

CLASS "A" OR "B"
WATER and/or WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

WS199-04-AR

Rainbow Springs Utilities, LC

Exact Legal Name of Respondent

355-W / 311-S

Certificate Numbers

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2004

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

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February 14, 2005

To the Members
Rainbow Springs Utilities, L.C.

We have compiled the 2004 Annual Report of Rainbow Springs Utilities, L.C. in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of Rainbow Springs Utilities, L.C. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

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

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

Company: Rainbow Springs Utilities, LC

For the Year Ended December 31, 2004

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales ((461.1 - 461.5)	183,091	183,091	-
Total Fire Protection Revenue (462.1 - 462.2)	949	949	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	233,752	233,752	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	2,160	2,160	-
Total Water Operating Revenue	\$ 419,952	\$ 419,952	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 419,952	\$ 419,952	\$ -

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

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

Company: Rainbow Springs Utilities, LC

For the Year Ended December 31, 2004

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate revenues (521.1 - 521.6)	\$ -	\$ -	\$ -
Total Measured Revenues (522.1 - 522.5)	445,911	445,911	-
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	\$ 445,911	\$ 445,911	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 445,911	\$ 445,911	\$ -

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
EXECUTIVE SUMMARY			
Certification	E-1	Business Contracts With Officers, Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers and Directors	E-8
Directory of Personnel Who Contact the FPSC	E-3	Businesses Which Are A Byproduct, Coproduct or Joint Product of Providing Service	E-9
Company Profile	E-4	Business Transactions With Related Parties - Part I and II	E-10
Parent / Affiliate Organization Chart	E-5		
Compensation of Officers & Directors	E-6		
FINANCIAL SECTION			
Comparative Balance Sheet - Assets and Other Debits	F-1	Unamortized Debt Discount / Expense / Premium	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Extraordinary Property Losses	F-13
Comparative Operating Statement	F-3	Miscellaneous Deferred Debits	F-14
Schedule of Year End Rate Base	F-4	Capital Stock	F-15
Schedule of Year End Capital Structure	F-5	Bonds	F-15
Capital Structure Adjustments	F-6	Statement of Retained Earnings	F-16
Utility Plant	F-7	Advances From Associated Companies	F-17
Utility Plant Acquisition Adjustments	F-7	Long Term Debt	F-17
Accumulated Depreciation	F-8	Notes Payable	F-18
Accumulated Amortization	F-8	Accounts Payable to Associated Companies	F-18
Regulatory Commission Expense - Amortization of Rate Case Expense		Accrued Interest and Expense	F-19
Nonutility Property	F-9	Misc. Current and Accrued Liabilities	F-20
Special Deposits	F-9	Advances for Construction	F-21
Investments and Special Funds	F-10	Other Deferred Credits	F-21
Accounts and Notes Receivable - Net	F-11	Contributions In Aid Of Construction	F-22
Accounts Receivable From Associated Companies	F-12	Accum. Amortization of C.I.A.C.	F-23
Notes Receivable From Associated Companies	F-12	Reconciliation of Reported Net Income with Taxable Income For Federal Income Taxes	F-23
Miscellaneous Current and Accrued Assets	F-12		

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
WATER OPERATION SECTION			
Listing of Water System Groups	W-1	CIAC Additions / Amortization	W-8
Schedule of Year End Water Rate Base	W-2	Water Operating Revenue	W-9
Water Operating Statement	W-3	Water Utility Expense Accounts	W-10
Water Utility Plant Accounts	W-4	Pumping and Purchased Water, Source Supply	W-11
Basis for Water Depreciation Charges	W-5	Water Treatment Plant Information	W-12
Analysis of Entries in Water Depreciation Reserve	W-6	Calculation of ERC's	W-13
Contributions in Aid of Construction	W-7	Other Water System Information	W-14
WASTEWATER OPERATION SECTION			
Listing of Wastewater System Groups	S-1	Contributions in Aid of Construction	S-7
Schedule of Year End Wastewater Rate Base	S-2	CIAC Additions / Amortization	S-8
Wastewater Operating Statement	S-3	Wastewater Operating Revenue	S-9
Wastewater Utility Plant Accounts	S-4	Wastewater Utility Expense Accounts	S-10
Analysis of Entries in Wastewater Depreciation Reserve	S-5	Calculation of ERC's	S-11
Basis for Wastewater Depreciation Charges	S-6	Wastewater Treatment Plant Information	S-12
		Other Wastewater System Information	S-13

EXECUTIVE

SUMMARY

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2004

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

- | | | |
|--------------|-----------|--|
| YES
(X) | NO
() | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
(X) | NO
() | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
(X) | 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 financial statement of the utility. |
| YES
(X) | 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 report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified

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



 (signature of the chief executive officer of the utility) *

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

 (signature of the chief financial officer of the utility) *

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT December 31, 2004

Rainbow Springs Utilities, LC
 (Exact Name of Utility)

County: Marion

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

P.O. Box 1850
 Dunnellon, Florida 34430

Telephone: (352) 489-9152

e-Mail Address: N/A

WEB Site: N/A

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

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

Robert C. Nixon, CPA
 Cronin, Jackson, Nixon & Wilson, CPA's, PA
 2560 Gulf-to-Bay Blvd, Suite 200
 Clearwater, Florida 34625

Telephone: (727) 791-4020

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

19974 SW 102nd Street Road, Dunnellon, Florida, 34432
 and One Commercial Plaza, Hartford, Connecticut, 06103

Telephone: (352) 489-9152

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

Cronin, Jackson, Nixon and Wilson, CPA's

Date of original organization of the utility: 7/17/1978

Check the appropriate business entity of the utility as filed with the Internal Revenue Service:

Individual
 Partnership
 Sub S Corporation
 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility:

	Name	Percent Ownership	
1.	David T. Chase	34.0	%
2.	Arnold L. Chase	33.0	%
3.	Cheryl A. Chase	33.0	%
4.			%
5.			%
6.			%
7.			%
8.			%
9.			%
10.			%

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2004

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

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Cheryl A. Chase	V. Pres./Treasurer	c/o Chase Enterprises One Commercial Plaza Hartford, CT 06103	Various utility matters
Robert C. Nixon	CPA	Cronin, Jackson, Nixon & Wilson	Rate and accounting matters
Lowell Smallridge	Agent for Managing Members	Rainbow Springs Utilities, LC P.O. Box 1850 Dunnellon, FL 34430	Utility matters

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

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2004

COMPANY PROFILE

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

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

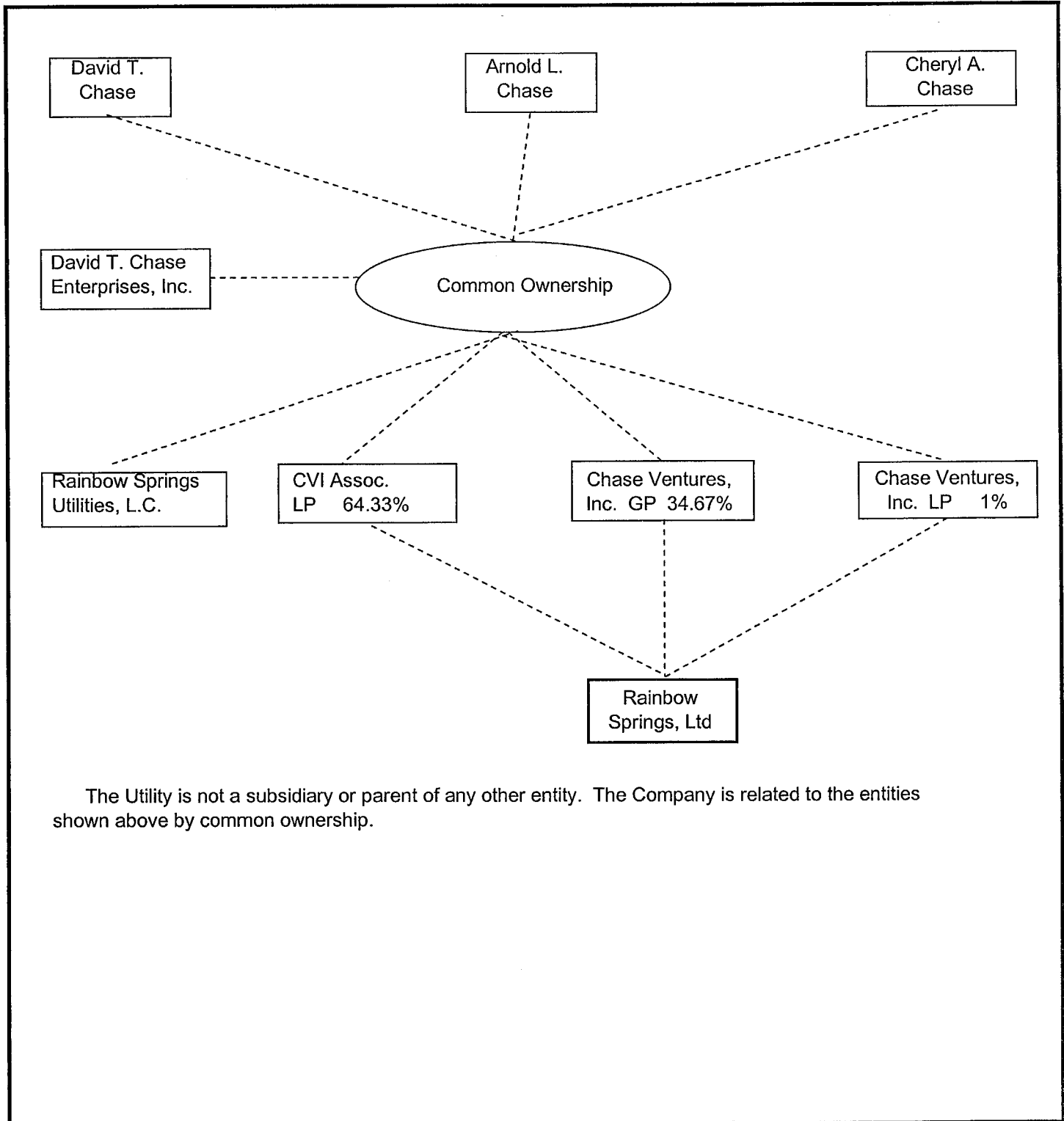
- A) The utility began in 1965 as a private utility system, serving the Rainbow Springs Attraction, an amusement park. In 1978, development of the surrounding area was begun by Context Industries with a country club and residential community. The utility was certificated by the Marion County Commissioners. In 1981, regulatory authority was transferred to the Florida Public Service Commission. In 1983, Context Industries sold the utility and development area to Chase Enterprises.
- B) The utility provides water and wastewater service to the village of Rainbow Springs.
- C) The Company's goals are to provide quality water and wastewater service, while earning a fair rate of return.
- D) Water and wastewater divisions.
- E) Growth is expected to average approximately 80 - 100 ERC's per year.
- F) None

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2004

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/04

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



The Utility is not a subsidiary or parent of any other entity. The Company is related to the entities shown above by common ownership.

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2004
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COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Lowell Smallridge	Agent for Managing Members	100 %	\$ 34,932
Cheryl A. Chase	Managing Member	1 %	\$ None
Arnold L. Chase	Managing Member	1 %	\$ None
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as an director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
David T. Chase	Member	1	\$ None
Arnold L. Chase	Member	1	\$ None
Cheryl A. Chase	Member	1	\$ None
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Rainbow Springs Utilities, LC

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

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

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
None		\$	

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

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2004
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AFFILIATION OF OFFICERS AND DIRECTORS

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

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
David T. Chase	Executive	Officer Partner Member	Chase Ventures, Inc CVI Assoc, LP Hartford, CT Rainbow Springs Limited Rainbow Springs Utilities, L.C. Dunnellon, FL
Arnold L. Chase	Executive	Officer Partner Member	Chase Ventures, Inc CVI Assoc, LP Chase Ventures, Inc, GP Hartford, CT Rainbow Springs Limited Rainbow Springs Utilities, L.C. Dunnellon, FL
Cheryl A. Chase	Executive	Officer Partner Member	Chase Ventures, Inc CVI Assoc, LP Hartford, CT Rainbow Springs Limited Rainbow Springs Utilities, L.C. Dunnellon, FL
Lowell Smallridge	Agent for Managing Members	Officer	Rainbow Springs Limited Rainbow Springs Utility Dunnellon, FL

UTILITY NAME: Rainbow Springs Utilities, LC

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

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

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

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2004
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Rainbow Springs Limited	Management Fee - Plant Operations, Maintenance and Construction Management	Open	P	\$ 23,940
David T. Chase Enterprises, Inc.	Tax services and return preparation, financial management, project management, budget management	Open	P	54,000

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2004
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

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

3. The columnar instructions follow:

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

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

FINANCIAL

SECTION

UTILITY NAME: Rainbow Springs Utilities, LC

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 5,113,960	\$ 5,089,694
108-110	Less: Accumulated Depreciation and Amortization	F-8	(1,711,912)	(1,576,161)
Net Plant			3,402,048	3,513,533
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			3,402,048	3,513,533
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9		
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property				
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property and Investments				
CURRENT AND ACCRUED ASSETS				
131	Cash		76,976	45,332
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts	F-11	86,426	93,509
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments		10,737	9,671
171	Accrued Interest and Dividends Receivable			
172*	Rents Receivable			
173*	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			174,139	148,512

* Not Applicable for Class B Utilities

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2004
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COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ 13,043	\$ 23,359
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14	52,256	67,212
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			65,299	90,571
TOTAL ASSETS AND OTHER DEBITS			\$ 3,641,486	\$ 3,752,616

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 11,000	\$ 11,000
204	Preferred Stock Issued	F-15		
202,205*	Capital Stock Subscribed			
203,206*	Capital Stock Liability for Conversion			
207*	Premium on Capital Stock			
209*	Reduction in Par or Stated Value of Capital Stock			
210*	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid-in Capital		2,377,768	2,377,768
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings (Deficit)	F-16	(1,727,661)	(1,758,547)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			661,107	630,221
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	733,361	899,178
Total Long Term Debt			733,361	899,178
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		13,804	18,318
232	Notes Payable	F-18		
233	Accounts Payable to Associated Co.	F-18	79,820	86,389
234	Notes Payable to Associated Co.	F-18	223,526	264,552
235	Customer Deposits		108	
236	Accrued Taxes		18,688	35,821
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20		272
Total Current and Accrued Liabilities			335,946	405,352

* Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20		
253	Other Deferred Credits (Contributed Taxes)	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits				
OPERATING RESERVES				
261	Property Insurance Reserve			
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
Total Operating Reserves				
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	2,356,204	2,211,009
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(445,132)	(393,144)
Total Net C.I.A.C.			1,911,072	1,817,865
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation			
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes				
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 3,641,486	\$ 3,752,616

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 796,018	\$ 865,863
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			796,018	865,863
401	Operating Expenses	F-3(b)	576,391	567,719
403	Depreciation Expense	F-3(b)	145,566	153,604
	Less: Amortization of CIAC	F-22	(49,981)	(51,990)
Net Depreciation Expense			95,585	101,614
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3	89,024	96,243
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			761,000	765,576
Net Utility Operating Income			35,018	100,287
469/530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (Losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			35,018	100,287

* For each account, column e should agree with columns f, g + h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3* (f)	SEWER SCHEDULE S-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 419,952	\$ 445,911	N/A
N/A		
419,952	445,911	-
303,249	264,470	
56,718	96,886	
(15,826)	(36,164)	
40,892	60,722	-
49,001	47,242	
393,142	372,434	
26,810	73,477	
26,810	73,477	N/A

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR (e)
Total Utility Operating Income [from Page F-3(a)]			\$ 35,018	\$ 100,287
OTHER INCOME AND DEDUCTIONS				
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income			
421	Miscellaneous Nonutility Revenue			
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions				
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable to Other Income				
INTEREST EXPENSE				
427	Interest Expense	F-19	66,521	59,084
428	Amortization of Debt Discount & Expense	F-13	10,316	10,316
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			76,837	69,400
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET (LOSS) INCOME			(41,819)	30,887

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 1,862,595	\$ 3,251,365
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	<u>(606,899)</u>	<u>(1,105,013)</u>
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	<u>(772,895)</u>	<u>(1,583,309)</u>
252	Advances for Construction	F-20		
Subtotal			<u>482,801</u>	<u>563,043</u>
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	<u>139,028</u>	<u>306,104</u>
Subtotal			<u>621,829</u>	<u>869,147</u>
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		<u>37,906</u>	<u>33,059</u>
	Other (Specify):			
	_____		-	-

RATE BASE			<u>\$ 659,735</u>	<u>\$ 902,206</u>
NET UTILITY OPERATING INCOME			<u>\$ 26,810</u>	<u>\$ 73,477</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>4.06 %</u>	<u>8.14 %</u>

NOTES:

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

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ 661,107	40.86 %	11.88 %	4.85 %
Preferred Stock			- %	
Long Term Debt	733,361	45.32 %	5.75 %	2.6059 %
Customer Deposits	108	0.01 %	6.00 %	0.0006 %
Tax Credits - Zero Cost			- %	
Tax Credits - Weighted Cost			- %	
Deferred Income Taxes			- %	
Other (Explain)			- %	
Notes Payable - Assoc Co	223,526	13.81 %	7.64 %	1.0551 %
Total	\$ 1,618,102	100.00 %		8.51 %

(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>11.88</u> %
Commission order approving Return on Equity:	<u>PSC-96-1229-FOF-WS</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING THE YEAR

Current Commission approved AFUDC rate:	<u>None</u> %
Commission order approving AFUDC rate:	<u></u>

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

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (g)
Common Equity	\$ 661,107	\$ -	\$ -	\$ -	\$ -	\$ 661,107
Preferred Stock	-					-
Long Term Debt	733,361					733,361
Customer Deposits	108					108
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Income Taxes						
Other (Explain):						
Notes Payable - Assoc Co	223,526					223,526
Total	\$ <u>1,618,102</u>	\$ -	\$ -	\$ -	\$ -	\$ <u>1,618,102</u>

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

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2004

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts Utility Plant In Service	\$ 1,862,595	\$ 3,251,365	N/A	\$ 5,113,960
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
106	Completed Construction Not Classified				
Total Utility Plant		\$ 1,862,595	\$ 3,251,365	N/A	\$ 5,113,960

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

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

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	N/A	N/A	\$ -	\$ -
					-
					-
					-
					-
					-
					-
Total Plant Acquisition Adjustment		\$ -	\$ -	\$ -	\$ -
115	Accumulated Amortization			\$ -	\$ -
					-
					-
					-
					-
					-
					-
Total Accumulated Amortization		\$ -	\$ -	\$ -	\$ -
Total Acquisition Adjustments		\$ -	\$ -	\$ -	\$ -

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 557,665	\$ 1,018,496	N/A	\$ 1,576,161
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	56,718	96,886		153,604
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				

Salvage				
Other Credits (specify) :				

Total credits	56,718	96,886		153,604
Debits during year:				
Book cost of plant retired	(7,488)	(10,368)		(17,856)
Cost of removal				
Other debits (specify)				
Rounding	4	(1)		3

Total debits	(7,484)	(10,369)		(17,853)
Balance end of year	\$ 606,899	\$ 1,105,013	N/A	\$ 1,711,912

ACCUMULATED AMORTIZATION Account 110				
Balance first of year N/A	N/A	N/A	N/A	N/A
Credits during year:				
Accruals charged:				

to Account 110.2 (2)				
Other Accounts (specify):				

Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				

Total debits				
Balance end of year	N/A	N/A	N/A	N/A

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

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2004

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

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (c)	AMOUNT (d)
None	\$ -	-	\$ -
Total	\$ -		\$ -

NONUTILITY PROPERTY (ACCOUNT 121)

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

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
None	\$ -	\$ -	\$ -	\$ -
Total Nonutility Property	\$ -	\$ -	\$ -	\$ -

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): None	\$ -
Total Special Deposits	\$ -
OTHER SPECIAL DEPOSITS (Account 133): None	\$ -
Total Other Special Deposits	\$ -

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2004

INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123-127

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

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

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

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

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Combined Water & Wastewater	\$ 41,604	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 41,604
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
CIAC Receivable	\$ 44,822	
Total Other Accounts Receivable		\$ 44,822
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		<u>86,426</u>
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ -	
Add: Provision for uncollectables for current year		
Collections of accounts previously written off		
Utility accounts		
Others		
Total Additions		
Deduct accounts written off during year:		
Utility accounts		
Others		
Total accounts written off		
Balance end of year		
Total Accounts and Notes Receivable - Net		\$ <u>86,426</u>

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2004

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
None	\$ -
Total	\$ -

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
None		\$ -
Total		\$ -

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	TOTAL (c)
None	\$ -
Total	\$ -

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2004

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):		
Sun Bank Construction Loan	\$ 10,316	\$ 13,043
Total Unamortized Debt Discount and Expense	\$ 10,316	\$ 13,043
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$ -	\$ -
Total Unamortized Premium on Debt	\$ -	\$ -

EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182

Report each item separately.

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

MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1): None	\$ -	\$ -
Total Deferred Rate Case Expense	\$ -	\$ -
Total Other Deferred Debits	\$ 17,561	\$ 52,256
Total Regulatory Assets	\$ -	\$ -
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 17,561	\$ 52,256

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (d)
COMMON STOCK		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized		11,000
Shares issued and outstanding		11,000
Total par value of stock issued	\$ 11,000	\$ 11,000
Dividends declared per share for year	None	None
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	None	None

* Account 204 not applicable for Class B utilities

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
N/A			\$ -
Total			\$ -

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

STATEMENT OF RETAINED EARNINGS

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance beginning of year (Deficit)	\$ (1,758,547)
439	Changes to account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: Rounding Error	
	Total Credits	
	Debits: Rounding	1
	Total Debits	1
435	Balance transferred from Income	30,887
436	Appropriations of Retained Earnings:	
	Total appropriations of Retained Earnings	
437	Dividends declared: Preferred stock dividends declared	
438	Common stock dividends declared	
	Total Dividends Declared	
	Year end Balance	(1,727,661)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	
214	Total Appropriated Retained Earnings	
	Total Retained Earnings (Deficit)	\$ (1,727,661)

Notes to Statement of Retained Earnings:

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2004

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

**OTHER LONG TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
Construction Loan, Southtrust Bank; Issued: May 3, 1995;	%		\$ -
Matures: May 3, 2005; (Prime + .5%)	5.75 %	V	733,361
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 733,361

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

NOTES PAYABLE (ACCTS. 232 AND 234)

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
NOTES PAYABLE (Account 232): N/A			\$ -
Total Account 232			\$ -
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
Chase Ventures - Fairway Estates West	8.25 %	F	\$ 69,747
Chase Ventures - The Boundaries	8.50 %	F	19,639
Chase Ventures - Fox Trace	8.50 %	F	81,966
Chase Dover	5.90 %	P+1	52,174
Total Account 234			\$ 223,526

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Due to Chase Ventures, Inc.	\$ 79,820
Total	\$ 79,820

**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt					
Southtrust Bank Construction Loan	\$ -	427.3	\$ 39,895	\$ 39,895	\$ -
Chase Ventures - Fairway Estates West	-	427.1	6,429	6,429	
Chase Ventures - The Boundaries		427.1	2,011	2,011	
Chase Ventures - Fox Trace		427.1	7,665	7,665	
Chase Dover		427.1	3,080	3,080	
Total Account No. 237.1	-		59,080	59,080	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
None					-
Customer Deposits		427.4	4	4	
Total Account 237.2	-		4	4	
Total Account 237 (1)	\$ -		\$ 59,084	\$ 59,084	\$ -
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 59,084		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 59,084		

(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

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION (a)	BALANCE END OF YEAR (b)
None	
Total Miscellaneous Current and Accrued Liabilities	\$ -

ADVANCES FOR CONSTRUCTION
ACCOUNT 252

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

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

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2004

**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)		
N/A	\$ -	\$ -
Total Regulatory Liabilities	\$ -	\$ -
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)		
N/A	\$ -	\$ -
Total Deferred Liabilities	\$ -	\$ -
TOTAL OTHER DEFERRED CREDITS	\$ -	\$ -

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 728,091	\$ 1,482,918	N/A	\$ 2,211,009
Add credits during year: Rounding	44,804	100,391		145,195
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 772,895	\$ 1,583,309	\$ -	\$ 2,356,204

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance First of year	\$ 123,203	\$ 269,941	N/A	\$ 393,144
Debits during year:	15,826	36,164		51,990
Credits during year (specify): Rounding	1	1		2
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 139,028	\$ 306,104		\$ 445,132

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

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

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

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year	F-3(c)	N/A
Reconciling items for the year:		
Taxable income not reported on the books:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Income recorded on books not included in return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income		\$ _____ -
Computation of tax:		
The Company is taxed as a Partnership; therefore, this Schedule is not applicable		

**WATER
OPERATING
SECTION**

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 1,862,595
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	606,899
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	772,895
252	Advances for Construction	F-20	
	Subtotal		482,801
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	139,028
	Subtotal		621,829
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		37,906
	Other (Specify): Completed Construction not Classified		-
	WATER RATE BASE		\$ 659,735
	UTILITY OPERATING INCOME	W-3	\$ 26,810
	ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Base)		4.06 %

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

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	W-9	419,952
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		419,952
401	Operating Expenses	W-10(a)	303,249
403	Depreciation Expense	W-6(a)	56,718
	Less: Amortization of CIAC	W-8(a)	(15,826)
	Net Depreciation Expense		40,892
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		18,898
408.11	Property Taxes		22,835
408.12	Payroll Taxes		7,110
408.13	Other Taxes & Licenses		158
408	Total Taxes Other Than Income		49,001
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		393,142
	Utility Operating Income		26,810
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	-
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 26,810

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 22,340	\$ -	\$ -	\$ 22,340
302	Franchises	16,205			16,205
303	Land and Land Rights	6,798			6,799
304	Structure and Improvements	203,710			203,710
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	53,592			53,592
308	Infiltration Galleries and Tunnels				
309	Supply Mains	154,069			154,069
310	Power Generation Equipment	26,352			26,352
311	Pumping Equipment	111,356	6,346	4,421	113,281
320	Water Treatment Equipment	28,586			28,586
330	Distribution Reservoirs and Standpipes	232,956			232,956
331	Transmission and Distribution Mains	648,604			648,604
333	Services	133,591			133,591
334	Meters and Meter Installations	114,667	8,068	711	122,024
335	Hydrants	33,248			33,248
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment	4,290			4,290
340	Office Furniture and Equipment	11,268			11,268
341	Transportation Equipment	15,848	3,009	2,356	16,501
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	3,264			3,264
344	Laboratory Equipment				
345	Power Operated Equipment	29,870			29,870
346	Communication Equipment	642	909		1,551
347	Miscellaneous Equipment	494			494
348	Other Tangible Plant				
	TOTAL WATER PLANT	\$ 1,851,750	\$ 18,332	\$ 7,488	\$ 1,862,595

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

UTILITY NAME: Rainbow Springs Utilities, LC
SYSTEM NAME / COUNTY: Rainbow Springs / Marion

WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 22,340	\$ 22,340				
302	Franchises	16,205	16,205				
303	Land and Land Rights	6,799			\$ 6,799		\$ -
304	Structure and Improvements	203,710		15,266	188,444		
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	53,592		53,592			
308	Infiltration Galleries and Tunnels						
309	Supply Main Rainbow Springs / Marion	154,069		154,069			
310	Power Generation Equipment	26,352		26,352			
311	Pumping Equipment	113,281		113,281			
320	Water Treatment Equipment	28,586			28,586		
330	Distribution Reservoirs and Standpipes	232,956				232,956	
331	Transmission and Distribution Mains	648,604				648,604	
333	Services	133,591				133,591	
334	Meters and Meter Installations	122,024				122,024	
335	Hydrants	33,248				33,248	
336	Backflow Prevention Devices						
339	Other Plant / Miscellaneous Equipment	4,290				4,290	
340	Office Furniture and Equipment	11,268					11,268
341	Transportation Equipment	16,501					16,501
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	3,264					3,264
344	Laboratory Equipment						
345	Power Operated Equipment	29,870					29,870
346	Communication Equipment	1,551					1,551
347	Miscellaneous Equipment	494					494
348	Other Tangible Plant						
	TOTAL WATER PLANT	\$ 1,862,595	\$ 38,545	\$ 362,560	\$ 223,829	\$ 1,174,713	\$ 62,948

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
301	Organization	40	%	2.50 %
302	Franchises	40	%	2.50 %
304	Structure and Improvements	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	35	%	2.86 %
310	Power Generation Equipment	20	%	5.00 %
311	Pumping Equipment	20	%	5.00 %
320	Water Treatment Equipment	22	%	4.55 %
330	Distribution Reservoirs and Standpipes	40	%	2.50 %
331	Transmission and Distribution Mains	45	%	2.22 %
333	Services	40	%	2.50 %
334	Meters and Meter Installations	20	%	5.00 %
335	Hydrants	45	%	2.22 %
336	Backflow Prevention Devices		%	%
339	Other Plant / Miscellaneous Equipment	25	%	4.00 %
340	Office Furniture and Equipment	6	%	16.67 %
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	12	%	8.33 %
346	Communication Equipment	12	%	8.33 %
347	Miscellaneous Equipment	15	%	6.67 %
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.

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

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)
301	Organization	\$ 9,342	\$ 558	1	\$ 559
302	Franchises	2,228	405		405
304	Structure and Improvements	37,100	6,172	1	6,173
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	17,993	1,785	(1)	1,784
308	Infiltration Galleries and Tunnels				
309	Supply Mains	38,309	4,406	1	4,407
310	Power Generation Equipment	16,695	1,318		1,318
311	Pumping Equipment	24,142	5,616		5,616
320	Water Treatment Equipment	10,415	1,301		1,301
330	Distribution Reservoirs and Standpipes	52,260	5,824		5,824
331	Transmission and Distribution	209,322	14,399		14,399
333	Services	49,464	3,340		3,340
334	Meters and Meter Installations	40,680	5,917		5,917
335	Hydrants	3,370	738		738
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment	1,935	172	(1)	171
340	Office Furniture and Equipment	6,517	1,878	1	1,879
341	Transportation Equipment	15,848	54	1	55
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	904	204		204
344	Laboratory Equipment				
345	Power Operated Equipment	21,029	2,488	1	2,489
346	Communication Equipment	96	110		110
347	Miscellaneous Equipment	16	33		33
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 557,665	\$ 56,718	4	\$ 56,722

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

Note: Other Credits (Column (e)) to correct rounding

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

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) (k)
301	Organization	\$ -	\$ -	\$ -	\$ -	9,901
302	Franchises					2,633
304	Structure and Improvements					43,273
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					19,777
308	Infiltration Galleries and Tunnels					
309	Supply Mains					42,716
310	Power Generation Equipment					18,013
311	Pumping Equipment	(4,421)			(4,421)	25,337
320	Water Treatment Equipment					11,716
330	Distribution Reservoirs and Standpipes					58,084
331	Transmission and Distribution					223,721
333	Services					52,804
334	Meters and Meter Installations	(711)			(711)	45,886
335	Hydrants					4,108
336	Backflow Prevention Devices					
339	Other Plant / Miscellaneous Equipment					2,106
340	Office Furniture and Equipment					8,396
341	Transportation Equipment	(2,356)			(2,356)	13,547
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					1,108
344	Laboratory Equipment					
345	Power Operated Equipment					23,518
346	Communication Equipment					206
347	Miscellaneous Equipment					49
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ (7,488)	\$ -	\$ -	\$ (7,488)	\$ 606,899

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

**CONTRIBUTIONS IN AID OF CONSTRUCTION
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance First of Year		\$ 728,091
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	W-8(a)	44,804
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	
Total Credits		44,804
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 772,895

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

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

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Meter fees	73	\$ 65	\$ 4,745
Main Extension charges	60	342	20,520
Capacity charges	73	208	15,184
Irrigation Meter fees	67	65	4,355
Total Credits			\$ 44,804

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 123,203
Debits during year:	
Accruals charged to Account	15,826
Other Debits (specify):	
Total debits	15,826
Credits during year (specify):	
Rounding	1
Total credits	1
Balance end of year	\$ 139,028

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

WATER CIAC SCHEDULE "B"

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

DESCRIPTION (a)	INDICATE "CASH" OR "PROPERTY" (b)	WATER (c)
None		
Total Credits		N/A

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
460	Water Sales: Unmetered Water Revenue			
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	1,174	1,245	\$ 177,553
461.2	Metered Sales to Commercial Customers	3	3	5,538
461.3	Metered Sales to Industrial Customers			
461.4	Metered Sales to Public Authorities			
461.5	Metered Sales to Multiple Family Dwellings			
	Total Metered Sales	1,177	1,248	183,091
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	2	2	949
	Total Fire Protection Revenue	2	2	949
464	Other Sales to Public Authorities			
465	Sales to Irrigation Customers	677	743	233,752
466	Sales for Resale			
467	Interdepartmental Sales			
	Total Water Sales	1,856	1,993	417,792
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,160
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 2,160
	Total Water Operating Revenues			\$ 419,952

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

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

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	\$ 72,897	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	21,455		
604	Employee Pensions and Benefits	37,222		
610	Purchased Water			
615	Purchased Power	27,506	27,506	
616	Fuel for Power Production	1,012	1,012	
618	Chemicals	2,391	372	
620	Materials and Supplies	12,759		603
631	Contractual Services - Engineering	1,484		
632	Contractual Services - Accounting	50,258		
633	Contractual Services - Legal	3,421		
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Testing	650		
636	Contractual Services - Other	13,260		
641	Rental of Building/Real Property	6,010	66	
642	Rental of Equipment	293		
650	Transportation Expense	6,328		
656	Insurance - Vehicle			
657	Insurance - General Liability	14,098		
658	Insurance - Workmens Comp.	11,604		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense			
675	Miscellaneous Expenses	20,601	6,194	
Total Water Utility Expenses		\$ 303,249	\$ 35,150	\$ 603

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ -	\$ -	\$ -	\$ -	\$ 47,995	\$ 24,902
21,455					37,222
2,019					
1,484	2,666	1,699	5,792	1,892	107
				14,704	35,554
					3,421
575				75	
13,260					
154					5,790
					293
	815	4,066			1,447
14,098					
					11,604
2,392				2,498	9,517
\$ 55,437	\$ 3,481	\$ 5,765	\$ 5,792	\$ 67,164	\$ 129,857

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		24,841	5,150	19,691	17,738
February		13,911	3,675	10,236	9,281
March		18,340	3,775	14,565	13,160
April		28,040	2,400	25,640	23,119
May		24,390	1,625	22,765	20,560
June		22,655	750	21,905	19,996
July		23,063	2,675	20,388	18,416
August		14,870	3,250	11,620	10,511
September		12,703	1,925	10,778	9,763
October		22,508	3,775	18,733	16,930
November		16,910	2,700	14,210	12,818
December		17,958	1,725	16,233	14,639
Total for year	N/A	240,189	33,425	206,764	186,931

If water is purchased for resale, indicate the following:

Vendor N/A
 Point of deliver N/A

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

N/A

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Well # 14	648,000 gpd	Approximately	Ground
Well # 15	1,368,000 gpd	- 656,000 - from	Ground
Well # 18	1,440,000 gpd	all three wells	Ground

UTILITY NAME: Rainbow Springs Utilities, LC
SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

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

Permitted Capacity of Plant (GPD):	<u>2.38 MGD</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>After storage tank</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc):	<u>Gas Chlorination</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon):	<u>N/A</u> Manufacturer <u>N/A</u>
FILTRATION	
Type and size of area:	
Pressure (in square feet):	<u>N/A</u> Manufacturer <u>N/A</u>
Gravity (in GPM/square feet):	<u>N/A</u> Manufacturer <u>N/A</u>

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,245	1,245
5/8"	Displacement	1.0	741	741
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0	2	10
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	1	50
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0	1	90
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				2,160

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

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

ERC Calculation:
ERC = 186,931 gallons, divided by
350 gallons per day
365 days
<u>1,463.3</u> ERC's

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's * that system can efficiently serve.	<u>1463.3</u>
2. Maximum number of ERC's * which can be served.	<u>3229</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1790</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>Approximately 2,500</u>
5. Estimated annual increase in ERC's * .	<u>53</u>
6. Is the utility required to have fire flow capacity? If so, how much capacity is required?	<u>Yes</u> <u>1,500 GPM</u>
7. Attach a description of the fire fighting facilities.	<u>1,500 GPM from 3 high service pumps; 500,000 gal of storage</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
9. When did the company last file a capacity analysis report with the DEP?	<u>Jan, 2003</u>
10. If the present system does not meet the requirements of DEP rules:	
a. Attach a description of the plant upgrade necessary to meet the DEP rules.	<u>N/A</u>
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will construction be	<u>N/A</u>
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order of the DEP?	<u>No</u>
11. Department of Environmental Protection ID #	<u>129484005-WC-20</u>
12. Water Management District Consumptive Use Permit #	<u>20004257.011</u>
a. Is the system in compliance with the requirements of the CUP?	<u>Yes</u>
b. If not, what are the utility's plans to gain compliance?	<u>N/A</u>

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

**WASTEWATER
OPERATING
SECTION**

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 3,251,365
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(1,105,013)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(1,583,309)
252	Advances for Construction	F-20	
	Subtotal		563,043
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	306,104
	Subtotal		869,147
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		33,059
	Other (Specify): Completed Construction not Classified		-
	WASTEWATER RATE BASE		\$ 902,206
	UTILITY OPERATING INCOME	S-3	\$ 73,477
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		8.14 %

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

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	S-9	\$ 445,911
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		445,911
401	Operating Expenses	S-10(a)	264,470
403	Depreciation Expense	S-6(a)	96,886
	Less: Amortization of CIAC	S-8(a)	(36,164)
	Net Depreciation Expense		60,722
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC) (Loss on plant abandonment)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		20,066
408.11	Property Taxes		22,427
408.12	Payroll Taxes		4,466
408.13	Other Taxes & Licenses		283
408	Total Taxes Other Than Income		47,242
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		372,434
	Utility Operating Income		73,477
530	Add Back: Guaranteed Revenue (and AFPI)		
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 73,477

UTILITY NAME: Rainbow Springs Utilities, LC
SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 9,825	\$ -	\$ -	\$ 9,825
352	Franchises	16,205			16,205
353	Land and Land Rights	177,490			177,490
354	Structure and Improvements	603,576			603,576
355	Power Generation Equipment	115,743			115,743
360	Collection Sewers - Force	85,010			85,010
361	Collection Sewers - Gravity	1,169,344			1,169,344
362	Special Collecting Structures				
363	Services to Customers	112,893			112,893
364	Flow Measuring Devices	9,077			9,077
365	Flow Measuring Installations				
366	Reuse Services	1,787			1,787
367	Reuse Meters and Meter Installations				
370	Receiving Wells	242,479	8,869	2,761	248,587
371	Pumping Equipment	99,297	7,947	2,715	104,529
374	Reuse Distribution Reservoirs	20,402			20,402
375	Reuse Transmission and Distribution System	281,804			281,804
380	Treatment & Disposal Equipment	256,732	5,615	4,892	257,455
381	Plant Sewers	35,782			35,782
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment		1,358		1,358
390	Office Furniture & Equipment	498			498
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 3,237,944	\$ 23,789	\$ 10,368	\$ 3,251,365

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

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$ 9,825						
352	Franchises	16,205						
353	Land and Land Rights				\$ 177,490			
354	Structure and Improvements				601,033	2,543		
355	Power Generation Equipment				51,430	64,313		
360	Collection Sewers - Force		85,010					
361	Collection Sewers - Gravity		1,169,344					
362	Special Collecting Structures							
363	Services to Customers		112,893					
364	Flow Measuring Devices		9,077					
365	Flow Measuring Installations						1,787	
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			248,587				
371	Pumping Equipment			99,238				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment & Disposal Equipment				102,917			
381	Plant Sewers				313			
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipme					154,538		
390	Office Furniture & Equipment					35,469		
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 26,030	\$ 1,376,324	\$ 347,825	\$ 934,541	\$ 277,265	\$ 288,882	\$ 498

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

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
351	Organization	40	%	2.50 %
352	Franchises	40	%	2.50 %
354	Structure and Improvements	32	%	3.13 %
355	Power Generation Equipment	20	%	5.00 %
360	Collection Sewers - Force	30	%	3.33 %
361	Collection Sewers - Gravity	45	%	2.22 %
362	Special Collecting Structures		%	%
363	Services to Customers	38	%	2.63 %
364	Flow Measuring Devices	5	%	20.00 %
365	Flow Measuring Installations		%	%
366	Reuse Services	40	%	2.50 %
367	Reuse Meters and Meter Installations		%	%
370	Receiving Wells	25	%	4.00 %
371	Pumping Equipment	18	%	5.56 %
374	Reuse Distribution Reservoirs	40	%	2.50 %
375	Reuse Transmission and Distribution System	43	%	2.33 %
380	Treatment & Disposal Equipment	18	%	5.56 %
381	Plant Sewers	35	%	2.86 %
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment	18	%	5.56 %
390	Office Furniture & Equipment	15	%	6.67 %
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		%	%
Wastewater Plant Composite Depreciation Rate *			%	%

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

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization	\$ 1,351	\$ 246	\$ -	\$ 246
352	Franchises	2,228	405		405
354	Structure and Improvements	152,045	18,876		18,876
355	Power Generation Equipment	50,481	5,787		5,787
360	Collection Sewers - Force	33,398	2,831		2,831
361	Collection Sewers - Gravity	441,720	25,959		25,959
362	Special Collecting Structures				
363	Services to Customers	43,198	2,969		2,969
364	Flow Measuring Devices	3,450	1,816		1,816
365	Flow Measuring Installations				
366	Reuse Services	579	45		45
367	Reuse Meters and Meter Installations				
370	Receiving Wells	73,265	9,822		9,822
371	Pumping Equipment	36,183	5,666		5,666
374	Reuse Distribution Reservoirs	4,803	510		510
375	Reuse Transmission and Distribution System	53,096	6,566		6,566
380	Treatment & Disposal Equipment	114,498	14,294	(1)	14,293
381	Plant Sewers	7,879	1,023		1,023
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment				
390	Office Furniture & Equipment	322	71		71
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 1,018,496	\$ 95,886	\$ (1)	\$ 96,885

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

Note: Other Credits (Column (e)) to correct rounding

S-6(a)
 GROUP 1

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (k)
351	Organization	\$ -	\$ -	\$ -	\$ -	1,597
352	Franchises					2,633
354	Structure and Improvements					170,921
355	Power Generation Equipment					56,268
360	Collection Sewers - Force					36,229
361	Collection Sewers - Gravity					467,679
362	Special Collecting Structures					
363	Services to Customers					46,167
364	Flow Measuring Devices					5,266
365	Flow Measuring Installations					
366	Reuse Services					624
367	Reuse Meters and Meter Installations					
370	Receiving Wells	2,761			(2,761)	80,326
371	Pumping Equipment	2,716			(2,716)	39,133
374	Reuse Distribution Reservoirs					5,313
375	Reuse Transmission and Distribution System					59,662
380	Treatment & Disposal Equipment	4,891			(4,891)	123,900
381	Plant Sewers					8,902
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					
390	Office Furniture & Equipment					393
391	Transportation Equipment					
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					
395	Power Operated Equipment					
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service		\$ 10,368	\$ -	\$ -	\$ (10,368)	\$ 1,105,013

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

**CONTRIBUTIONS IN AID OF CONSTRUCTION
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (b)
Balance First of Year		\$ 1,482,918
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	S-8(a)	100,391
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	
Total Credits		100,391
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 1,583,309

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

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

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

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)
Main Extension charges	60	\$ 740	\$ 44,400
Capacity charges	73	767	55,991
Total Credits			\$ 100,391

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 269,941
Debits during year:	
Accruals charged to Account	36,164
Other Debits (specify):	
Rounding	(1)
Total debits	36,163
Credits during year (specify):	
Total credits	
Balance end of year	\$ 306,104

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

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

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

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
WASTEWATER SALES				
Flat Rate Revenues:				
521.1	Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
Measured Revenues:				
522.1	Residential Revenues	1,172	1,249	\$ 428,103
522.2	Commercial Revenues	3	3	17,808
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)			
522	Total Measured Revenues	1,175	1,252	445,911
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	1,175	1,252	\$ 445,911
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
	Total Other Wastewater Revenues			\$ -

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

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
	Flat Rate Reuse Revenues:			
540.1	Residential Reuse Revenues			\$ -
540.2	Commercial Reuse Revenues			
540.3	Industrial Reuse Revenues			
540.4	Reuse Revenues From Public Authorities			
540.5	Other Reuse Revenues			
540	Total Flat Rate Reuse Revenues			
	Measured Reuse Revenues:			
541.1	Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues			
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				
Total Wastewater Operating Revenues				\$ 445,911

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

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 47,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	13,477					13,477	
704	Employee Pensions and Benefits	23,132					840	
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	27,882					27,882	
715	Purchased Power	37,716			5,922		31,794	
716	Fuel for Power Production	1,159					1,159	
718	Chemicals	4,129	4,049	80				
720	Materials and Supplies	14,252	1,202	520		6,441	2,859	898
731	Contractual Services - Engineering	1,867					1,867	
732	Contractual Services - Accounting	31,568						
733	Contractual Services - Legal	2,149						
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing	4,270	4,270					
736	Contractual Services - Other	13,260					13,260	
741	Rental of Building/Real Property	3,775	41					
742	Rental of Equipment	184						
750	Transportation Expense	2,316						
756	Insurance - Vehicle							
757	Insurance - General Liability	8,855						
758	Insurance - Workmens Comp.	8,954						
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	17,903					5,031	
	Total Wastewater Utility Expenses	\$ 264,470	\$ 9,562	\$ 600	\$ 5,922	\$ 6,441	\$ 98,169	\$ 898

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
 December 31, 2004

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES - OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES - MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES - OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES - MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ 30,251	\$ 17,371	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders		22,292				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Production						
718	Chemicals						
720	Materials and Supplies	42	116				2,174
731	Contractual Services - Engineering		31,568				
732	Contractual Services - Accounting		2,149				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property		3,734				
742	Rental of Equipment		184				
750	Transportation Expense		2,316				
756	Insurance - Vehicle						
757	Insurance - General Liability		8,855				
758	Insurance - Workmens Comp.		8,954				
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	1,643	11,229				
	Total Wastewater Utility Expenses	\$ 31,936	\$ 108,768	\$ -	\$ -	\$ -	\$ 2,174

S-10(b)
 GROUP 1

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	1,249	1,249
5/8"	Displacement	1.0		
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	2	16
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				<u>1,270</u>

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

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

For wastewater only utilities:

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

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

NOTE: Total gallons treated includes both treated and purchased treatment

ERC Calculation:	(<u>55,763,000</u>	/ 365 days) / 250 gpd =	<u>611</u>
		(total gallons treated)		

UTILITY NAME: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT December 31, 2004

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

Permitted Capacity	230,000		
Basis of Permit Capacity (1)	3 month Average Day		
Manufacturer	Marolf		
Type (2)	Pre-denitrification activated sludge		
Hydraulic Capacity	230,000		
Average Daily Flow	152,775		
Total Gallons of Wastewater Treated	55,763,000		
Method of Effluent Disposal	Holding pond/ Sprayfield		

- (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: Rainbow Springs Utilities, LC
 SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2004

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present ERC's * that system can efficiently serve.	<u>611</u>
2. Maximum number of ERC's * which can be served.	<u>920</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1790</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>Approximately 2,500</u>
5. Estimated annual increase in ERC's	<u>53</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.	
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	<u>No</u>
If so, when?	<u>N/A</u>
9. Has the utility been required by the DEP or water management district to implement reuse?	<u>No</u>
If so, what are the utility's plans to comply with the DE	<u>N/A</u>
10. When did the company last file a capacity analysis report with the DEP?	<u>July, 2001</u>
11. If the present system does not meet the requirements of DEP rules:	
a. Attach a description of the plant upgrade necessary to meet the DEP rules.	
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will construction begin?	<u>N/A</u>
d. Attach plans for funding the required upgrading.	<u>N/A</u>
e. Is this system under any Consent Order of the DE	<u>N/A</u>
11. Department of Environmental Protection ID #	<u>FLA 012693</u>

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