

CLASS "A" OR "B"

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS199-09-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, 2009

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
ECONOMIC REGULATION

10 MAR 26 AM 6:39



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

James L. Carlstedt, C.P.A.
Katherine U. Jackson, C.P.A.
Robert H. Jackson, C.P.A.
Cheryl T. Losee, C.P.A.
Robert C. Nixon, C.P.A.
Jeanette Sung, C.P.A.
Holly M. Towner, C.P.A.
James L. Wilson, C.P.A.

March 5, 2010

To the Members
Rainbow Springs Utilities, LC

We have compiled the balance sheets of Rainbow Springs Utilities, LC as of December 31, 2009 and 2008, and the related statements of income and retained earnings for the year(s) then ended, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

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

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

We are not independent with respect to Rainbow Springs Utilities, L.C.

Carlstedt, Jackson, Nixon & Wilson
CARLSTEDT, JACKSON, NIXON & WILSON

General Instructions

1. Prepare this report in conformity with the 1984 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 should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which will create a permanent record, such as by 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 of the page 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. Water and wastewater system pages should be grouped together by system and all pages in the water and wastewater sections should be numbered consecutively at the bottom of the page where noted. For example, if the water system pages total 50 pages, they should be grouped by system and numbered from 1 to 50.
11. 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.
12. 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.
13. 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 Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility

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EXECUTIVE

SUMMARY


CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2009

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. |

<u>Items Certified</u>				
1. (X)	2. (X)	3. (X)	4. (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, 2009

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) 489-9153

e-Mail Address: N/A

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number RS1304

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

Robert C. Nixon, CPA
 Carlstedt, 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:

11373 N. Williams St, Dunnellon, Florida, 34432
 and One Commercial Plaza, Hartford, Connecticut, 06103

Telephone: (352) 489-9153

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	50.0	%
2.	Arnold L. Chase	25.0	%
3.	Cheryl A. Chase	25.0	%
4.			%
5.			%
6.			%
7.			%
8.			%
9.			%
10.			%

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2009

**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	Member	c/o Chase Enterprises 225 Asylum Street 29th Floor Hartford, CT 06103-1538	Various utility matters
Robert C. Nixon	CPA	Carlstedt, 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

COMPANY PROFILE

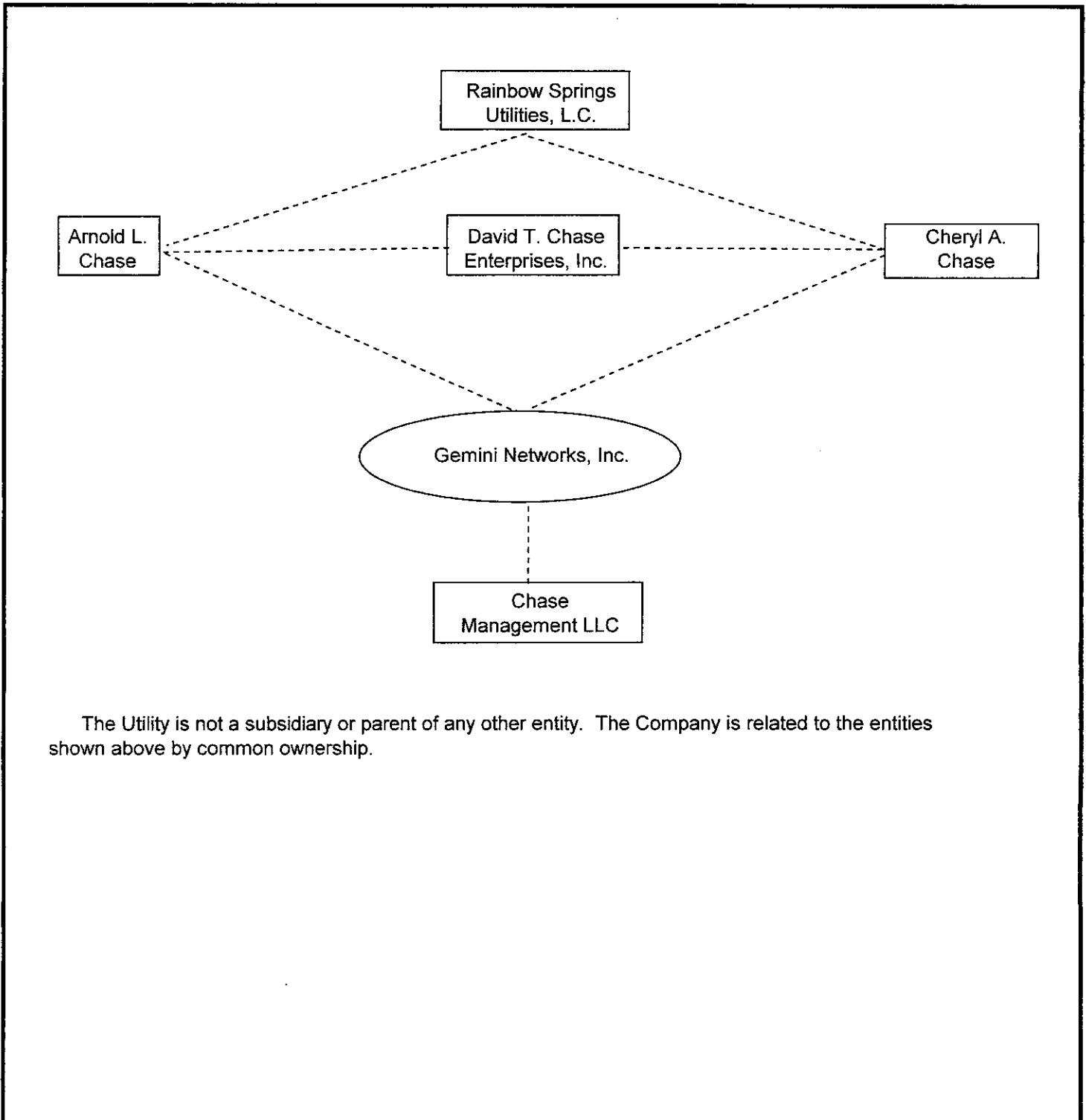
Provide a brief narrative company profile which covers the following areas:

- 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 10 - 20 ERC's per year until market conditions improve.
- F) None

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/09

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, 2009
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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 %	\$ 12,562
Cheryl A. Chase	Managing Member	1 %	\$ None
Arnold L. Chase	Managing Member	1 %	\$ None
David T 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

YEAR OF REPORT
December 31, 2009

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.

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	Member	Rainbow Springs Utilities, L.C. Dunnellon, FL
Arnold L. Chase	Executive	Officer Member	Gemini Networks, Inc Hartford, CT Rainbow Springs Utilities, L.C. Dunnellon, FL
Cheryl A. Chase	Executive	Officer Member	Gemini Networks, Inc Hartford, CT Rainbow Springs Utilities, L.C. Dunnellon, FL
Lowell Smallridge	Agent for Managing Members	Officer	Rainbow Springs Utilities, L.C. Dunnellon, FL

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2009
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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	\$		\$		\$	

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

- management, legal and accounting services	- material and supplies furnished
- computer services	- leasing of structures, land and equipment
- engineering & construction services	- rental transactions
- repairing and servicing of equipment	- sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Chase Management, LLC	Operations management, accounting and tax services	Open	P	\$ 84,000
Gemini Networks, Inc	Financial management, project management, budget management, legal services, insurance services	Open	P	56,080

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2009
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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	\$ 5,251,890	\$ 5,233,658
108-110	Less: Accumulated Depreciation and Amortization	F-8	(2,487,296)	(2,326,166)
Net Plant			2,764,594	2,907,492
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			2,764,594	2,907,492
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		193,122	135,420
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	77,126	69,807
145	Accounts Receivable from Associated Companies	F-12	500,000	500,000
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments		12,000	15,328
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			782,248	720,555

* Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ 1,673	\$ 2,509
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14	2,535	6,699
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			4,208	9,208
TOTAL ASSETS AND OTHER DEBITS			\$ 3,551,050	\$ 3,637,255

* 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	\$ -	\$ -
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		2,388,768	2,388,768
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16		
216	Reacquired Capital Stock			
218	Proprietary Capital - (Member's Equity) (Proprietorship and Partnership Only)		(1,651,119)	(1,672,778)
Total Equity Capital			737,649	715,990
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	799,768	850,398
Total Long Term Debt			799,768	850,398
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		73,285	40,935
232	Notes Payable	F-18	9,178	14,743
233	Accounts Payable to Associated Co.	F-18		4,700
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		2,150	2,413
236	Accrued Taxes			
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	371	371
Total Current and Accrued Liabilities			84,984	63,162

* 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	2,749,700	2,747,448
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(821,051)	(739,743)
Total Net C.I.A.C.			1,928,649	2,007,705
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			\$ 3,551,050	\$ 3,637,255

UTILITY NAME: Rainbow Springs Utilities, LC

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)	\$ 1,074,250	\$ 1,066,794
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			1,074,250	1,066,794
401	Operating Expenses	F-3(b)	809,264	823,159
403	Depreciation Expense	F-3(b)	162,242	162,389
	Less: Amortization of CIAC	F-22	(77,610)	(81,309)
Net Depreciation Expense			84,632	81,080
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	83,508	84,611
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			977,404	988,850
Net Utility Operating Income			96,846	77,944
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)]			96,846	77,944

* 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)
\$ 524,983	\$ 541,811	N/A
N/A		
524,983	541,811	-
400,893	422,266	
66,006	96,383	
(25,652)	(55,657)	
40,354	40,726	-
41,039	43,572	
482,286	506,564	
42,697	35,247	
42,697	35,247	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)]			\$ 96,846	\$ 77,944
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		25,853	(6)
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			25,853	(6)
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	59,282	55,448
428	Amortization of Debt Discount & Expense	F-13	1,672	836
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			60,954	56,284
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET (LOSS) INCOME			61,745	21,654

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	\$ 1,975,523	\$ 3,276,367
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	(901,272)	(1,586,024)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	(895,288)	(1,854,412)
252	Advances for Construction	F-20		
Subtotal			178,963	(164,069)
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	257,075	563,976
Subtotal			436,038	399,907
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		50,112	52,783
	Other (Specify):			
RATE BASE			\$ 486,150	\$ 452,690
NET UTILITY OPERATING INCOME			\$ 42,697	\$ 35,247
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			8.78 %	7.79 %

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.

**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	\$ 1,975,523	\$ 3,276,367	N/A	\$ 5,251,890
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		\$ 1,975,523	\$ 3,276,367	N/A	\$ 5,251,890

**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		\$ -	\$ -	\$ -	\$ -

UTILITY NAME: Rainbow Springs Utilities, LC

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	\$ 836,524	\$ 1,489,642	N/A	\$ 2,326,166
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	66,006	96,383		162,389
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				

Salvage				
Other Credits (specify) :				

Total credits	66,006	96,383		162,389
Debits during year:				
Book cost of plant retired	(1,255)			(1,255)
Cost of removal				
Other debits (specify)				
Rounding	(3)	(1)		(4)
Total debits	(1,258)	(1)		(1,259)
Balance end of year	\$ 901,272	\$ 1,586,024	N/A	\$ 2,487,296

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.

**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

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	\$ 75,164	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 75,164
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
CIAC Receivable	\$ 1,962	
Total Other Accounts Receivable		\$ 1,962
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		<u>77,126</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>\$ 77,126</u>

UTILITY NAME: Rainbow Springs Utilities, LC

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Due from shareholders	\$ 500,000
Total	\$ 500,000

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

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):		
Wachovia	\$ 836	\$ 1,673
Total Unamortized Debt Discount and Expense	\$ 836	\$ 1,673
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	\$ -

UTILITY NAME: Rainbow Springs Utilities, LC

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (d)
COMMON 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
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	N/A
439	Changes to account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	_____
	Total Credits	_____
	Debits: _____	_____
	Total Debits	_____
435	Balance transferred from Income	_____
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	_____ -
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____	_____
214	Total Appropriated Retained Earnings	_____
	Total Retained Earnings	_____ N/A
Notes to Statement of Retained Earnings:		

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): Brannon Bank; Issued: June-07 Matures: June-11	7.5 %	F	\$ 9,178
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ 9,178
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			\$ -
N/A	%		-
	%		-
	%		-
	%		-
	%		-
	%		-
Total Account 234			

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

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

**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					
Wachovia Bank Construction Loan	\$ -	427.3	\$ 54,528	\$ 54,528	\$ -
Brannon Bank	-	427.1	920	920	\$ -
	-				-
	-				-
	-				-
	-				-
	-				-
	-				-
Total Account No. 237.1	-		<u>55,448</u>	<u>55,448</u>	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer Deposits	-	427.4	-	-	-
Total Account 237.2	-				
Total Account 237 (1)	<u>\$ -</u>		<u>\$ 55,448</u>	<u>\$ 55,448</u>	<u>\$ -</u>
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 55,448		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			<u>\$ 55,448</u>		

(1) Must Agree to F-2(a), Beginning and Ending Balance of Accrued Interest
(2) Must agree to F-3(c), Current Year Interest Expense

UTILITY NAME: Rainbow Springs Utilities, LC

**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	\$ 894,543	\$ 1,852,905	N/A	\$ 2,747,448
Add credits during year:	745	1,507		2,252
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 895,288	\$ 1,854,412	\$ -	\$ 2,749,700

**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	\$ 231,423	\$ 508,320	N/A	\$ 739,743
Debits during year:	25,652	55,657		81,309
Credits during year (specify): Rounding		1		1
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 257,075	\$ 563,976		\$ 821,051

**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
OPERATION
SECTION**

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

YEAR OF REPORT
December 31, 2009

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)	\$ 1,975,523
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	901,272
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	895,288
252	Advances for Construction	F-20	
	Subtotal		178,963
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	257,075
	Subtotal		436,038
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		50,112
	Other (Specify): Completed Construction not Classified		-
	WATER RATE BASE		\$ 486,150
	UTILITY OPERATING INCOME	W-3	\$ 42,697
	ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Base)		8.78 %

- 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	524,983
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		524,983
401	Operating Expenses	W-10(a)	400,893
403	Depreciation Expense	W-6(a)	66,006
	Less: Amortization of CIAC	W-8(a)	(25,652)
	Net Depreciation Expense		40,354
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		23,624
408.11	Property Taxes		7,626
408.12	Payroll Taxes		7,439
408.13	Other Taxes & Licenses		2,350
408	Total Taxes Other Than Income		41,039
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		482,286
	Utility Operating Income		42,697
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		\$ 42,697

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

YEAR OF REPORT
 December 31, 2009

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	6,799			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	2,730		156,799
310	Power Generation Equipment	33,005			33,005
311	Pumping Equipment	116,694			116,694
320	Water Treatment Equipment	29,388			29,388
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	174,966	2,901	1,255	176,612
335	Hydrants	33,248			33,248
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment	4,731			4,731
340	Office Furniture and Equipment	15,852			15,852
341	Transportation Equipment	44,120			44,120
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	3,964	4,082		8,046
344	Laboratory Equipment	613			613
345	Power Operated Equipment	36,573			36,573
346	Communication Equipment	1,551			1,551
347	Miscellaneous Equipment	494			494
348	Other Tangible Plant				
	TOTAL WATER PLANT	\$ 1,967,065	\$ 9,713	\$ 1,255	\$ 1,975,523

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

YEAR OF REPORT
 December 31, 2009

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		\$ 15,266	\$ 6,799		\$ -
304	Structure and Improvements	203,710			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	156,799		156,799			
310	Power Generation Equipment	33,005		33,005			
311	Pumping Equipment	116,694		116,429		265	
320	Water Treatment Equipment	29,388			29,388		
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	176,612				176,612	
335	Hydrants	33,248				33,248	
336	Backflow Prevention Devices						
339	Other Plant / Miscellaneous Equipment	4,731				4,731	
340	Office Furniture and Equipment	15,852					15,852
341	Transportation Equipment	44,120					44,120
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	8,046					8,046
344	Laboratory Equipment	613					613
345	Power Operated Equipment	36,573					36,573
346	Communication Equipment	1,551					1,551
347	Miscellaneous Equipment	494					494
348	Other Tangible Plant						
	TOTAL WATER PLANT	\$ 1,975,523	\$ 38,545	\$ 375,091	\$ 224,631	\$ 1,230,007	\$ 107,249

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

YEAR OF REPORT
December 31, 2009

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	15	%	6.67 %
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
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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	\$ 12,135	\$ 559	(1)	\$ 558
302	Franchises	4,254	405		405
304	Structure and Improvements	67,962	6,173		6,173
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	26,916	1,784		1,784
308	Infiltration Galleries and Tunnels				
309	Supply Mains	60,341	4,446		4,446
310	Power Generation Equipment	17,567	1,650		1,650
311	Pumping Equipment	45,221	5,835	(1)	5,834
320	Water Treatment Equipment	17,047	1,337		1,337
330	Distribution Reservoirs and Standpipes	81,379	5,824		5,824
331	Transmission and Distribution	281,317	14,399		14,399
333	Services	66,163	3,339		3,339
334	Meters and Meter Installations	59,717	8,790		8,790
335	Hydrants	7,060	738		738
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment	2,855	189		189
340	Office Furniture and Equipment	14,421	1,431		1,431
341	Transportation Equipment	33,647	7,354		7,354
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	1,946	375		375
344	Laboratory Equipment	143	41		41
345	Power Operated Equipment	35,425	1,148		1,148
346	Communication Equipment	827	155		155
347	Miscellaneous Equipment	181	34	(1)	33
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 836,524	\$ 66,006	(3)	\$ 66,003

* 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
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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	\$ -	\$ -	\$ -	\$ -	12,693
302	Franchises					4,659
304	Structure and Improvements					74,135
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					28,700
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					64,787
311	Pumping Equipment					19,217
320	Water Treatment Equipment					51,055
330	Distribution Reservoirs and Standpipes					18,384
331	Transmission and Distribution					87,203
333	Services					295,716
334	Meters and Meter Installations	(1,255)			(1,255)	69,502
335	Hydrants					67,252
336	Backflow Prevention Devices					7,798
339	Other Plant / Miscellaneous Equipment					3,044
340	Office Furniture and Equipment					15,852
341	Transportation Equipment					41,001
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					2,321
344	Laboratory Equipment					184
345	Power Operated Equipment					36,573
346	Communication Equipment					982
347	Miscellaneous Equipment					214
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ (1,255)	\$ -	\$ -	\$ (1,255)	\$ 901,272

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

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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	1	\$ 65	\$ 65
Main Extension charges	1	342	342
Capacity charges	1	208	208
Irrigation Meter fees	2	65	130
Meter fees >1"	-		
Total Credits			\$ 745

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 231,423
Debits during year:	
Accruals charged to Account	25,652
Other Debits (specify):	
Total debits	25,652
Credits during year (specify):	
Rounding	-
Total credits	
Balance end of year	\$ 257,075

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

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WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
460	Water Sales: Unmetered Water Revenue			
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	1,476	1,477	\$ 219,366
461.2	Metered Sales to Commercial Customers	6	7	6,279
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	1,482	1,484	225,645
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	2	2	1,030
	Total Fire Protection Revenue	2	2	1,030
464	Other Sales to Public Authorities			
465	Sales to Irrigation Customers	948	946	295,464
466	Sales for Resale			
467	Interdepartmental Sales			
	Total Water Sales	2,432	2,432	522,139
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,844
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 2,844
	Total Water Operating Revenues			\$ 524,983

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

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 93,863	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	6,281		
604	Employee Pensions and Benefits	29,831		
610	Purchased Water			
615	Purchased Power	47,365	46,264	
616	Fuel for Power Production	594	594	
618	Chemicals	3,534		
620	Materials and Supplies	20,637		4,663
631	Contractual Services - Engineering	18,215		
632	Contractual Services - Accounting	26,662		
633	Contractual Services - Legal	8,982		
634	Contractual Services - Mgt. Fees	60,982		
635	Contractual Services - Testing	2,018		
636	Contractual Services - Other	16,019		
641	Rental of Building/Real Property	8,287	186	
642	Rental of Equipment	375		
650	Transportation Expense	4,422		
656	Insurance - Vehicle			
657	Insurance - General Liability	11,966		
658	Insurance - Workmens Comp.	4,029		
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	36,831		
Total Water Utility Expenses		\$ 400,893	\$ 47,044	\$ 4,663

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)
\$ -	\$ -	\$ -	\$ -	\$ 51,296	\$ 42,567
6,281					29,831
					1,101
3,534					
	8,444	1,605	3,535	1,012	1,378
3,414	14,801				
					26,662
					8,982
					60,982
2,018					
15,900	119				
					8,101
					375
	1,214	3,208			
11,966					
					4,029
3,236	928			3,656	29,011
\$ 46,349	\$ 25,506	\$ 4,813	\$ 3,535	\$ 55,964	\$ 213,019

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		19,734	1,513	18,221	16,721
February		18,401	3,003	15,398	14,665
March		17,804	3,667	14,137	16,118
April		21,777	4,666	17,111	18,154
May		28,487	2,204	26,283	22,770
June		20,809	3,652	17,157	15,465
July		19,851	5,502	14,349	13,441
August		23,490	4,151	19,339	17,284
September		25,464	4,002	21,462	19,036
October		23,067	2,051	21,016	17,696
November		26,391	3,751	22,640	20,199
December		19,425	5,352	14,073	12,458
Total for year	N/A	264,700	43,514	221,186	204,007

If water is purchased for resale, indicate the following:
 Vendor N/A
 Point of delivery 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	- 786,000 - from	Ground
Well # 18	1,440,000 gpd	all three wells	Ground

UTILITY NAME: Rainbow Springs Utilities, LC
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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>

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	1,477	1,477
5/8"	Displacement	1.0	946	946
3/4"	Displacement	1.5		
1"	Displacement	2.5	1	3
1 1/2"	Displacement or Turbine	5.0	2	10
2"	Displacement, Compound or Turbine	8.0	4	32
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				2,608

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 =	204,007	gallons, divided by
	350	gallons per day
	365	days
	<u>1,596.9</u>	ERC's

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

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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.	2,608
2. Maximum number of ERC's * which can be served.	3229
3. Present system connection capacity (in ERC's *) using existing lines.	1973
4. Future system connection capacity (in ERC's *) upon service area buildout.	Approximately 3,000
5. Estimated annual increase in ERC's *.	9 under current market conditions
6. Is the utility required to have fire flow capacity? If so, how much capacity is required?	Yes 1,500 GPM
7. Attach a description of the fire fighting facilities.	1,500 GPM from 3 high service pumps; 500,000 gal of storage
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	Existing treatment plant upgrade with new high service pump & generator - 2011; SW 92nd St. & U.S. 41 mainline loop watermain - 2012; Tract F water supply wells - 2012
9. When did the company last file a capacity analysis report with the DEP?	Jan, 2003
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.	N/A
b. Have these plans been approved by DEP?	N/A
c. When will construction be	N/A
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order of the DEP?	No
11. Department of Environmental Protection ID #	0129484005-WC-20
12. Water Management District Consumptive Use Permit #	20-004257.012
a. Is the system in compliance with the requirements of the CUP?	Yes
b. If not, what are the utility's plans to gain compliance?	N/A

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

**WASTEWATER
OPERATION
SECTION**

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 3,276,367
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(1,586,024)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(1,854,412)
252	Advances for Construction	F-20	
	Subtotal		(164,069)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	563,976
	Subtotal		399,907
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		52,783
	Other (Specify): Completed Construction not Classified		-
	WASTEWATER RATE BASE		\$ 452,690
	UTILITY OPERATING INCOME	S-3	\$ 35,247
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		7.79 %

- 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	\$ 541,811
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		541,811
401	Operating Expenses	S-10(a)	422,266
403	Depreciation Expense	S-6(a)	96,383
	Less: Amortization of CIAC	S-8(a)	(55,657)
	Net Depreciation Expense		40,726
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		24,381
408.11	Property Taxes		11,353
408.12	Payroll Taxes		7,439
408.13	Other Taxes & Licenses		399
408	Total Taxes Other Than Income		43,572
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		506,564
	Utility Operating Income		35,247
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		\$ 35,247

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

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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	252,013			252,013
371	Pumping Equipment	109,425	9,774		119,199
374	Reuse Distribution Reservoirs	20,402			20,402
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment	281,804			281,804
381	Plant Sewers	259,111			259,111
382	Outfall Sewer Lines	39,175			39,175
389	Other Plant / Miscellaneous Equipment	2,763			2,763
390	Office Furniture & Equipment	950			950
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	\$ 3,266,593	\$ 9,774	\$ -	\$ 3,276,367

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

Note (1): Reclassification between accounts with \$1 rounding in ending balances

S-4(a)
 GROUP 1

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

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			252,013				
371	Pumping Equipment			113,908				
374	Reuse Distribution Reservoirs					20,402		
375	Reuse Transmission and Distribution System						281,804	
380	Treatment & Disposal Equipment				107,466			
381	Plant Sewers				3,706			
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipme				2,763			
390	Office Furniture & Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 26,030	\$ 1,376,324	\$ 365,921	\$ 943,888	\$ 274,372	\$ 288,882	\$ 950

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.

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

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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	\$ 2,579	\$ 246	\$ -	\$ 246
352	Franchises	4,254	405		405
354	Structure and Improvements	246,425	18,876		18,876
355	Power Generation Equipment	79,417	5,797		5,797
360	Collection Sewers - Force	47,552	2,831		2,831
361	Collection Sewers - Gravity	571,517	25,960	(1)	25,959
362	Special Collecting Structures				
363	Services to Customers	58,044	2,968		2,968
364	Flow Measuring Devices	9,078	(1)		(1)
365	Flow Measuring Installations				
366	Reuse Services	803	45		45
367	Reuse Meters and Meter Installations				
370	Receiving Wells	120,580	10,080		10,080
371	Pumping Equipment	62,591	6,355		6,355
374	Reuse Distribution Reservoirs	7,353	510		510
375	Reuse Transmission and Distribution System	85,926	6,566		6,566
380	Treatment & Disposal Equipment	178,579	14,406		14,406
381	Plant Sewers	13,768	1,121		1,121
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	613	154		154
390	Office Furniture & Equipment	563	64		64
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		\$ 1,489,642	\$ 96,383	\$ (1)	\$ 96,382

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

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

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	\$ -	\$ -	\$ -	\$ -	2,825
352	Franchises					4,659
354	Structure and Improvements					265,301
355	Power Generation Equipment					85,214
360	Collection Sewers - Force					50,383
361	Collection Sewers - Gravity					597,476
362	Special Collecting Structures					61,012
363	Services to Customers					9,077
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					848
367	Reuse Meters and Meter Installations					
370	Receiving Wells					130,660
371	Pumping Equipment					68,946
374	Reuse Distribution Reservoirs					7,863
375	Reuse Transmission and Distribution System					92,492
380	Treatment & Disposal Equipment					192,985
381	Plant Sewers					14,889
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					767
390	Office Furniture & Equipment					627
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						\$ 1,586,024

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	1,476	1,477	\$ 521,708
522.2	Commercial Revenues	3	3	20,103
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)			
522	Total Measured Revenues	1,479	1,480	541,811
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	1,479	1,480	\$ 541,811
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
	Total Other Wastewater Revenues			\$ -

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

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues			\$ -
540.2	Commercial Reuse Revenues			
540.3	Industrial Reuse Revenues			
540.4	Reuse Revenues From Public Authorities			
540.5	Other Reuse Revenues			
540	Total Flat Rate Reuse Revenues			
541.1	Measured Reuse Revenues: Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
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				\$ 541,811

* 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	\$ 93,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	6,281					6,281	
704	Employee Pensions and Benefits	29,831						
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	51,480					51,480	
715	Purchased Power	58,120			9,510		48,610	
716	Fuel for Power Production	594					594	
718	Chemicals	6,253	4,613		261			1,379
720	Materials and Supplies	17,321		3,319		4,642	3,831	1,417
731	Contractual Services - Engineering	1,809					1,809	
732	Contractual Services - Accounting	26,662						
733	Contractual Services - Legal	7,990						
734	Contractual Services - Mgt. Fees	35,098						
735	Contractual Services - Testing	9,386	9,386					
736	Contractual Services - Other	15,900					15,900	
741	Rental of Building/Real Property	8,287	186					
742	Rental of Equipment	328						
750	Transportation Expense	4,422						
756	Insurance - Vehicle							
757	Insurance - General Liability	11,966						
758	Insurance - Workmens Comp.	4,029						
759	Insurance - Other							
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense						1,304	
775	Miscellaneous Expenses	32,646						
	Total Wastewater Utility Expenses	\$ 422,266	\$ 14,185	\$ 3,319	\$ 9,771	\$ 4,642	\$ 129,809	\$ 2,796

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	\$ 51,296	\$ 42,567	\$ -			\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders		29,831				
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	100	543				3,469
731	Contractual Services - Engineering						
732	Contractual Services - Accounting		26,662				
733	Contractual Services - Legal		7,990				
734	Contractual Services - Mgt. Fees		35,098				
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property		8,101				
742	Rental of Equipment		328				
750	Transportation Expense		4,422				
756	Insurance - Vehicle						
757	Insurance - General Liability		11,966				
758	Insurance - Workmens Comp.		4,029				
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	3,596	27,746				
	Total Wastewater Utility Expenses	\$ 54,992	\$ 199,283	\$ -	\$ -	\$ -	\$ 3,469

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	1,477	1,477
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	24
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				1,501

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:	(48,120,000	/ 365 days) / 250 gpd =	527
		(total gallons treated)		

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

YEAR OF REPORT
December 31, 2009

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

Permitted Capacity	230,000		
Basis of Permit Capacity (1)	3 MADF		
Manufacturer	Marolf		
Type (2)	Pre-denitrification activated sludge		
Hydraulic Capacity	230,000		
Average Daily Flow	131,836		
Total Gallons of Wastewater Treated	48,120,000		
Method of Effluent Disposal	Restricted access 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, 2009

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.	1,501
2. Maximum number of ERC's * which can be served.	920
3. Present system connection capacity (in ERC's *) using existing lines.	1973
4. Future system connection capacity (in ERC's *) upon service area buildout.	Approximately 2,500
5. Estimated annual increase in ERC's	9 - under current market conditions
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	Treatment plant expansion to .275 MGD and restricted access reuse expansion - 2012; master pump station expansion - 2011
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.	48,120 MG to sprayfield
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	N/A
If so, when?	N/A
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 the DEP?	N/A
10. When did the company last file a capacity analysis report with the DEP?	July, 2006
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?	N/A
c. When will construction begin?	N/A
d. Attach plans for funding the required upgrading.	N/A
e. Is this system under any Consent Order of the DEP?	N/A
11. Department of Environmental Protection ID #	FLA 012693

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

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

Company: Rainbow Springs Utilities, LC

For the Year Ended December 31, 2009

(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)	225,645	225,645	-
Total Fire Protection Revenue (462.1 - 462.2)	1,030	1,030	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	295,464	295,464	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	2,844	2,844	-
Total Water Operating Revenue	\$ 524,983	\$ 524,983	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 524,983	\$ 524,983	\$ -

Explanations:

\$2 difference due to rounding

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, 2009

(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)	541,811	541,811	-
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	\$ 541,811	\$ 541,811	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 541,811	\$ 541,811	\$ -

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).