

CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

North Sumter Utility Company, LLC

Exact Legal Name of Respondent

618-W 532-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

**OFFICIAL COPY**  
**Public Service Commission**  
**Do Not Remove from this Office**

**OFFICIAL COPY**  
**Public Service Commission**  
**Do Not Remove from this Office**

06/17/10 11:09:48

## GENERAL INSTRUCTIONS

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

**Florida Public Service Commission  
Division of Water and Wastewater  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility.

## TABLE OF CONTENTS

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

## TABLE OF CONTENTS

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

# **EXECUTIVE SUMMARY**

**CERTIFICATION OF ANNUAL REPORT**

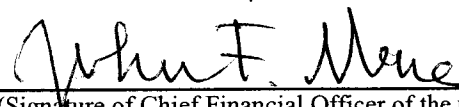
I HEREBY CERTIFY, to the best of my knowledge and belief:

- |  |                                |  |
|--|--------------------------------|--|
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.  |
| YES<br><input checked="" type="checkbox"/> | NO<br><input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified			
1.	2.	3.	4.
X	X	X	X

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

1.	2.	3.	4.
X	X	X	X

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

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

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

ANNUAL REPORT OF

YEAR OF REPORT  
December 31, 2005

North Sumter Utility Company, LLC  
(Exact Name of Utility)

County: Sumter

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

1020 Lake Sumter Landing  
The Villages, FL 32162

Telephone: (352) 753-6270

E Mail Address: N/A

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number NS1285

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

John F. Wise  
North Sumter Utility Company, LLC  
1020 Lake Sumter Landing  
The Villages, FL 32162  
Telephone: (352) 753-6270

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

1020 Lake Sumter Landing  
The Villages, FL 32162

Telephone: (352) 753-6270

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

Cronin, Jackson, Nixon & Wilson CPA's, P.A.

Date of original organization of the utility: July 1, 2001

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

Individual  Partnership  Sub S Corporation  1120 Corporation

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

	Name	Percent Ownership
1.	H. Gary Morse	12.75
2.	Jennifer Boone Irrevocable Trust	12.75
3.	Mark G. Morse Irrevocable Trust	12.75
4.	Tracy Mathews Irrevocable Trust	12.75
5.		
6.		
7.		
8.		
9.		
10.		

**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
John Wise	Chief Financial Officer	The Villages of Lake-Sumter, Inc.	Regulatory compliance
Justin Carroll	Controller	The Villages of Lake-Sumter, Inc.	Regulatory compliance
Dewey Burnsed	Attorney	McLin & Burnsed P.A.	Legal matters
Robert Nixon (727) 791-4020	CPA	Cronin, Jackson, Nixon, & Wilson CPA's, P.A.	Regulatory compliance

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



**COMPANY PROFILE**

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

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

A. North Sumter Utility Company, LLC, a Florida limited liability company was formed in 2001 to acquire, construct, own and operate a water and wastewater system to serve certain portions of the active adult retirement development known as "The Villages".

B. Water and wastewater services.

C. Provide quality water and wastewater services to its customers and earn a fair rate of return in investment.

D. Water and wastewater.

E. At December 31, 2005, the Company has 7,242 water and 7,197 wastewater customers. Projected growth patterns estimate an additional 4,000 customers each year.

F. None

**PARENT / AFFILIATE ORGANIZATION CHART**

**Current as of December 31, 2005**

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

North Sumter Utility Company, LLC does not have a parent or any subsidiaries.

North Sumter Utility Company, LLC is affiliated through partial common ownership to The Villages of Lake-Sumter, Inc.

North Sumter Utility Company, LLC.
------------------------------------



The Villages of Lake-Sumter, Inc.
-----------------------------------

**COMPENSATION OF OFFICERS**

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
H. Gary Morse	President	1%	\$ None
Mark G. Morse	Vice President	1%	None
R. Dewey Burns	Secretary	1%	None
Steven M. Roy	Assistant Secretary	1%	None
John F. Wise	Treasurer	5%	None

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
N/A			\$

UTILITY NAME: North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31,2005

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

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

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT  (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
R. Dewey Burnsed, Partner McLin & Burnsed P.A.	Legal services	\$ 1,372.50	McLin & Burnsed P.A. 1028 Lake Sumter Landing The Villages, FL 32162

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

**AFFILIATION OF OFFICERS AND DIRECTORS**

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

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
H. Gary Morse	Chief Executive Officer	Officer	The Villages of Lake-Sumter 1020 Lake Sumter Landing The Villages, FL 32162
Mark G. Morse	Officer	Officer	The Villages of Lake-Sumter 1020 Lake Sumter Landing The Villages, FL 32162
R. Dewey Burnsed	Attorney	Partner	McLin & Burnsed P.A. 1028 Lake Sumter Landing The Villages, FL 32162
John F. Wise	Treasurer	Officer	The Villages of Lake-Sumter 1020 Lake Sumter Landing The Villages, FL 32162

UTILITY NAME: North Sumter Utility Company, LLC

**BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT  
RESULT OF PROVIDING WATER OR WASTEWATER 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 wastewater 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 revenue and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)
None	\$		\$		\$	

UTILITY NAME: North Sumter Utility Company, LLC

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

## BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

1. Enter in this part all transactions involving services and products received or provided.

2. Below are some types of transactions to include:

- |  |   |
|--|---|
| -management, legal and accounting services | -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 (S)old (d)	AMOUNT (e)
The Villages of Lake-Sumter	Billing, accounting, and management	Open	P	\$ 314,155.00

**UTILITY NAME:** North Sumter Utility Company, LLC

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

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

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.
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 dividends other than stock dividends
  - write-off 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 reported. (column (c) - column (d))
  - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

<b>NAME OF COMPANY OR RELATED PARTY (a)</b>	<b>DESCRIPTION OF ITEMS (b)</b>	<b>SALE OR PURCHASE PRICE (c)</b>	<b>NET BOOK VALUE (d)</b>	<b>GAIN OR LOSS (e)</b>	<b>FAIR MARKET VALUE (f)</b>
The Villages of Lake-Sumter, Inc.	Purchased water distribution lines	\$ 2,055,330	\$ 2,055,330	\$	\$ 2,055,330
The Villages of Lake-Sumter, Inc.	Purchased wastewater collection lines	3,897,385	3,897,385		3,897,385



# **FINANCIAL SECTION**

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 41,941,277	\$ 48,379,941
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,348,914	2,649,644
Net Plant			\$ 40,592,363	\$ 45,730,297
114-115	Utility Plant Acquisition adjustment (Net)	F-7	_____	0
116 *	Other Utility Plant Adjustments		_____	_____
Total Net Utility Plant			\$ 40,592,363	\$ 45,730,297
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	_____	_____
122	Less: Accumulated Depreciation and Amortization		_____	_____
Net Nonutility Property			\$ 0	\$ _____
123	Investment In Associated Companies	F-10	_____	_____
124	Utility Investments	F-10	_____	_____
125	Other Investments	F-10	_____	_____
126-127	Special Funds	F-10	2,345,446	2,387,785
Total Other Property & Investments			\$ 2,345,446	\$ 2,387,785
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 413,986	\$ 731,569
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 Uncollectible Accounts	F-11	58,955	128,781
145	Accounts Receivable from Associated Companies	F-12	29,600	35,800
146	Notes Receivable from Associated Companies	F-12	_____	_____
151-153	Material and Supplies		49,095	15,846
161	Stores Expense		_____	_____
162	Prepayments		30,640	39,462
171	Accrued Interest and Dividends Receivable		14,703	33,357
172 *	Rents Receivable		_____	_____
173 *	Accrued Utility Revenues		49,392	98,963
174	Misc. Current and Accrued Assets	F-12	_____	_____
Total Current and Accrued Assets			\$ 646,371	\$ 1,083,778

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ 532,183	\$ 504,295
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Misc. Deferred Debits	F-14		
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 532,183	\$ 504,295
<b>TOTAL ASSETS AND OTHER DEBITS</b>			<b>\$ 44,116,363</b>	<b>\$ 49,706,155</b>

\* 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)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 1,000	\$ 1,000
204	Preferred Stock Issued	F-15		
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock		15,465	32,826
211	Other Paid - In Capital			
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(3,653,183)	(5,312,199)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ (3,636,718)	\$ (5,278,373)
<b>LONG TERM DEBT</b>				
221	Bonds	F-15	22,985,000	22,710,000
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			\$ 22,985,000	\$ 22,710,000
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		146,049	381,687
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	13,890,545	10,565,311
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits			
236	Accrued Taxes	W/S-3	25,360	62,633
237	Accrued Interest	F-19	393,076	388,356
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
Total Current & Accrued Liabilities			\$ 14,455,030	\$ 11,397,987

\* Not Applicable for Class B Utilities

UTILITY NAME: North Sumter Utility Company, LLC

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

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ <u>0</u>	\$ _____
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ <u>0</u>	\$ _____
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 10,398,475	\$ 21,268,963
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	85,424	392,422
Total Net C.I.A.C.			\$ <u>10,313,051</u>	\$ <u>20,876,541</u>
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other			
Total Accumulated Deferred Income Tax			\$ <u>0</u>	\$ _____
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ <u>44,116,363</u>	\$ <u>49,706,155</u>

UTILITY NAME: North Sumter Utility Company, LLC

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

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 698,893	\$ 2,215,183
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 698,893	\$ 2,215,183
401	Operating Expenses	F-3(b)	\$ 803,058	\$ 1,385,243
403	Depreciation Expense:	F-3(b)	\$ 951,639	\$ 1,300,730
	Less: Amortization of CIAC	F-22	78,763	306,998
Net Depreciation Expense			\$ 872,876	\$ 993,732
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	193,843	319,635
409	Current Income Taxes	W/S-3		0
410.10	Deferred Federal Income Taxes	W/S-3		0
410.11	Deferred State Income Taxes	W/S-3		0
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		0
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		0
Utility Operating Expenses			\$ 1,869,777	\$ 2,698,610
Net Utility Operating Income			\$ (1,170,884)	\$ (483,428)
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		134,027	710,723
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ (1,036,857)	\$ 227,295

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

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

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>838,189</u>	\$ <u>1,376,993</u>	\$ _____
\$ <u>838,189</u>	\$ <u>1,376,993</u>	\$ _____
\$ <u>647,282</u>	\$ <u>737,961</u>	\$ _____
<u>413,262</u> <u>123,573</u>	<u>887,467</u> <u>183,424</u>	_____
\$ <u>289,689</u>	\$ <u>704,043</u>	\$ _____
_____ <u>101,104</u> _____ _____ _____ _____	_____ <u>218,531</u> _____ _____ _____ _____	_____ _____ _____ _____ _____ _____
\$ <u>1,038,076</u>	\$ <u>1,660,535</u>	\$ _____
\$ <u>(199,886)</u>	\$ <u>(283,541)</u>	\$ _____
_____ <u>469,936</u> _____	_____ <u>240,786</u> _____	_____ _____ _____
\$ <u>270,050</u>	\$ <u>(42,755)</u>	\$ _____

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

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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ <u>(1,036,857)</u>	\$ <u>227,295</u>
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		<u>29,561</u>	<u>73,222</u>
421	Nonutility Income		_____	<u>2,090</u>
426	Miscellaneous Nonutility Expenses		_____	<u>1,500</u>
Total Other Income and Deductions			\$ <u>29,561</u>	\$ <u>73,812</u>
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
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			\$ <u>0</u>	\$ _____
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ <u>1,580,655</u>	\$ <u>1,932,236</u>
428	Amortization of Debt Discount & Expense	F-13	<u>28,125</u>	<u>27,888</u>
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ <u>1,608,781</u>	\$ <u>1,960,124</u>
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ <u>0</u>	\$ _____
<b>NET INCOME</b>			\$ <u>(2,616,077)</u>	\$ <u>(1,659,016)</u>

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	\$ 13,623,329	\$ 28,893,542
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	<u>721,105</u>	<u>1,928,539</u>
110	Accumulated Amortization	F-8	<u>0</u>	<u>0</u>
271	Contributions In Aid of Construction	F-22	<u>8,295,694</u>	<u>12,973,269</u>
252	Advances for Construction	F-20		
Subtotal			\$ <u>4,606,530</u>	\$ <u>13,991,734</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	160,098	232,324
Subtotal			\$ <u>4,766,628</u>	\$ <u>14,224,058</u>
114	Plus or Minus: Acquisition Adjustments (2)	F-7	<u>0</u>	<u>0</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>0</u>	<u>0</u>
	Working Capital Allowance (3)		<u>80,911</u>	<u>92,245</u>
	Other (Specify): _____ _____ _____			
RATE BASE			\$ <u><u>4,847,539</u></u>	\$ <u><u>14,316,303</u></u>
NET UTILITY OPERATING INCOME			\$ <u><u>(199,886)</u></u>	\$ <u><u>(283,541)</u></u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u><u>-4.12%</u></u>	<u><u>-1.98%</u></u>

**NOTES :**

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

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ _____	_____	_____	_____
Preferred Stock	_____	_____	_____	_____
Long Term Debt	22,710,000	100.00%	0.0684	6.84%
Customer Deposits	_____	_____	_____	_____
Tax Credits - Zero Cost	_____	_____	_____	_____
Tax Credits - Weighted Cost	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____
<b>Total</b>	\$ <u>22,710,000</u>	<u>100.00%</u>		<u>6.84%</u>

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

\_\_\_\_\_

\_\_\_\_\_

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

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

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

**APPROVED RETURN ON EQUITY**

Current Commission Return on Equity:	<u>11.34%</u>
Commission order approving Return on Equity:	<u>PSC-02-0554-PAA-WS</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>7.99%</u>
Commission order approving AFUDC rate:	<u>PSC-02-0554-PAA-WS</u>

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

UTILITY NAME: North Sumter Utility Company, LLC

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

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ (5,278,373)			\$ (5,278,373)		\$
Preferred Stock						
Long Term Debt	22,710,000					22,710,000
Customer Deposits						
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
Total	\$ 17,431,627			\$ (5,278,373)		\$ 22,710,000

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

Remove negative equity	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

UTILITY NAME: North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31, 2005

**UTILITY PLANT  
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 13,623,329	\$ 28,893,542	\$ _____	\$ 42,516,871
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	4,144,543	1,718,527	_____	5,863,070
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	\$ 17,767,872	\$ 30,612,069	\$ 0	\$ 48,379,941

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

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

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment N/A	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
115	Accumulated Amortization N/A	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b>				
Account 108				
Balance first of year	\$ 307,842	\$ 1,041,072	\$ 0	\$ 1,348,914
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 413,262	\$ 887,467	\$ 0	\$ 1,300,730
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits	\$ 413,262	\$ 887,467	\$ 0	\$ 1,300,730
Debits during year:				
Book cost of plant retired	_____	_____	_____	_____
Cost of Removal	_____	_____	_____	_____
Other Debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>721,105</u>	\$ <u>1,928,539</u>	\$ _____	\$ <u>2,649,644</u>
<b>ACCUMULATED AMORTIZATION</b>				
Account 110				
Balance first of year	\$	\$	\$	\$
Credit during year:				
Accruals charged to: N/A	\$ _____	\$ _____	\$ _____	\$ _____
Account 110.2 (2)	_____	_____	_____	_____
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total credits	\$ 0	\$ 0	\$ 0	\$ 0
Debits during year:				
Book cost of plant retired	_____	_____	_____	_____
Other debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ _____	\$ _____	\$ _____	\$ _____

- (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 (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
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: North Sumter Utility Company, LLC

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

**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 Investment		\$ _____
OTHER INVESTMENTS (Account 125): N/A	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127):		
Series 02 & 03 Debt Service Reserve Fund		\$ 1,883,508
Series 02 Interest Fund		283,978
Series 02 Redemption Fund		31,015
Series 03 Interest Fund		171,684
Series 03 Redemption Fund		17,599
_____		_____
Total Special Funds		\$ 2,387,785

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

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

DESCRIPTION (a)		TOTAL (b)
<b>CUSTOMER ACCOUNTS RECEIVABLE (Account 141):</b>		
Water	\$ 46,202	
Wastewater	82,579	
Other		
Total Customer Accounts Receivable		\$ 128,781
<b>OTHER ACCOUNTS RECEIVABLE ( Account 142):</b>		
	\$ 0	
Total Other Accounts Receivable		\$ 0
<b>NOTES RECEIVABLE (Account 144):</b>		
	\$ 0	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 128,781
<b>ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143 )</b>		
Balance first of year	\$	
Add: Provision for uncollectibles for current year	\$	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions		\$ 0
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off		\$ 0
Balance end of year		\$
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>		<b>\$ 128,781</b>



UTILITY NAME: North Sumter Utility Company, LLC

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

**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
The Villages CIAC residential meters	\$ 35,800
Total	\$ <u>35,800</u>

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
None	%	\$
	%	
	%	
	%	
	%	
	%	
	%	
	%	
	%	
	%	
Total		\$ <u> </u>

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS**  
**ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
None	\$
Total Miscellaneous Current and Accrued Liabilities	\$ <u> </u>

UTILITY NAME: North Sumter Utility Company, LLC

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

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT  
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):		
Bond Series 02	\$ 16,758	\$ 292,710
Bond Series 03	11,130	211,585
<b>Total Unamortized Debt Discount and Expense</b>	\$ <u>27,888</u>	\$ <u>504,295</u>
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$ _____	\$ _____
<b>Total Unamortized Premium on Debt</b>	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
None	\$ _____
<b>Total Extraordinary Property Losses</b>	\$ _____

UTILITY NAME: North Sumter Utility Company, LLC

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

**MISCELLANEOUS DEFERRED DEBITS  
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)  None _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Deferred Rate Case Expense	\$ <u>0</u>	\$ <u>0</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):  None _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____
Total Other Deferred Debits	\$ <u>0</u>	\$ <u>0</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):  None _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____
Total Regulatory Assets	\$ <u>0</u>	\$ <u>0</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ <u>                    </u>	\$ <u>                    </u>

UTILITY NAME: North Sumter Utility Company, LLC

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

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

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	%	\$ 1
Shares authorized		1,000
Shares issued and outstanding		1,000
Total par value of stock issued	%	\$ 1,000
Dividends declared per share for year	%	\$ None
<b>PREFERRED STOCK</b>		
Par or stated value per share	%	\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	%	\$
Dividends declared per share for year	%	\$

\* Account 204 not applicable for Class B utilities.

**BONDS  
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
Sumter County Development Revenue Bonds, Series 2002 issued November 1, 2002; matures October 1, 2032	6.80 %	Fixed	\$ 13,560,000
Sumter County Development Revenue Bonds, Series 2003 issued May 1, 2003, matures October 1, 2034	6.90 %	Fixed	9,150,000
	%		
	%		
	%		
	%		
	%		
	%		
<b>Total</b>			<b>\$ 22,710,000</b>

\* 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	\$ (3,653,183)
439	Changes to Account: Adjustments to Retained Earnings ( requires Commission approval prior to use): Credits: _____ _____	\$ _____ _____
	Total Credits:	\$ 0
	Debits: _____ _____	\$ _____ _____
	Total Debits:	\$ 0
435	Balance Transferred from Income	\$ (1,659,016)
436	Appropriations of Retained Earnings: _____ _____	_____ _____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____ _____	_____ _____
	Total Dividends Declared	\$ 0
215	Year end Balance	\$ (5,312,199)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ (5,312,199)
Notes to Statement of Retained Earnings:		

**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

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

**OTHER LONG-TERM DEBT  
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
None	%		\$ _____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
Total			\$ _____

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

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT  
December 31, 2005

**NOTES PAYABLE  
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE ( Account 232): N/A	%		\$ _____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
Total Account 232			\$ _____
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)
The Villages of Lake-Sumter, Inc.	\$ 10,565,311
	_____
	_____
	_____
	_____
	_____
Total	\$ 10,565,311

UTILITY NAME: North Sumter Utility Company, LLC

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

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt Bond Series 2002	\$ 233,503	427	\$ 930,997	\$ 933,980	\$ 230,520
Bond Series 2003	159,573	427	636,514	638,250	157,837
Total Account 237.1	\$ 393,076		\$ 1,567,510	\$ 1,572,230	\$ 388,356
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Interest due to The Villages	\$ 0	427	\$ 364,725	\$ 364,725	\$
Total Account 237.2	\$ 0		\$ 364,725	\$ 364,725	\$ 0
Total Account 237 (1)	\$ 393,076		\$ 1,932,236	\$ 1,936,955	\$ 388,356
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 1,932,236		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			\$ 1,932,236		

(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: North Sumter Utility Company, LLC

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES**  
**ACCOUNT 241**

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

**ADVANCES FOR CONSTRUCTION**  
**ACCOUNT 252**

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

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

**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):		
None	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ <u>0</u>	\$ <u>0</u>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
None	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ <u>0</u>	\$ <u>0</u>
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ _____	\$ _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>4,063,905</u>	\$ <u>6,334,570</u>	\$ _____	\$ <u>10,398,475</u>
Add credits during year:	\$ <u>4,231,789</u>	\$ <u>6,638,699</u>	\$ _____	\$ <u>10,870,488</u>
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ <u><u>8,295,694</u></u>	\$ <u><u>12,973,269</u></u>	\$ <u><u>                    </u></u>	\$ <u><u>21,268,963</u></u>

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>36,525</u>	\$ <u>48,900</u>	\$ _____	\$ <u>85,424</u>
Debits during the year:	\$ <u>123,573</u>	\$ <u>183,424</u>	\$ _____	\$ <u>306,998</u>
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>160,098</u></u>	\$ <u><u>232,324</u></u>	\$ <u><u>                    </u></u>	\$ <u><u>392,422</u></u>

UTILITY NAME: North Sumter Utility Company, LLC

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

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

- The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ <u>(1,659,016)</u>
Reconciling items for the year:		
Taxable income not reported on 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		\$ <u><u>(1,659,016)</u></u>

Computation of tax : The Company is an LLC and is taxed as a partnership; therefore, this schedule is not applicable.

**WATER  
OPERATION  
SECTION**

**UTILITY NAME:**

**North Sumter Utility Company, LLC**

**WATER LISTING OF SYSTEM GROUPS**

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.  
 The water financial schedules (W-2 through W-10) should be filed for the group in total.  
 The water engineering schedules (W-11 through W-15) must be filed for each system in the group.  
 All of the following water pages (W-2 through W-15) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
The Villages/Sumter	618-W	1

UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**SCHEDULE OF YEAR END WATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 13,623,329
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	<u>721,105</u>
110	Accumulated Amortization		
271	Contributions In Aid of Construction	W-7	<u>8,295,694</u>
252	Advances for Construction	F-20	
Subtotal			\$ <u>4,606,530</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 160,098
Subtotal			\$ <u>4,766,628</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		<u>80,911</u>
	Other (Specify):		
WATER RATE BASE			\$ <u>4,847,539</u>
WATER OPERATING INCOME		W-3	\$ <u>(199,886)</u>
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u><u>-4.12%</u></u>

NOTES : ology used in the last rate proceeding.

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

(3) Calculation consistent with last rate proceeding.

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

UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**WATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	<b>UTILITY OPERATING INCOME</b>		
400	Operating Revenues	W-9	\$ 838,189
469	Less: Guaranteed Revenue and AFPI	W-9	0
	Net Operating Revenues		\$ 838,189
401	Operating Expenses	W-10(a)	\$ 647,282
403	Depreciation Expense	W-6(a)	413,262
	Less: Amortization of CIAC	W-8(a)	123,573
	Net Depreciation Expense		\$ 289,689
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		37,719
408.11	Property Taxes		63,386
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 101,104
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 1,038,076
	Utility Operating Income		\$ (199,886)
	Add Back:		
469	Guaranteed Revenue (and AFPI)	W-9	\$
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		469,936
	Total Utility Operating Income		\$ 270,050



**YEAR OF REPORT**  
December 31, 2005

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY : The Villages/Sumter

**WATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 22,772	\$	\$	\$ 22,772
302	Franchises				
303	Land and Land Rights	4,531			4,531
304	Structures and Improvements	387,515	475,949		863,464
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	1,062,388			1,062,388
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment		186,269		186,269
311	Pumping Equipment	909,546	1,233,630		2,143,176
320	Water Treatment Equipment	47,597	767,053		814,650
330	Distribution Reservoirs and Standpipes		619,214		619,214
331	Transmission and Distribution Mains	3,164,325	1,035,885		4,200,210
333	Services	485,168	188,284		673,452
334	Meters and Meter Installations	1,888,995	1,099,070		2,988,065
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	25,330	2,527		27,857
347	Miscellaneous Equipment		17,283		17,283
348	Other Tangible Plant				
<b>TOTAL WATER PLANT</b>		<b>\$ 7,998,166</b>	<b>\$ 5,625,163</b>	<b>\$</b>	<b>\$ 13,623,329</b>

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

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY: The Villages/Sumter

**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	\$ 22,772	\$ 22,772				
302	Franchises						
303	Land and Land Rights	4,531					
304	Structures and Improvements	863,464		453,966	21,983	387,515	
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes			1,062,388			
307	Wells and Springs	1,062,388					
308	Infiltration Galleries and Tunnels						
309	Supply Mains						
310	Power Generation Equipment	186,269		186,269			
311	Pumping Equipment	2,143,176		90,142	999,262	1,053,773	
320	Water Treatment Equipment	814,650				619,214	
330	Distribution Reservoirs and Standpipes	619,214				4,200,210	
331	Transmission and Distribution Mains	4,200,210				673,452	
333	Services	673,452				2,988,065	
334	Meters and Meter Installations	2,988,065					
335	Hydrants						
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment						
340	Office Furniture and Equipment						
341	Transportation Equipment						
342	Stores Equipment						
343	Tools, Shop and Garage Equipment						
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment	27,857					27,857
347	Miscellaneous Equipment	17,283					17,283
348	Other Tangible Plant						
TOTAL WATER PLANT		\$ 13,623,329	\$ 22,772	\$ 1,792,765	\$ 1,840,425	\$ 9,922,228	\$ 45,139

W-4(b)  
GROUP 1

UTILITY NAME:

North Sumter Utility Company, LLC

YEAR OF REPORT

December 31, 2005

SYSTEM NAME / COUNTY :

The Villages/Sumter

**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%
304	Structures and Improvements	32		3.13%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	10		10.00%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	10		10.00%
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:** North Sumter Utility Company, LLC

**SYSTEM NAME / COUNTY :** The Villages/Sumter

**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	\$ 1,660	\$ 569		\$ 569
304	Structures and Improvements	18,055	19,547		19,547
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	53,119	35,413		35,413
308	Infiltration Galleries and Tunnels				0
309	Supply Mains				0
310	Power Generation Equipment		4,657		4,657
311	Pumping Equipment	68,216	76,318		76,318
320	Water Treatment Equipment	7,140	43,112		43,112
330	Distribution Reservoirs and Standpipes		8,368		8,368
331	Transmission and Distribution Mains	68,660	85,634		85,634
333	Services	10,664	14,483		14,483
334	Meters and Meter Installations	78,555	121,927		121,927
335	Hydrants				0
336	Backflow Prevention Devices				0
339	Other Plant Miscellaneous Equipment				0
340	Office Furniture and Equipment				0
341	Transportation Equipment				0
342	Stores Equipment				0
343	Tools, Shop and Garage Equipment				0
344	Laboratory Equipment				0
345	Power Operated Equipment				0
346	Communication Equipment	1,774	2,659		2,659
347	Miscellaneous Equipment		576		576
348	Other Tangible Plant				0
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 307,842</b>	<b>\$ 413,262</b>		<b>\$ 413,262</b>

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

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

ACCT. NO.	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (l)
301	Organization	\$	\$	\$	\$	\$ 2,230
304	Structures and Improvements					37,601
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					88,532
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					4,657
311	Pumping Equipment					144,534
320	Water Treatment Equipment					50,252
330	Distribution Reservoirs and Standpipes					8,368
331	Transmission and Distribution Mains					154,294
333	Services					25,147
334	Meters and Meter Installations					200,481
335	Hydrants					
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment					
341	Transportation Equipment					
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					
347	Miscellaneous Equipment					4,433
348	Other Tangible Plant					576
TOTAL WATER ACCUMULATED DEPRECIATION						\$ 721,105

UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>4,063,905</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>4,231,789</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>                    </u>
Total Credits		\$ <u>4,231,789</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>                    </u>
Total Contributions In Aid of Construction		\$ <u>8,295,694</u>

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

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

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

**YEAR OF REPORT**

December 31,2005

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY : The Villages/Sumter

**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)
Main Ext. Charges - Residential	4,151	\$ 839	\$ 3,482,689
Main Ext. Charges - General Service		6.71/gpd	315,584
Meter Charges - Residential	4,151	100	415,100
Meter Charges - General Service		various	18,416
Total Credits			\$ 4,231,789

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 36,525
Debits during the year:	
Accruals charged to Account 272	\$ 123,573
Other debits (specify):	
_____	_____
_____	_____
Total debits	\$ 123,573
Credits during the year (specify):	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ 160,098

UTILITY NAME:

North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31, 2005

SYSTEM NAME / COUNTY :

The Villages/Sumter

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
N/A		\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Credits		\$ _____



UTILITY NAME:

North Sumter Utility Company, LLC

**YEAR OF REPORT**

December 31, 2005

SYSTEM NAME / COUNTY :

The Villages/Sumter

**WATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue	0		\$
461.1	Metered Water Revenue: Sales to Residential Customers	2,889	7,001	677,623
461.2	Sales to Commercial Customers	173	240	98,265
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		3,062	7,241	\$ 775,888
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue		0	0	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers	1	1	62,301
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		3,063	7,242	\$ 838,189
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 0
Total Water Operating Revenues				\$ 838,189

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

UTILITY NAME:

North Sumter Utility Company, LLC

YEAR OF REPORT

December 31,2005

SYSTEM NAME / COUNTY :

The Villages/Sumter

**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	\$ _____	\$ _____	\$ _____
603	Salaries and Wages - Officers, Directors and Majority Stockholders	_____	_____	_____
604	Employee Pensions and Benefits	_____	_____	_____
610	Purchased Water	_____	_____	_____
615	Purchased Power	40,217	_____	_____
616	Fuel for Power Purchased	_____	_____	_____
618	Chemicals	_____	_____	_____
620	Materials and Supplies	905	_____	_____
631	Contractual Services-Engineering	14,101	_____	_____
632	Contractual Services - Accounting	12,963	_____	_____
633	Contractual Services - Legal	5,092	_____	_____
634	Contractual Services - Mgt. Fees	157,078	_____	_____
635	Contractual Services - Testing	_____	_____	_____
636	Contractual Services - Other	390,836	_____	_____
641	Rental of Building/Real Property	_____	_____	_____
642	Rental of Equipment	_____	_____	_____
650	Transportation Expenses	_____	_____	_____
656	Insurance - Vehicle	_____	_____	_____
657	Insurance - General Liability	3,964	_____	_____
658	Insurance - Workman's Comp.	_____	_____	_____
659	Insurance - Other	18,162	_____	_____
660	Advertising Expense	_____	_____	_____
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	_____	_____	_____
667	Regulatory Commission Exp.-Other	_____	_____	_____
668	Water Resource Conservation Exp.	_____	_____	_____
670	Bad Debt Expense	349	_____	_____
675	Miscellaneous Expenses	3,617	_____	_____
Total Water Utility Expenses		\$ 647,282	\$ _____	\$ _____

UTILITY NAME:

North Sumter Utility Company, LLC

YEAR OF REPORT

December 31, 2005

SYSTEM NAME / COUNTY :

The Villages/Sumter

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)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
40,217	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	905
_____	_____	_____	_____	_____	14,101
_____	_____	_____	_____	_____	12,963
_____	_____	_____	_____	_____	5,092
_____	_____	_____	_____	_____	157,078
146,028	55,558	169,698	16,576	_____	2,976
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	3,964
_____	_____	_____	_____	_____	18,162
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	349	_____
_____	_____	_____	_____	_____	3,617
\$ <u>186,245</u>	\$ <u>55,558</u>	\$ <u>169,698</u>	\$ <u>16,576</u>	\$ <u>349</u>	\$ <u>218,856</u>

UTILITY NAME:

North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY :

The Villages/Sumter

**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	0	15,764	2,844	12,920	12,271
February	0	17,183	2,928	14,255	13,215
March	0	19,346	3,616	15,730	14,044
April	0	19,820	1,984	17,836	18,298
May	0	22,964	7,172	15,792	14,288
June	0	22,508	5,232	17,276	15,456
July	0	26,965	9,508	17,457	15,737
August	0	28,590	10,520	18,070	16,256
September	0	36,662	14,218	22,444	20,380
October	0	43,808	20,020	23,788	18,568
November	0	29,812	7,356	22,456	20,955
December	0	29,288	5,192	24,096	22,610
Total for Year		312,710	90,590	222,120	202,078

If water is purchased for resale, indicate the following:

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

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

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

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
NSU-WS-1	2000 GPM	.437 MGD	Groundwater
NSU-WS-2	2000 GPM	.410 MGD	Groundwater
_____	_____	_____	_____
_____	_____	_____	_____

UTILITY NAME: North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31, 2005

SYSTEM NAME / COUNTY : The Villages/Sumter

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

<b>Permitted Capacity of Plant (GPD):</b>	<u>1,164,000</u>
<b>Location of measurement of capacity (i.e. Wellhead, Storage Tank):</b>	<u>Wellhead</u>
<b>Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):</b>	<u>Chlorination</u>
<b>LIME TREATMENT</b>	
Unit rating (i.e., GPM, pounds per gallon): <u>N/A</u>	Manufacturer: _____
<b>FILTRATION</b>	
Type and size of area:	
Pressure (in square feet): <u>N/A</u>	Manufacturer: _____
Gravity (in GPM/square feet): _____	Manufacturer: _____

UTILITY NAME:

North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY :

The Villages/Sumter

**CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS**

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	7,001	7,001
5/8"	Displacement	1.0	160	160
3/4"	Displacement	1.5	27	41
1"	Displacement	2.5	25	63
1 1/2"	Displacement or Turbine	5.0	18	90
2"	Displacement, Compound or Turbine	8.0	10	80
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				<u>7,434</u>

**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:		
202,078 gallons sold / 365 days / 125 gallons per day	=	4,429.11 ERC's

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY : The Villages/Sumter

**YEAR OF REPORT**  
December 31,2005

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERC's \* the system can efficiently serve. 14,370
2. Maximum number of ERCs \* which can be served. 14,370
3. Present system connection capacity (in ERCs \*) using existing lines. 10,742
4. Future connection capacity (in ERCs \*) upon service area buildout. 35,346
5. Estimated annual increase in ERCs \*. 2,500
6. Is the utility required to have fire flow capacity? No - fire flow demands served by VWCA  
If so, how much capacity is required? N/A
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
  
NSU WTP 2 - 2007  
Continuing expansion of the distribution system with development
9. When did the company last file a capacity analysis report with the DEP? January 2005
10. If the present system does not meet the requirements of DEP rules: N/A
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? \_\_\_\_\_
11. Department of Environmental Protection ID # Permit No. 0192674-002-WC/17; PWS ID No. 6605012
12. Water Management District Consumptive Use Permit # 20012236.000
  - 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**



UTILITY NAME:

North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31, 2005

### WASTEWATER LISTING OF SYSTEM GROUPS

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

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

The wastewater engineering schedules (S-11 and S-12) must be filed for each system in the group.

All of the following wastewater pages (S-2 through S-12) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
The Villages/Sumter	532-S	1

UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 28,893,542
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	<u>1,928,539</u>
110	Accumulated Amortization		
271	Contributions In Aid of Construction	S-7	<u>12,973,269</u>
252	Advances for Construction	F-20	
Subtotal			\$ <u>13,991,734</u>
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 232,324
Subtotal			\$ <u>14,224,058</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		<u>92,245</u>
	Other (Specify):		
WASTEWATER RATE BASE			\$ <u><u>14,316,303</u></u>
WASTEWATER OPERATING INCOME		S-3	\$ <u><u>(283,541)</u></u>
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u><u>-1.98%</u></u>

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

UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	<b>UTILITY OPERATING INCOME</b>		
400	Operating Revenues	S-9(a)	\$ 1,376,993
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
	<b>Net Operating Revenues</b>		\$ 1,376,993
401	Operating Expenses	S-10(a)	\$ 737,961
403	Depreciation Expense	S-6(a)	887,467
	Less: Amortization of CIAC	S-8(a)	183,424
	<b>Net Depreciation Expense</b>		\$ 704,043
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		61,965
408.11	Property Taxes		156,566
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	<b>Total Taxes Other Than Income</b>		\$ 218,531
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	<b>Utility Operating Expenses</b>		\$ 1,660,535
	<b>Utility Operating Income</b>		\$ (283,541)
530	Add Back: Guaranteed Revenue (and AFPI)	S-9(a)	\$
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		240,786
	<b>Total Utility Operating Income</b>		\$ (42,755)

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY : The Villages/Sumter

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO.	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 22,772			\$ 22,772
352	Franchises				0
353	Land and Land Rights	145,465			145,465
354	Structures and Improvements	5,919,415	1,608		5,921,023
355	Power Generation Equipment	1,174,235			1,174,235
360	Collection Sewers - Force	1,087,426	98,376		1,185,801
361	Collection Sewers - Gravity	4,465,456	1,698,536		6,163,992
361	Collection Sewers - Manholes	2,363,114	984,425		3,347,540
363	Services to Customers	2,131,025	1,005,291		3,136,316
364	Flow Measuring Devices				0
365	Flow Measuring Installations				0
366	Reuse Services				0
367	Reuse Meters and Meter Installations				0
370	Receiving Wells	1,995,762	340,072		2,335,835
371	Pumping Equipment	259,500			259,500
374	Reuse Distribution Reservoirs	77,850			77,850
375	Reuse Transmission and Distribution System				0
		94,088			94,088
380	Treatment and Disposal Equipment	2,435,403			2,435,403
381	Plant Sewers	1,845,097			1,845,097
382	Outfall Sewer Lines				0
389	Other Plant Miscellaneous Equipment	574,481			574,481
390	Office Furniture and Equipment	11,276			11,276
391	Transportation Equipment				0
392	Stores Equipment				0
393	Tools, Shop and Garage Equipment				0
394	Laboratory Equipment	116,775			116,775
395	Power Operated Equipment				0
396	Communication Equipment	26,285	2,527		28,812
397	Miscellaneous Equipment		17,283		17,283
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 24,745,424	\$ 4,148,118	\$	\$ 28,893,542

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

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY : The Villages/Sumter

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (i)	.7 GENERAL PLANT (k)
(a)	(b)	\$ 22,772	\$	\$	\$	\$	\$	\$
351	Organization							
352	Franchises							
353	Land and Land Rights			74,200	145,465			
354	Structures and Improvements				5,846,822			
355	Power Generation Equipment				1,174,235			
360	Collection Sewers - Force		1,185,801					
361	Collection Sewers - Gravity		6,163,992					
361	Collection Sewers - Manholes		3,347,540					
363	Services to Customers		3,136,316					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			2,335,835				
371	Pumping Equipment					259,500		
374	Reuse Distribution Reservoirs					77,850		
375	Reuse Transmission and Distribution System						94,088	
380	Treatment and Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment							
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 22,772	\$ 13,833,649	\$ 2,410,034	\$ 12,021,504	\$ 337,349	\$ 94,088	\$ 174,145

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

UTILITY NAME:

North Sumter Utility Company, LLC

**YEAR OF REPORT**

December 31, 2005

SYSTEM NAME / COUNTY :

The Villages/Sumter

**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%
354	Structures 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%
361	Collection Sewers - Manholes	30		3.33%
363	Services to Customers	38		2.63%
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells	30		3.33%
371	Pumping Equipment	18		5.56%
374	Reuse Distribution Reservoirs	37		2.70%
375	Reuse Trans. & Distribution System	43		2.33%
380	Treatment and 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 and Equipment	15		6.67%
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			
394	Laboratory Equipment	15		6.67%
395	Power Operated Equipment			
396	Communication Equipment	10		10.00%
397	Miscellaneous Equipment	15		6.67%
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: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY: The Villages/Sumter

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
351	Organization	\$ 1,660	\$ 569		\$ 569
354	Structures and Improvements	272,348	185,007		185,007
355	Power Generation Equipment	88,068	58,712		58,712
360	Collection Sewers - Force	39,547	37,887		37,887
361	Collection Sewers - Gravity	94,091	118,105		118,105
361	Collection Sewers - Manholes	68,983	95,178		95,178
363	Services to Customers	51,590	69,307		69,307
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	53,013	72,193		72,193
371	Pumping Equipment	21,625	14,417		14,417
374	Reuse Dist. Reservoirs	3,156	2,104		2,104
375	Reuse Trans & Distribution System	3,282	2,188		2,188
380	Treatment and Disposal Equipment	202,950	135,300		135,300
381	Plant Sewers	78,258	52,717		52,717
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	47,874	31,916		31,916
390	Office Furniture and Equipment	1,128	752		752
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment	11,677	7,785		7,785
395	Power Operated Equipment				
396	Communication Equipment	1,821	2,755		2,755
397	Miscellaneous Equipment		576		576
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 1,041,072	\$ 887,467	\$	\$ 887,467

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

**YEAR OF REPORT**  
December 31, 2005

**UTILITY NAME:** North Sumter Utility Company, LLC

**SYSTEM NAME / COUNTY :** The Villages/Sumter

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION**

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED	SALVAGE AND INSURANCE	COST OF REMOVAL AND OTHER CHARGES	TOTAL CHARGES	BALANCE AT END OF YEAR
(a)	(b)	(g)	(h)	(i)	(j)	(k)
351	Organization		\$	\$	\$	2,230
354	Structures and Improvements					457,355
355	Power Generation Equipment					146,779
360	Collection Sewers - Force					77,434
361	Collection Sewers - Gravity					212,196
362	Special Collecting Structures					164,160
363	Services to Customers					120,897
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					125,207
371	Pumping Equipment					36,042
374	Reuse Dist. Reservoirs					5,260
375	Reuse Trans & Distribution System					5,470
380	Treatment and Disposal Equipment					338,250
381	Plant Sewers					130,976
382	Outfall Sewer Lines					
389	Other Plant Miscellaneous Equipment					79,789
390	Office Furniture and Equipment					1,879
391	Transportation Equipment					
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					19,462
395	Power Operated Equipment					
396	Communication Equipment					4,576
397	Miscellaneous Equipment					576
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service						\$ 1,928,539

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



UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>6,334,570</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>6,638,699</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	<u>                    </u>
Total Credits		\$ <u>6,638,699</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>                    </u>
Total Contributions In Aid of Construction		\$ <u>12,973,269</u>

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

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**WASTEWATER CIAC SCHEDULE "A"**

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Main Ext. Charges - Residential	4,151	\$ 1,461	\$ 6,064,611
Main Ext. Charges - General Service		12.59/gpd	574,088
Total Credits			\$ <u>6,638,699</u>

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 48,900
Debits during the year:	
Accruals charged to Account 272	\$ 183,424
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 183,424
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>232,324</u>

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT  
December 31, 2005

SYSTEM NAME / COUNTY : The Villages/Sumter

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

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

UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
	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	0	0	\$ 0
	Measured Revenues:			
522.1	Residential Revenues	2,888	7,001	1,214,951
522.2	Commercial Revenues	145	196	162,042
522.3	Industrial Revenues	_____	_____	_____
522.4	Revenues From Public Authorities	_____	_____	_____
522.5	Multiple Family Dwelling Revenues	_____	_____	_____
522	Total Measured Revenues	3,033	7,197	\$ 1,376,993
523	Revenues From Public Authorities	_____	_____	_____
524	Revenues From Other Systems	_____	_____	_____
525	Interdepartmental Revenues	_____	_____	_____
Total Wastewater Sales		<u>3,033</u>	<u>7,197</u>	\$ <u>1,376,993</u>
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues			\$ _____
531	Sale of Sludge			_____
532	Forfeited Discounts			_____
534	Rents From Wastewater Property			_____
535	Interdepartmental Rents			_____
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			_____
Total Other Wastewater Revenues				\$ 0

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

UTILITY NAME:

North Sumter Utility Company, LLC

**YEAR OF REPORT**

December 31, 2005

SYSTEM NAME / COUNTY :

The Villages/Sumter

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	_____	_____	\$ _____ 0
541.1	Measured Reuse Revenues: Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	_____	_____	\$ _____ 0
544	Reuse Revenues From Other Systems	_____	_____	_____
Total Reclaimed Water Sales				\$ _____ 0
Total Wastewater Operating Revenues				\$ <u>1,376,993</u>

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

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY: The Villages/Sumter

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$						
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits							
710	Purchased Sewage Treatment							
711	Sludge Removal Expense							
715	Purchased Power	133,187					133,187	
716	Fuel for Power Purchased							
718	Chemicals							
720	Materials and Supplies	1,101						
731	Contractual Services-Engineering	23,059						
732	Contractual Services - Accounting	12,963						
733	Contractual Services - Legal	4,529						
734	Contractual Services - Mgt. Fees	157,946						868
735	Contractual Services - Testing							
736	Contractual Services - Other	378,656	54,760	73,714	18,929	60,493	140,616	27,380
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expenses							
756	Insurance - Vehicle							
757	Insurance - General Liability	3,964						
758	Insurance - Workman's Comp.							
759	Insurance - Other	18,162						
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	777						
775	Miscellaneous Expenses	3,617						
	Total Wastewater Utility Expenses	\$ 737,961	\$ 54,760	\$ 73,714	\$ 18,929	\$ 60,493	\$ 273,803	\$ 28,249

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY: The Villages/Sumter

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$					
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies		1,101				
731	Contractual Services-Engineering		23,059				
732	Contractual Services - Accounting		12,963				
733	Contractual Services - Legal		4,529				
734	Contractual Services - Mgt. Fees		157,078				
735	Contractual Services - Testing						
736	Contractual Services - Other		2,764				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability		3,964				
758	Insurance - Workman's Comp.						
759	Insurance - Other		18,162				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	777					
775	Miscellaneous Expenses		3,617				
	Total Wastewater Utility Expenses	\$ 777	\$ 227,235	\$	\$	\$	\$

UTILITY NAME: North Sumter Utility Company, LLC

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

SYSTEM NAME / COUNTY : The Villages/Sumter

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	7,001	7,001
5/8"	Displacement	1.0	123	123
3/4"	Displacement	1.5	25	38
1"	Displacement	2.5	22	55
1 1/2"	Displacement or Turbine	5.0	18	90
2"	Displacement, Compound or Turbine	8.0	7	56
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				<u>7,363</u>

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

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

Use one of the following methods:

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

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

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

For wastewater only utilities:

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

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

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

ERC Calculation:  170,521 gallons sold / 365 days / 116 gallons per day	4,027.42 ERC's
---	----------------



**UTILITY NAME:** North Sumter Utility Company, LLC

**SYSTEM NAME / COUNTY :** The Villages/Sumter

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	** 1.5 MGD		
Basis of Permit Capacity (1)	MMADF		
Manufacturer	EIMCO		
Type (2)	Oxidation Ditch		
Hydraulic Capacity	** 1.5 MGD		
Average Daily Flow	.707 MGD		
Total Gallons of Wastewater Treated	258,167,000 gal		
Method of Effluent Disposal	Reuse on public use areas and disposal on on-site RIBs.		

(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.

\*\* Construction permit received to expand plant to 2.8 MGD AADF. Anticipated completion is Fall 2006.

UTILITY NAME: North Sumter Utility Company, LLC

SYSTEM NAME / COUNTY : The Villages/Sumter

**OTHER WASTEWATER SYSTEM INFORMATION**

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

- |  |        |
|--|--------|
| 1. Present number of ERCs* now being served  | 8,728  |
| 2. Maximum number of ERCs* which can be served   | 18,519 |
| 3. Present system connection capacity (in ERCs*) using existing lines                                    | 10,742 |
| 4. Future connection capacity (in ERCs*) upon service area buildout                                      | 31,531 |
| 5. Estimated annual increase in ERCs*  | 2,300  |
| 6. Describe any plans and estimated completion dates for any enlargements or improvements of this system |        |

Planned WWTP expansion to a capacity of 2.8 mgd AADF. Estimated to be complete by Fall 2006.  
Continuing expansion of the collection system with development.

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. See attached sheet.

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? Yes  
If so, what are the utility's plans to comply with this requirement? Reuse is currently being done.

10. When did the company last file a capacity analysis report with the DEP? March 2005

11. If the present system does not meet the requirements of DEP rules: N/A  
 a. Attach a description of the plant upgrade necessary to meet the DEP rules.  
 b. Have these plans been approved by DEP? \_\_\_\_\_  
 c. When will construction begin? \_\_\_\_\_  
 d. Attach plans for funding the required upgrading.  
 e. Is this system under any Consent Order with DEP? \_\_\_\_\_

12. Department of Environmental Protection ID # Permit # FLA281581

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

Name: North Sumter Utility Company, LLC

System Name / County: The Villages / Sumter

#### **REUSE INFORMATION**

The following is a list of reuse end users. However, the amount of reuse to each user is not known.  
The total amount of reclaimed water distributed from the NSU WWTP during 2005 was 134,391,000 gallons

- Belvedere Executive Golf Course
- Arnold Palmer Championship Golf Course
- Cane Garden Championship Golf Course
- Sunset Pointe Executive Golf Course
- Mallory Hill Championship Golf Course
- Key Largo Executive Golf Course

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

*Water Operations*

Class A/B

**Company:** NORTH SUMTER UTILITY COMPANY, LLC

**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:			
Residential	\$ 677,623	\$ 677,623	\$ 0
Commercial	98,265	98,265	0
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	62,301	62,301	0
<b>Total Water Operating Revenue</b>	<b>\$ 838,189</b>	<b>\$ 838,189</b>	<b>\$ 0</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>			
<b>Net Water Operating Revenues</b>	<b>\$ 838,189</b>	<b>\$ 838,189</b>	<b>\$ 0</b>

**Explanations:**

C) REPRESENTS THE COMBINED TOTAL OF THE JUNE 30, 2005 AND THE DECEMBER 31, 2005 RAF RETURNS.

**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:** NORTH SUMTER UTILITY COMPANY, LLC

**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:			
Residential	\$ 1,214,951	\$ 1,214,951	\$ 0
Commercial	162,042	162,042	0
Industrial			
Multiple Family			
Guaranteed Revenues			
Other			
<b>Total Wastewater Operating Revenue</b>	<b>\$ 1,376,993</b>	<b>\$ 1,376,993</b>	<b>\$ 0</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>			
<b>Net Wastewater Operating Revenues</b>	<b>\$ 1,376,993</b>	<b>\$ 1,376,993</b>	<b>\$ 0</b>

Explanations:

C) REPRESENTS THE COMBINED TOTAL OF THE JUNE 30, 2005 AND THE DECEMBER 31, 2005  
RAF RETURNS.

Instructions:

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