

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

ANNUAL REPORT

OF

WS199-05-AR

Rainbow Springs Utilities, LC

Exact Legal Name of Respondent

355-W / 311-S

Certificate Numbers

Submitted To The

STATE OF FLORIDA



06 MAR 17 AM 10:26
REGISTRATION

PUBLIC SERVICE COMMISSION
FOR THE
YEAR ENDED DECEMBER 31, 2005

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

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March 9, 2006

To the Members
Rainbow Springs Utilities, L.C.

We have compiled the 2005 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.

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

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

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EXECUTIVE

SUMMARY

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT
December 31, 2005

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)

Loree Small

 (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, 2005

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 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:

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	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, 2005

**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

COMPANY PROFILE

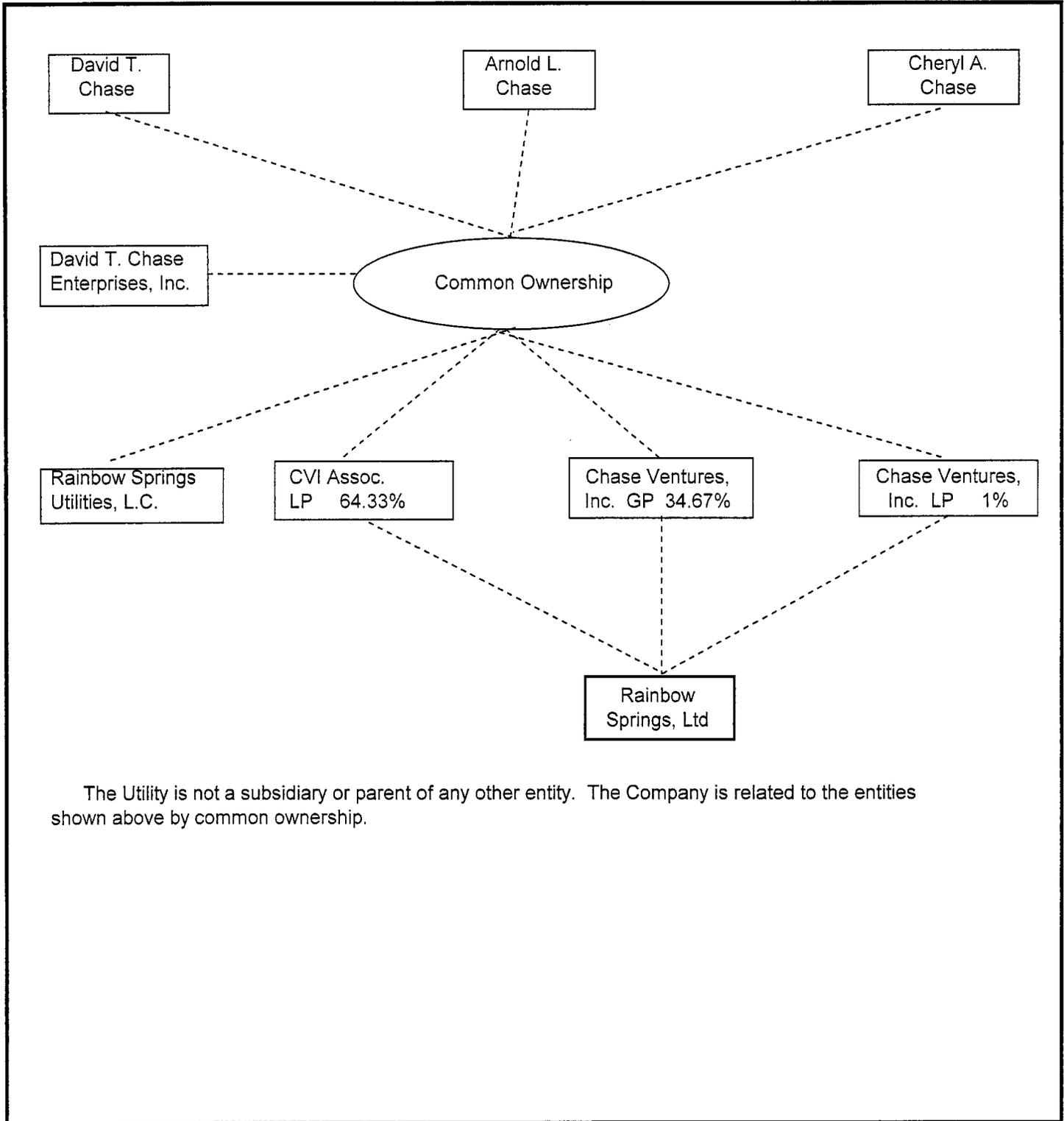
Provide a brief narrative company profile which covers the following areas:

- 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

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/05

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, 2005
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COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Lowell Smallridge	Agent for Managing Members	100 %	\$ 69,588
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

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	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

YEAR OF REPORT December 31, 2005
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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	\$		\$		\$	

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2005
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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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
David T. Chase Enterprises, Inc.	Tax services and return preparation, financial management, project management, budget management	Open	P	\$ 63,000

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2005
--

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

- | | |
|--|---|
| <p>1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.</p> <p>2. Below are examples of some types of transactions to include:</p> <ul style="list-style-type: none"> - 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. | <p>3. The columnar instructions follow:</p> <ul style="list-style-type: none"> (a) Enter name of related party or company. (b) Describe briefly the type of assets purchased, sold or transferred. (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S". (d) Enter the net book value for each item reported. (e) Enter the net profit or loss for each item (column (c) - column (d)). (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value. |
|--|---|

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

FINANCIAL

SECTION

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 5,162,256	\$ 5,113,960
108-110	Less: Accumulated Depreciation and Amortization	F-8	(1,866,773)	(1,711,912)
Net Plant			3,295,483	3,402,048
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			3,295,483	3,402,048
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		260,903	76,976
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	163,695	86,426
145	Accounts Receivable from Associated Companies	F-12	96	
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments		20,879	10,737
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			445,573	174,139

* 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	\$ 10,254	\$ 13,043
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14	38,874	52,256
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		49,128	65,299
	TOTAL ASSETS AND OTHER DEBITS		\$ 3,790,184	\$ 3,641,486

* Not Applicable for Class B Utilities

<p><u>NOTES TO THE BALANCE SHEET</u></p> <p>The space below is provided for important notes regarding the balance sheet.</p>

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)		(1,777,780)	(1,727,661)
Total Equity Capital			610,988	661,107
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	983,632	733,361
Total Long Term Debt			983,632	733,361
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		37,770	13,804
232	Notes Payable	F-18	10,214	
233	Accounts Payable to Associated Co.	F-18		79,820
234	Notes Payable to Associated Co.	F-18		223,526
235	Customer Deposits		104	108
236	Accrued Taxes		19,673	18,688
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	92,392	
Total Current and Accrued Liabilities			160,153	335,946

* 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	2,547,250	2,356,204
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(511,839)	(445,132)
Total Net C.I.A.C.			2,035,411	1,911,072
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			\$ 3,790,184	\$ 3,641,486

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)	\$ 865,863	\$ 885,211
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			865,863	885,211
401	Operating Expenses	F-3(b)	567,719	658,567
403	Depreciation Expense	F-3(b)	153,604	159,009
	Less: Amortization of CIAC	F-22	(51,990)	(66,705)
Net Depreciation Expense			101,614	92,304
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	96,243	106,185
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			765,576	857,056
Net Utility Operating Income			100,287	28,155
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)]			100,287	28,155

* 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)
\$ 416,317	\$ 468,894	N/A
N/A		
416,317	468,894	-
295,761	362,806	
61,552	97,457	
(20,639)	(46,066)	
40,913	51,391	-
51,127	55,058	
387,801	469,255	
28,516	(361)	
28,516	(361)	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)]			\$ 100,287	\$ 28,155
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			4
Total Other Income and Deductions				4
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	59,084	67,124
428	Amortization of Debt Discount & Expense	F-13	10,316	11,152
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			69,400	78,276
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET (LOSS) INCOME			30,887	(50,117)

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	\$ 1,901,105	\$ 3,261,151
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	(667,198)	(1,199,575)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	(831,687)	(1,715,563)
252	Advances for Construction	F-20		
Subtotal			402,220	346,013
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	159,669	352,170
Subtotal			561,889	698,183
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		36,970	45,351
	Other (Specify):		-	-
RATE BASE			\$ 598,859	\$ 743,534
NET UTILITY OPERATING INCOME			\$ 28,516	\$ (361)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			4.76 %	-- %

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	\$ 1,901,105	\$ 3,261,151	N/A	\$ 5,162,256
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		\$ 1,901,105	\$ 3,261,151	N/A	\$ 5,162,256

**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	\$ 606,899	\$ 1,105,013	N/A	\$ 1,711,912
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	61,551	97,456		159,007
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				

Salvage				
Other Credits (specify) :				

Total credits	61,551	97,456		159,007
Debits during year:				
Book cost of plant retired	(1,252)	(2,894)		(4,146)
Cost of removal				
Other debits (specify)				

Total debits	(1,252)	(2,894)		(4,146)
Balance end of year	\$ 667,198	\$ 1,199,575	N/A	\$ 1,866,773

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

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

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): 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	\$ 74,348	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 74,348
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
CIAC Receivable	\$ 89,347	
Total Other Accounts Receivable		\$ 89,347
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		163,695
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		\$ 163,695

UTILITY NAME: Rainbow Springs Utilities, LC

YEAR OF REPORT December 31, 2005
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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Due from Rainbow Springs Limited	\$ 96
Total	\$ 96

**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

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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	\$ 2,727
Wachovia	836	7,527
Total Unamortized Debt Discount and Expense	\$ 11,152	\$ 10,254
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

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance beginning of year	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):			
Dunnellon State Bank; Issued: March-05 Matures: April-08	6.5 %	F	\$ 10,214
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
Total Account 232			\$ 10,214
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)
None	\$ -
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
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					
Southtrust Bank Construction Loan	\$ -	427.3	\$ 21,485	\$ 21,485	\$ -
Chase Ventures - Fairway Estates West	-	427.1	3,737	3,737	-
Chase Ventures - The Boundaries	-	427.1	1,294	1,294	-
Chase Ventures - Fox Trace	-	427.1	4,250	4,250	-
Wachovia	-	427.1	33,608	33,608	-
Dennellon State Bank	-	427.1	508	508	-
Chase Dover	-	427.1	2,236	2,236	-
Total Account No. 237.1	-		67,118	67,118	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer Deposits	-	427.4	6	6	-
Total Account 237.2	-		6	6	-
Total Account 237 (1)	\$ -		\$ 67,124	\$ 67,124	\$ -
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 67,124		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 67,124		

(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

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	\$ 772,895	\$ 1,583,309	N/A	\$ 2,356,204
Add credits during year:	58,792	132,254		191,046
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 831,687	\$ 1,715,563	\$ -	\$ 2,547,250

**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	\$ 139,028	\$ 306,104	N/A	\$ 445,132
Debits during year:	20,639	46,066		66,705
Rounding	2			2
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 159,669	\$ 352,170		\$ 511,839

**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
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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)	\$ 1,901,105
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	667,198
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	831,687
252	Advances for Construction	F-20	
	Subtotal		402,220
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	159,669
	Subtotal		561,889
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		36,970
	Other (Specify): Completed Construction not Classified		-
	WATER RATE BASE		\$ 598,859
	UTILITY OPERATING INCOME	W-3	\$ 28,516
	ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Base)		4.76 %

- 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
 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	416,317
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		<u>416,317</u>
401	Operating Expenses	W-10(a)	295,761
403	Depreciation Expense	W-6(a)	61,552
	Less: Amortization of CIAC	W-8(a)	(20,639)
	Net Depreciation Expense		40,913
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		18,734
408.11	Property Taxes		24,508
408.12	Payroll Taxes		7,631
408.13	Other Taxes & Licenses		254
408	Total Taxes Other Than Income		51,127
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		<u>387,801</u>
	Utility Operating Income		<u>28,516</u>
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		<u>\$ 28,516</u>

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

YEAR OF REPORT
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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			154,069
310	Power Generation Equipment	26,352			26,352
311	Pumping Equipment	113,281	4,509		117,790
320	Water Treatment Equipment	28,586	802		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	122,024	10,978	1,252	131,750
335	Hydrants	33,248			33,248
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment	4,290	441		4,731
340	Office Furniture and Equipment	11,268	2,570		13,838
341	Transportation Equipment	16,501	13,146		29,647
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	3,264			3,264
344	Laboratory Equipment		613		613
345	Power Operated Equipment	29,870	6,703		36,573
346	Communication Equipment	1,551			1,551
347	Miscellaneous Equipment	494			494
348	Other Tangible Plant				
TOTAL WATER PLANT		\$ 1,862,595	\$ 39,762	\$ 1,252	\$ 1,901,105

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, 2005

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 Mai Rainbow Springs / Marion	154,069		154,069			
310	Power Generation Equipment	26,352		26,352			
311	Pumping Equipment	117,790		117,525		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	131,750				131,750	
335	Hydrants	33,248				33,248	
336	Backflow Prevention Devices						
339	Other Plant / Miscellaneous Equipment	4,731				4,731	
340	Office Furniture and Equipment	13,838					13,838
341	Transportation Equipment	29,647					29,647
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	3,264					3,264
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	\$ 1,901,105	\$ 38,545	\$ 366,804	\$ 224,631	\$ 1,185,145	\$ 85,980

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

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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

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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	\$ 9,901	\$ 558	\$ -	\$ 558
302	Franchises	2,633	405		405
304	Structure and Improvements	43,273	6,172		6,172
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	19,777	1,785		1,785
308	Infiltration Galleries and Tunnels				
309	Supply Mains	42,716	4,406		4,406
310	Power Generation Equipment	18,013	1,318		1,318
311	Pumping Equipment	25,337	5,777		5,777
320	Water Treatment Equipment	11,716	1,319		1,319
330	Distribution Reservoirs and Standpipes	58,084	5,824		5,824
331	Transmission and Distribution	223,721	14,400	(1)	14,399
333	Services	52,804	3,340		3,340
334	Meters and Meter Installations	45,886	6,344		6,344
335	Hydrants	4,108	738		738
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment	2,106	181		181
340	Office Furniture and Equipment	8,396	1,960		1,960
341	Transportation Equipment	13,547	3,846		3,846
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	1,108	204		204
344	Laboratory Equipment		20		20
345	Power Operated Equipment	23,518	2,767		2,767
346	Communication Equipment	206	155		155
347	Miscellaneous Equipment	49	33		33
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 606,899	\$ 61,552	\$ (1)	\$ 61,551

* 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

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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)
301	Organization	\$ -	\$ -	\$ -	\$ -	\$ 10,459
302	Franchises					3,038
304	Structure and Improvements					49,445
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					21,562
308	Infiltration Galleries and Tunnels					
309	Supply Mains					47,122
310	Power Generation Equipment					19,331
311	Pumping Equipment					31,114
320	Water Treatment Equipment					13,035
330	Distribution Reservoirs and Standpipes					63,908
331	Transmission and Distribution					238,120
333	Services					56,144
334	Meters and Meter Installations	(1,252)			(1,252)	50,978
335	Hydrants					4,846
336	Backflow Prevention Devices					
339	Other Plant / Miscellaneous Equipment					2,287
340	Office Furniture and Equipment					10,356
341	Transportation Equipment					17,393
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					1,312
344	Laboratory Equipment					20
345	Power Operated Equipment					26,285
346	Communication Equipment					361
347	Miscellaneous Equipment					82
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ (1,252)	\$ -	\$ -	\$ (1,252)	\$ 667,198

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	1,245	1,351	\$ 186,925
461.2	Metered Sales to Commercial Customers	3	3	5,255
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	1,248	1,354	192,180
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	2	2	957
	Total Fire Protection Revenue	2	2	957
464	Other Sales to Public Authorities			
465	Sales to Irrigation Customers	743	830	220,270
466	Sales for Resale			
467	Interdepartmental Sales			
	Total Water Sales	1,993	2,186	413,407
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,910
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 2,910
	Total Water Operating Revenues			\$ 416,317

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

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

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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	\$ 63,863	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	34,794		
604	Employee Pensions and Benefits	16,231		
610	Purchased Water			
615	Purchased Power	27,752	26,978	
616	Fuel for Power Production	407	407	
618	Chemicals	2,187	372	
620	Materials and Supplies	31,833		2,877
631	Contractual Services - Engineering	3,723		
632	Contractual Services - Accounting	36,891		
633	Contractual Services - Legal	5,338		
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Testing	1,498		
636	Contractual Services - Other	12,345		
641	Rental of Building/Real Property	6,847	186	
642	Rental of Equipment	324		
650	Transportation Expense	4,870		
656	Insurance - Vehicle			
657	Insurance - General Liability	12,448		
658	Insurance - Workmens Comp.	7,078		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense	489		
675	Miscellaneous Expenses	26,843	6,194	
Total Water Utility Expenses		\$ 295,761	\$ 34,137	\$ 2,877

UTILITY NAME: Rainbow Springs Utilities, LC
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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)
\$ -	\$ -	\$ -	\$ -	\$ 43,156	\$ 20,707
34,794					16,231
					774
1,443	372				
	17,433	340	5,873	4,251	1,059
2,864	859				
					36,891
					5,338
1,498					
12,345					
221					6,440
					324
	2,103	2,567			200
12,448					
					7,078
				489	
2,392	464			2,953	14,840
\$ 68,005	\$ 21,231	\$ 2,907	\$ 5,873	\$ 50,849	\$ 109,882

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		20,601	2,800	17,801	16,089
February		21,901	3,025	18,876	17,005
March		15,799	3,200	12,599	11,385
April		22,943	3,800	19,143	17,126
May		20,746	3,450	17,296	15,554
June		18,435	4,600	13,835	12,496
July		20,495	4,900	15,595	13,975
August		16,674	2,300	14,374	12,979
September		23,479	3,000	20,479	18,529
October		17,040	2,550	14,490	13,105
November		15,751	2,250	13,501	12,214
December		18,334	4,250	14,084	12,558
Total for year	N/A	232,198	40,125	192,073	173,015

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

Permitted Capacity of Plant (GPD): 2.38 MGD

Location of measurement of capacity
(i.e. Wellhead, Storage Tank): After storage tank

Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc): Gas Chlorination

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon): N/A Manufacturer N/A

FILTRATION

Type and size of area:

Pressure (in square feet): N/A Manufacturer N/A

Gravity (in GPM/square feet): N/A Manufacturer N/A

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	1,351	1,351
5/8"	Displacement	1.0	828	828
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				2,353

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 = 173,015 gallons, divided by
350 gallons per day
<u>365</u> days
<u>1,354.3</u> ERC's

UTILITY NAME: Rainbow Springs Utilities, LC
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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.	<u>1354.3</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>60</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>Proposed new water plant at Traut "K" with two new 1,000gpm wells.</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>20004257.012</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
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)	\$ 3,261,151
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(1,199,575)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(1,715,563)
252	Advances for Construction	F-20	
	Subtotal		346,013
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	352,170
	Subtotal		698,183
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		45,351
	Other (Specify): Completed Construction not Classified		-
	WASTEWATER RATE BASE		\$ 743,534
	UTILITY OPERATING INCOME	S-3	\$ (361)
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		- - %

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

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	S-9	\$ 468,894
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		468,894
401	Operating Expenses	S-10(a)	362,806
403	Depreciation Expense	S-6(a)	97,457
	Less: Amortization of CIAC	S-8(a)	(46,066)
	Net Depreciation Expense		51,391
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		21,102
408.11	Property Taxes		25,921
408.12	Payroll Taxes		7,631
408.13	Other Taxes & Licenses		404
408	Total Taxes Other Than Income		55,058
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		469,255
	Utility Operating Income (Loss)		(361)
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 (Loss)		\$ (361)

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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	248,587	3,426		252,013
371	Pumping Equipment	104,529	3,348		107,877
374	Reuse Distribution Reservoirs	20,402			20,402
375	Reuse Transmission and Distribution System	281,804			281,804
380	Treatment & Disposal Equipment	257,455	4,501	2,894	259,062
381	Plant Sewers	35,782			35,782
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	1,358	1,405		2,763
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		\$ 3,251,365	\$ 12,680	\$ 2,894	\$ 3,261,151

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

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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							
366	Reuse Services						1,787	
367	Reuse Meters and Meter Installations							
370	Receiving Wells			252,013				
371	Pumping Equipment			102,586			5,291	
374	Reuse Distribution Reservoirs					20,402		
375	Reuse Transmission and Distribution System						281,804	
380	Treatment & Disposal Equipment				107,417	151,645		
381	Plant Sewers				313	35,469		
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipme				2,763			
390	Office Furniture & Equipment							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		\$ 26,030	\$ 1,376,324	\$ 354,599	\$ 940,446	\$ 274,372	\$ 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.

UTILITY NAME: Rainbow Springs Utilities, LC

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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	\$ 1,597	\$ 245	\$ -	\$ 245
352	Franchises	2,633	405		405
354	Structure and Improvements	170,921	18,876		18,876
355	Power Generation Equipment	56,268	5,787		5,787
360	Collection Sewers - Force	36,229	2,831		2,831
361	Collection Sewers - Gravity	467,679	25,960		25,960
362	Special Collecting Structures				
363	Services to Customers	46,167	2,969		2,969
364	Flow Measuring Devices	5,266	1,815		1,815
365	Flow Measuring Installations				
366	Reuse Services	624	45		45
367	Reuse Meters and Meter Installations				
370	Receiving Wells	80,326	10,012		10,012
371	Pumping Equipment	39,133	5,905		5,905
374	Reuse Distribution Reservoirs	5,313	510		510
375	Reuse Transmission and Distribution System	59,662	6,566		6,566
380	Treatment & Disposal Equipment	123,900	14,361	(1)	14,360
381	Plant Sewers	8,902	1,023		1,023
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment		152		152
390	Office Furniture & Equipment	393	(5)		(5)
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		\$ 1,105,013	\$ 97,457	\$ (1)	\$ 97,456

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

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

UTILITY NAM Rainbow Springs Utilities, LC

SYSTEM NAME / COUNTY: Rainbow Springs / Marion

YEAR OF REPORT
December 31, 2005

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	\$ -	\$ -	\$ -	\$ -	1,842
352	Franchises					3,038
354	Structure and Improvements					189,797
355	Power Generation Equipment					62,055
360	Collection Sewers - Force					39,060
361	Collection Sewers - Gravity					493,639
362	Special Collecting Structures					
363	Services to Customers					49,136
364	Flow Measuring Devices					7,081
365	Flow Measuring Installations					
366	Reuse Services					669
367	Reuse Meters and Meter Installations					
370	Receiving Wells					90,338
371	Pumping Equipment					45,038
374	Reuse Distribution Reservoirs					5,823
375	Reuse Transmission and Distribution System					66,228
380	Treatment & Disposal Equipment	(2,894)			(2,894)	135,366
381	Plant Sewers					9,925
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					152
390	Office Furniture & Equipment					388
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		\$ (2,894)	\$ -	\$ -	\$ (2,894)	\$ 1,199,575

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
522.1	Measured Revenues: Residential Revenues	1,249	1,350	\$ 452,235
522.2	Commercial Revenues	3	3	16,659
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)			
522	Total Measured Revenues	1,252	1,353	468,894
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	1,252	1,353	\$ 468,894
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				\$ 468,894

* 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, 2005

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	\$ 63,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	34,794					34,794	
704	Employee Pensions and Benefits	16,206					920	
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	65,378					65,378	
715	Purchased Power	38,141			6,737		31,404	
716	Fuel for Power Production	1,396					1,396	
718	Chemicals	2,816	2,816					
720	Materials and Supplies	19,549	490	436		2,939	5,935	5,143
731	Contractual Services - Engineering	3,124					3,124	
732	Contractual Services - Accounting	37,325						
733	Contractual Services - Legal	5,338						
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing	4,668	4,668					
736	Contractual Services - Other	13,478					13,478	
741	Rental of Building/Real Property	6,847	186					
742	Rental of Equipment	324						
750	Transportation Expense	4,862						
756	Insurance - Vehicle							
757	Insurance - General Liability	12,979						
758	Insurance - Workmens Comp.	6,578						
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	25,137					5,031	
Total Wastewater Utility Expenses		\$ 362,806	\$ 8,160	\$ 436	\$ 6,737	\$ 2,939	\$ 161,460	\$ 5,143

S-10(a)
 GROUP 1

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

YEAR OF REPORT
 December 31, 2005

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	\$ 43,158	\$ 20,708	\$ -		\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits		15,286				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Production						
718	Chemicals						
720	Materials and Supplies	2,031	556				2,019
731	Contractual Services - Engineering						
732	Contractual Services - Accounting		37,325				
733	Contractual Services - Legal		5,338				
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property		6,661				
742	Rental of Equipment		324				
750	Transportation Expense		4,862				
756	Insurance - Vehicle						
757	Insurance - General Liability		12,979				
758	Insurance - Workmens Comp.		6,578				
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	2,986	17,120				
Total Wastewater Utility Expenses		\$ 48,175	\$ 127,737	\$ -	\$ -	\$ -	\$ 2,019

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

YEAR OF REPORT
December 31, 2005

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	1,350	1,350
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				1,371

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>61,055,000</u>	/ 365 days) / 250 gpd =	<u>669</u>
		(total gallons treated)		

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

YEAR OF REPORT December 31, 2005
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WASTEWATER TREATMENT PLANT INFORMATION
 Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	230,000		
Basis of Permit Capacity (1)	AADF		
Manufacturer	Marolf		
Type (2)	Pre-denitrification activated sludge		
Hydraulic Capacity	230,000		
Average Daily Flow	167,274		
Total Gallons of Wastewater Treated	61,055,000		
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, 2005

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>669</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>60</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>Proposed new wastewater treatment plant at Traut "K" with 100,000gpd capacity.</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

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

Company: Rainbow Springs Utilities, LC

For the Year Ended December 31, 2005

(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)	192,180	192,180	-
Total Fire Protection Revenue (462.1 - 462.2)	957	957	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	220,270	220,271	(1)
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	2,910	2,910	-
Total Water Operating Revenue	\$ 416,317	\$ 416,318	\$ (1)
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 416,317	\$ 416,318	\$ (1)

Explanations:
\$1 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, 2005

(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)	\$ -	\$ 359,704	\$ (359,704)
Total Measured Revenues (522.1 - 522.5)	468,894	109,240	359,654
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	\$ 468,894	\$ 468,944	\$ (50)
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 468,894	\$ 468,944	\$ (50)

Explanations:

Base charge miscoded to flat-rate revenue on RAF return, no impact on total revenue.
\$50 difference due to computational error.

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).