Utilities, Inc.

YEAR OF REPORT December 31, 2009
--

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)	\$ 114,417
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	70,843
110	Accumulated Amortization	F-8	0
271	Contributions In Aid of Construction	W-7	67,047
252	Advances for Construction	F-20	0
Subtotal			\$ (23,473)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 55,436
Subtotal			\$ 31,963
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	0
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	0
	Working Capital Allowance (3)		0
	Other (Specify):		0
103	Property held for future use		0
105	Construction work in process		0
WATER RATE BASE			\$ 31,963
WATER OPERATING INCOME		W-3	\$ Not Available
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			_____

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, 2009

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			\$ _____
Add Back:			
469	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, 2009

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	15,151	0		15,151
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	10,750	0		10,750
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		\$ 114,417	\$	\$	\$ 114,417

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

YEAR OF REPORT
December 31, 2009

UTILITY NAME: Marion Utilities, Inc.
SYSTEM NAME / COUNTY: Windgate Estates/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						
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	15,151		15,151			
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	10,750				10,750	
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		114,417		26,651	2,575	73,804	11,387

W-4(b)
GROUP 2

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

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, 2009

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)	ACCRAUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 4,816	\$ 293	\$	\$ 293
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	6,778	265		265
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	8,654	877		877
320	Water Treatment Equipment	1,537	100		100
330	Distribution Reservoirs and Standpipes	6,942	229		229
331	Transmission and Distribution Mains	24,735	1,118		1,118
333	Services	4,143	163		163
334	Meters and Meter Installations	10,086	107		107
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 ACCUMULATED DEPRECIATION		\$ 67,691	\$ 3,152	\$	\$ 3,152

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

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY: Windgate Estates/Marion County

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (l)
304	Structures and Improvements	\$	\$	\$	\$	\$ 5,109
305	Collecting and Impounding Reservoirs				0	
306	Lake, River and Other Intakes				0	
307	Wells and Springs				0	7,043
308	Infiltration Galleries and Tunnels				0	
309	Supply Mains				0	
310	Power Generation Equipment				0	
311	Pumping Equipment				0	
320	Water Treatment Equipment				0	9,531
330	Distribution Reservoirs and Standpipes				0	1,637
331	Transmission and Distribution Mains				0	7,171
333	Services				0	25,853
334	Meters and Meter Installations				0	4,306
335	Hydrants				0	10,193
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	
TOTAL WATER ACCUMULATED DEPRECIATION						\$ 70,843

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

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)
_____	_____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ _____

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 53,518
Debits during the year:	
Accruals charged to Account 272	\$ 1,918
Other debits (specify):	_____
_____	_____
_____	_____
Total debits	\$ 1,918
Credits during the year (specify):	
_____	\$ 0
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>55,436</u>

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

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		146	
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			146	\$
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			146	\$
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.

YEAR OF REPORT
December 31, 2009

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, 2009

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					11,410

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>			

UTILITY NAME: Marion Utilities, Inc.

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>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): _____	Manufacturer: _____
FILTRATION	
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, 2009

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	149	149
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				149

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

<p>ERC Calculation:</p> $11,409,643 / 149 / 365 = 210$

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

YEAR OF REPORT
December 31, 2009

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. 149

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, 2009

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

YEAR OF REPORT December 31, 2009
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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)	\$ 184,808
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	166,466
110	Accumulated Amortization		
271	Contributions In Aid of Construction	S-7	159,141
252	Advances for Construction	F-20	
Subtotal			\$ (140,799)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 155,272
Subtotal			\$ 14,473
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		
	Other (Specify):		
WASTEWATER RATE BASE			\$ 14,473
WASTEWATER OPERATING INCOME		S-3	\$ (16,655)
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.
 SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

YEAR OF REPORT
 December 31, 2009

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 31,369
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	
Net Operating Revenues			\$ 31,369
401	Operating Expenses	S-10(a)	\$ 43,183
403	Depreciation Expense	S-6(a)	1,659
	Less: Amortization of CIAC	S-8(a)	0
Net Depreciation Expense			\$ 1,659
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		1,411
408.11	Property Taxes		730
408.12	Payroll Taxes		891
408.13	Other Taxes and Licenses		150
408	Total Taxes Other Than Income		\$ 3,182
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			\$ 48,024
Utility Operating Income			\$ (16,655)
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			\$ (16,655)

YEAR OF REPORT
December 31, 2009

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	1,397	0		1,397
396	Communication Equipment				
397	Miscellaneous Equipment	1,478	0		1,478
398	Other Tangible Plant	1,200			1,200
Total Wastewater Plant		\$ 184,808	\$	\$	\$ 184,808

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

YEAR OF REPORT
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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 (j)	.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							1,397
396	Communication Equipment							
397	Miscellaneous Equipment							1,478
398	Other Tangible Plant							1,200
	Total Wastewater Plant	\$	\$ 111,904	\$ 11,720	\$ 57,109	\$	\$	\$ 4,075

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

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.

YEAR OF REPORT
December 31, 2009

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY: Cedar Hills Sewer/Marion County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
(a)	(b)	(c)	(d)	(e)	(f)
354	Structures and Improvements	\$ 3,431	\$ 291		\$ 291
355	Power Generation Equipment				0
360	Collection Sewers - Force	88,577	0		
361	Collection Sewers - Gravity				0
362	Special Collecting Structures	585	57		57
363	Services to Customers	15,763	457		457
364	Flow Measuring Devices	0			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	7,716	0		
371	Pumping Equipment	2,288	204		204
375	Reuse Transmission and Distribution System				0
380	Treatment and Disposal Equipment	44,075	275		275
381	Plant Sewers				0
382	Outfall Sewer Lines	36	3		3
389	Other Plant Miscellaneous Equipment	1,820	336		336
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	516	36		36
Total Depreciable Wastewater Plant in Service		\$ 164,807	\$ 1,659	\$	\$ 1,659

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

YEAR OF REPORT
December 31, 2009

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)	BALANCE AT END OF YEAR (c+f-j) (k)
354	Structures and Improvements	\$	\$	\$	\$ 0	\$ 3,722
355	Power Generation Equipment				0	
360	Collection Sewers - Force				0	88,577
361	Collection Sewers - Gravity				0	
362	Special Collecting Structures				0	642
363	Services to Customers				0	16,220
364	Flow Measuring Devices				0	
365	Flow Measuring Installations				0	
366	Reuse Services				0	7,716
367	Reuse Meters and Meter Installations				0	2,492
370	Receiving Wells				0	
371	Pumping Equipment				0	44,350
375	Reuse Transmission and Distribution System				0	
380	Treatment and Disposal Equipment				0	39
381	Plant Sewers				0	2,156
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	552
Total Depreciable Wastewater Plant in Service						\$ 166,466

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

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:

YEAR OF REPORT
December 31, 2009

UTILITY NAME: Marion Utilities, Inc.

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	\$ 155,272
Debits during the year:	
Accruals charged to Account 272	\$ 0
Other debits (specify):	_____
_____	_____
Total debits	\$ 0
Credits during the year (specify):	\$ 0
_____	_____
Total credits	\$ 0
Balance end of year	\$ 155,272

UTILITY NAME: Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

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.

YEAR OF REPORT
December 31, 2009

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)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues	117	109	\$ 31,369
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues	<u>117</u>	<u>109</u>	<u>\$ 31,369</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	Total Measured Revenues	<u>0</u>	<u>0</u>	<u>\$ 0</u>
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		<u>117</u>	<u>109</u>	<u>\$ 31,369</u>
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
Total Other Wastewater Revenues				<u>\$ 0</u>

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

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

YEAR OF REPORT December 31, 2009
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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
541.1	Measured Reuse Revenues: Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues	0	0	\$ 0
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ 0
Total Wastewater Operating Revenues				\$ 31,369

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

UTILITY NAME:

Marion Utilities, Inc.

SYSTEM NAME / COUNTY :

Cedar Hills Sewer/Marion County

YEAR OF REPORT
December 31, 2009

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	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	10,800						
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits	2,160						
710	Purchased Sewage Treatment							
711	Sludge Removal Expense							
715	Purchased Power	6,826			341		6,485	
716	Fuel for Power Purchased							
718	Chemicals	8,776					8,776	
720	Materials and Supplies							
731	Contractual Services-Engineering	1,350						
732	Contractual Services - Accounting							
733	Contractual Services - Legal							
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing	7,951						7,951
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	5,320				532		4,788
	Total Wastewater Utility Expenses	43,183			341	532	15,261	12,739

S-10(a)
GROUP 1

YEAR OF REPORT
December 31, 2009

UTILITY NAME: Marion Utilities, Inc.

SYSTEM NAME / COUNTY : Cedar Hills Sewer/Marion County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (l)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES-OPERATIONS (j)	.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		10,800				
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits		2,160				
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		1,350				
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		\$	\$ 14,310	\$	\$	\$	\$

UTILITY NAME:

Marion Utilities, Inc.

YEAR OF REPORT
December 31, 2009

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	109	109
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				109

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:

$$6,460,000 / 109 / 365 = 162$$

YEAR OF REPORT December 31, 2009
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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	18,000		
Total Gallons of Wastewater Treated	6,460,000		
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.

UTILITY NAME:

Marion Utilities, Inc.

YEAR OF REPORT

December 31, 2009

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 109
2. Maximum number of ERCs* which can be served 117
3. Present system connection capacity (in ERCs*) using existing lines 109
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.

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

Water Operations

Class A & B

Company: Marion Utilities, Inc.

For the Year Ended December 31, 2009

(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)	1,434,035	1,434,035	
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)	91,046	91,046	
Total Water Operating Revenue	\$ 1,525,081	\$ 1,525,081	0
Less, Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenue	\$ 1,525,081	\$ 1,525,081	\$ 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, 2009

(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)	31,369	31,369	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)			
Total Wastewater Operating Revenue	\$ 31,369	\$ 31,369	0
Less, Expense for Purchased Wastewater from FPSC-Regulated Utility			
Net Wastewater Operating Revenue	\$ 31,369	\$ 31,369	\$ 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).