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CLASS "A" OR "B"

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WS-846-07-AR

North Sumter Utility Company, LLC

Exact Legal Name of Respondent

618-W / 532-S

Certificate Numbers

Submitted To The

STATE OF FLORIDA



08 MAR 21 AM 10:00
ECONOMIC REGULATION
PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2007



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

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

March 17, 2008

To The Members
North Sumter Utility Company, LLC

We have compiled the balance sheets of North Sumter Utility Company, LLC. as of December 31, 2007 and 2006, and the related statements of income and retained earnings for the year(s) then ended, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

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

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

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

General Instructions

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which will create a permanent record, such as by typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule of the page with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. Water and wastewater system pages should be grouped together by system and all pages in the water and wastewater sections should be numbered consecutively at the bottom of the page where noted. For example, if the water system pages total 50 pages, they should be grouped by system and numbered from 1 to 50.
11. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
12. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
13. The report should be filled out in quadruplicate and the original and two copies returned by March 31 of the year following the date of the report. The report should be returned to:

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

The fourth copy should be retained by the utility

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EXECUTIVE

SUMMARY

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT
December 31, 2007

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

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

Items Certified

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



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

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



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

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

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

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2007

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:

Carlstedt, Jackson, Nixon and 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 percent or more of the voting securities of the utility:

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

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT
December 31, 2007

**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
Robert Nixon (727) 791-4020	CPA	Carlstedt, Jackson, Nixon & Wilson CPA's, P.A.	Regulatory Compliance
Steve Roy	Attorney	McLin & Burnsed P.A.	Legal Matters

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

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT
December 31, 2007

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, 2007, the Company has 13,820 water and 13,741 wastewater customers. Projected growth patterns estimate an additional 2,000 customers each year.
- (F) None

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT
December 31, 2007

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/07

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

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.



UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT December 31, 2007
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COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS COMPENSATION (d)
H. Gary Morse	President	1 %	\$ None
Mark G. Morse	Vice President & 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 an 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, 2007
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BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

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

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Steve Roy, Partner McLin & Burnsed P.A.	Legal services	\$ 1,687	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 principal occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
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
Steve Roy	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

YEAR OF REPORT December 31, 2007
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BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT OF PROVIDING WATER OR SEWER SERVICE

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

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

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT December 31, 2007
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
The Villages of Lake-Sumter	Billing, accounting, and management	Open	P	\$ 612,471

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
The Villages of Lake-Sumter, Inc.	Purchased water distribution lines	\$ 2,323,624	\$ 2,323,624		\$ 2,323,624
The Villages of Lake-Sumter, Inc.	Purchased wastewater collection lines	\$ 4,349,264	\$ 4,349,264		\$ 4,349,264

FINANCIAL

SECTION

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 72,523,364	\$ 67,270,009
108-110	Less: Accumulated Depreciation and Amortization	F-8	(6,313,021)	(4,309,260)
Net Plant			66,210,343	62,960,749
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			66,210,343	62,960,749
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9		
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property				
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10	2,347,502	2,421,952
Total Other Property and Investments			2,347,502	2,421,952
CURRENT AND ACCRUED ASSETS				
131	Cash		406,989	580,121
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts	F-11	265,312	717,774
145	Accounts Receivable from Associated Companies	F-12	18,000	21,700
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies		6,424	7,617
161	Stores Expense			
162	Prepayments		79,000	90,965
171	Accrued Interest and Dividends Receivable		7,897	9,510
172*	Rents Receivable			
173*	Accrued Utility Revenues		168,730	140,746
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			952,352	1,568,433

* Not Applicable for Class B Utilities

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT
December 31, 2007

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ 449,542	\$ 476,743
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and 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			449,542	476,743
TOTAL ASSETS AND OTHER DEBITS			\$ 69,959,739	\$ 67,427,877

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ -	\$ -
204	Preferred Stock Issued	F-15		
202,205*	Capital Stock Subscribed			
203,206*	Capital Stock Liability for Conversion			
207*	Premium on Capital Stock			
209*	Reduction in Par or Stated Value of Capital Stock			
210*	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid-in Capital			
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings (Deficit) (Members Equity)	F-16	(6,352,988)	(6,166,772)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital (Deficit)			(6,352,988)	(6,166,772)
LONG TERM DEBT				
221	Bonds	F-15	22,105,000	22,420,000
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			22,105,000	22,420,000
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		40,154	273,387
232	Notes Payable	F-18		
233	Accounts Payable to Associated Co.	F-18	17,628,801	20,312,038
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits			
236	Accrued Taxes		131,231	104,429
237	Accrued Interest	F-19	378,028	383,406
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20		
Total Current and Accrued Liabilities			18,178,214	21,073,260

* Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20		
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits				
OPERATING RESERVES				
261	Property Insurance Reserve			
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
Total Operating Reserves				
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	37,802,375	31,104,037
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(1,772,862)	(1,002,648)
Total Net C.I.A.C.			36,029,513	30,101,389
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation			
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes				
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 69,959,739	\$ 67,427,877

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 4,023,145	\$ 5,354,744
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			4,023,145	5,354,744
401	Operating Expenses	F-3(b)	1,968,831	2,378,593
403	Depreciation Expense	F-3(b)	1,659,617	2,003,759
	Less: Amortization of CIAC	F-22	(610,226)	(770,214)
Net Depreciation Expense			1,049,391	1,233,545
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	391,616	546,447
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			3,409,838	4,158,585
Net Utility Operating Income			613,307	1,196,159
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		995,966	968,513
Total Utility Operating Income [Enter here and on Page F-3(c)]			1,609,273	2,164,672

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3* (f)	SEWER SCHEDULE S-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 1,997,712	\$ 3,357,032	N/A
N/A		
1,997,712	3,357,032	-
1,156,386	1,222,207	
733,391	1,270,368	
(307,823)	(462,391)	
425,568	807,977	-
142,198	404,249	
1,724,152	2,434,433	
273,560	922,599	
435,828	532,685	
709,388	1,455,284	N/A

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR (e)
Total Utility Operating Income [from Page F-3(a)]			\$ 1,609,273	\$ 2,164,672
OTHER INCOME AND DEDUCTIONS				
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income		112,517	117,088
421	Miscellaneous Nonutility Revenue		602	88
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			113,119	117,176
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable to Other Income				
INTEREST EXPENSE				
427	Interest Expense	F-19	2,550,414	2,440,860
428	Amortization of Debt Discount & Expense	F-13	27,552	27,202
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			2,577,966	2,468,062
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET INCOME			(855,573)	(186,214)

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	\$ 20,533,626	\$ 44,786,821
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	(2,070,495)	(4,242,526)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	(14,731,371)	(23,071,004)
252	Advances for Construction	F-20		
Subtotal			3,731,760	17,473,291
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	710,862	1,062,000
Subtotal			4,442,622	18,535,291
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		144,548	152,776
	Other (Specify): Completed construction not classified		-	-
RATE BASE			\$ 4,587,170	\$ 18,688,067
NET UTILITY OPERATING INCOME			\$ 273,560	\$ 922,599
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			5.96 %	4.94 %

NOTES:

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

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ -	%	- %	%
Preferred Stock		%	- %	%
Long Term Debt	22,105,000	100.00 %	6.84 %	6.84 %
Customer Deposits		%	- %	%
Tax Credits - Zero Cost		%	- %	%
Tax Credits - Weighted Cost		%	- %	%
Deferred Income Taxes		%	- %	%
Other (Explain)		%	- %	%
Total	\$ 22,105,000	100.00 %		6.84 %

(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 THE 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 PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts Utility Plant In Service	\$ 20,533,626	\$ 44,786,821	N/A	\$ 65,320,447
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	2,506,405	4,696,512		7,202,917
106	Completed Construction Not Classified				
Total Utility Plant		\$ 23,040,031	\$ 49,483,333	N/A	\$ 72,523,364

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

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

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

UTILITY NAME: North Sumter Utility Company, LLC

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 1,337,103	\$ 2,972,156	N/A	\$ 4,309,259
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	733,391	1,270,368		2,003,759
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				
Rounding	1	2		3
Salvage				
Other Credits (specify) :				
Total credits	733,392	1,270,370		2,003,762
Debits during year:				
Book cost of plant retired	-	-		
Cost of removal				
Other debits (specify)				
Total debits				
Balance end of year	\$ 2,070,495	\$ 4,242,526	N/A	\$ 6,313,021

ACCUMULATED AMORTIZATION Account 110				
Balance first of year N/A	N/A	N/A	N/A	N/A
Credits during year:				
Accruals charged:				
to Account 110.2 (2)				
Other Accounts (specify):				
Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				
Total debits				
Balance end of year	N/A	N/A	N/A	N/A

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

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

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

NONUTILITY PROPERTY (ACCOUNT 121)

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

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

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133

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

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT
December 31, 2007

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

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): N/A	\$ -	\$ -
Total Investment In Associated Companies		\$ -
UTILITY INVESTMENTS (Account 124): N/A	\$ -	\$ -
Total Utility Investments		\$ -
OTHER INVESTMENTS (Account 125): N/A	\$ -	\$ -
Total Other Investments		\$ -
SPECIAL FUNDS (Class A Utilities: Accounts 126 & 127; Class B Utilities: Account 127))		
Series 02 & 03 Debt Service Reserve Fund		\$ 1,852,765
Series 02 Interest Fund		247,038
Series 02 Redemption Fund		53,750
Series 03 Interest Fund		163,949
Series 03 Redemption Fund		30,000
Total Special Funds		\$ 2,347,502

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

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

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Combined Water & Wastewater	\$ 265,312	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 265,312
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		

Total Other Accounts Receivable		
NOTES RECEIVABLE (Acct. 144):		
_____	\$ -	

Total Notes Receivable		
Total Accounts and Notes Receivable		<u>265,312</u>
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ -	
Add: Provision for uncollectables for current year	-	
Collections of accounts previously written off		
Utility accounts		
Others		
Total Additions		
Deduct accounts written off during year:		
Utility accounts	-	
Others		
Total accounts written off		
Balance end of year		-
Total Accounts and Notes Receivable - Net		\$ <u>265,312</u>

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT
December 31, 2007

**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
The Villages CIAC residential meters	\$ 18,000
Total	\$ 18,000

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146**

Report each note receivable from associated companies separately.

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

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174**

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

UTILITY NAME: North Sumter Utility Company, LLC

YEAR OF REPORT
December 31, 2007

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

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):		
Bond Series 02	\$ 16,318	\$ 259,851
Bond Series 03	10,884	189,691
Total Unamortized Debt Discount and Expense	\$ 27,202	\$ 449,542
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$ -	\$ -
Total Unamortized Premium on Debt	\$ -	\$ -

EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182

Report each item separately.

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

MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186 .

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

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

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

* Account 204 not applicable for Class B utilities

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
Sumter County Development Revenue Bonds, Series 2002 issued November 1, 2002; matures October 1, 2032	6.8 %	Fixed	\$ 13,175,000
Sumter County Development Revenue Bonds, Series 2003 issued May 1, 2003; matures October 1, 2034	6.9 %	Fixed	8,930,000
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 22,105,000

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

STATEMENT OF RETAINED EARNINGS

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance beginning of year (Deficit)	\$ (6,166,772)
439	Changes to account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	_____
	Total Credits	
	Debits: Rounding	2
	Total Debits	2
435	Balance transferred from Income	(186,214)
436	Appropriations of Retained Earnings: _____	_____
	Total appropriations of Retained Earnings	
437	Dividends declared: Preferred stock dividends declared _____	_____
438	Common stock dividends declared _____	_____
	Total Dividends Declared	
	Year end Balance	(6,352,988)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	
	Total Retained Earnings (Deficit)	\$ (6,352,988)
Notes to Statement of Retained Earnings:		

NOTES PAYABLE (ACCTS. 232 AND 234)

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
NOTES PAYABLE (Account 232):			
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.	\$ 17,628,801
Total	\$ 17,628,801

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

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt					
Bond Series 2002 and 2003	\$ 383,406	427	\$ 1,528,227	\$ 1,533,605	\$ 378,028
Total Account No. 237.1	\$ 383,406		1,528,227	1,533,605	378,028
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Interest due to The Villages	\$ -	427	912,633	912,633	-
Total Account 237.2	\$ -		912,633	912,633	
Total Account 237 (1)	\$ 383,406		\$ 2,440,860	\$ 2,446,238	\$ 378,028
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 2,440,860		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 2,440,860		

(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

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 12,139,492	\$ 18,964,545	N/A	\$ 31,104,037
Add credits during year:	2,591,879	4,106,459		6,698,338
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 14,731,371	\$ 23,071,004	\$ -	\$ 37,802,375

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance First of year	\$ 403,039	\$ 599,609	N/A	\$ 1,002,648
Debits during year:	307,823	462,391		770,214
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 710,862	\$ 1,062,000		\$ 1,772,862

UTILITY NAME: North Sumter Utility Company, LLC

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

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

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

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year (loss)	F-3 (c)	\$ (186,214)
Reconciling items for the year:		
Taxable income not reported on the books:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		-
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Income recorded on books not included in return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income (loss)		\$ (186,214)
Computation of tax: Utility is an operating division of a single member LLC; therefore, this Schedule is not applicable		

**WATER
OPERATION
SECTION**

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
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SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 20,533,626
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	(2,070,495)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	(14,731,371)
252	Advances for Construction	F-20	
	Subtotal		3,731,760
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	710,862
	Subtotal		4,442,622
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		144,548
	Other (Specify): Completed Construction not Classified		-
	WATER RATE BASE		\$ 4,587,170
	UTILITY OPERATING INCOME	W-3	\$ 273,560
Achieved Rate of Return (Water Operating Income/Water Rate Base)			5.96 %

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

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	W-9	1,997,712
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		1,997,712
401	Operating Expenses	W-10(a)	1,156,386
403	Depreciation Expense	W-6(a)	733,391
	Less: Amortization of CIAC	W-8(a)	(307,823)
	Net Depreciation Expense		425,568
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		89,898
408.11	Property Taxes		52,300
408.12	Payroll Taxes		
408.13	Other Taxes & Licenses		
408	Total Taxes Other Than Income		142,198
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		1,724,152
	Utility Operating Income		273,560
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	-
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		435,828
	Total Utility Operating Income		\$ 709,388

UTILITY NAME: North Sumter Utility Company, LLC
SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
December 31, 2007

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	Structure and Improvements	863,464			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	2,152,742			2,152,742
320	Water Treatment Equipment	814,650			814,650
330	Distribution Reservoirs and Standpipes	619,214			619,214
331	Transmission and Distribution Mains	6,222,434	1,628,705		7,851,139
333	Services	1,024,725	197,210		1,221,935
334	Meters and Meter Installations	4,663,594	995,270		5,658,864
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment				
340	Office Furniture and Equipment		454		454
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	29,995			29,995
347	Miscellaneous Equipment	28,347	16,862		45,209
348	Other Tangible Plant				
	TOTAL WATER PLANT	\$ 17,695,125	\$ 2,838,501	\$ -	\$ 20,533,626

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

YEAR OF REPORT
 December 31, 2007

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			4,531		
304	Structure and Improvements	863,464		453,966	21,983	387,515	
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 Mai The Villages / Sumter						
310	Power Generation Equipment	186,269		186,269			
311	Pumping Equipment	2,152,742		90,142	1,008,827	1,053,773	
320	Water Treatment Equipment	814,650			814,650		
330	Distribution Reservoirs and Standpipes	619,214				619,214	
331	Transmission and Distribution Mains	7,851,139				7,851,139	
333	Services	1,221,935				1,221,935	
334	Meters and Meter Installations	5,658,864				5,658,864	
335	Hydrants						
336	Backflow Prevention Devices						
339	Other Plant / Miscellaneous Equipment						
340	Office Furniture and Equipment	454					454
341	Transportation Equipment						
342	Stores Equipment						
343	Tools, Shop and Garage Equipment						
344	Laboratory Equipment						
345	Power Operated Equipment	29,995					29,995
346	Communication Equipment	45,209					45,209
347	Miscellaneous Equipment						
348	Other Tangible Plant						
	TOTAL WATER PLANT	\$ 20,533,626	\$ 22,772	\$ 1,792,765	\$ 1,849,991	\$ 16,792,440	\$ 75,658

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
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BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
301	Organization	40	%	2.50 %
302	Franchises		%	%
304	Structure 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	22	%	4.55 %
330	Distribution Reservoirs and Standpipes	37	%	2.70 %
331	Transmission and Distribution Mains	43	%	2.33 %
333	Services	40	%	2.50 %
334	Meters and Meter Installations	20	%	5.00 %
335	Hydrants		%	%
336	Backflow Prevention Devices		%	%
339	Other Plant / Miscellaneous Equipment		%	%
340	Office Furniture and Equipment	6	%	16.67 %
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

YEAR OF REPORT
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ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (1) (e)	TOTAL CREDITS (d + e) (f)
301	Organization	\$ 2,799	\$ 569	\$ -	\$ 569
302	Franchises				
304	Structure and Improvements	64,585	26,983		26,983
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	123,945	35,413		35,413
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	13,970	9,314		9,314
311	Pumping Equipment	251,932	107,637		107,637
320	Water Treatment Equipment	131,717	81,465		81,465
330	Distribution Reservoirs and Standpipes	25,103	16,736		16,736
331	Transmission and Distribution	275,487	163,647		163,647
333	Services	46,374	28,084		28,084
334	Meters and Meter Installations	391,773	258,061		258,061
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant / Miscellaneous Equipment				
340	Office Furniture and Equipment		31	1	32
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	7,326	2,999		2,999
347	Miscellaneous Equipment	2,092	2,452		2,452
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,337,103	\$ 733,391	\$ 1	\$ 733,392

* Specify nature of transaction.
 Use () to denote reversal entries.
 Note: (1) Rounding

UTILITY NAME: North Sumter Utility Company, LLC
SYSTEM NAME / COUNTY: The Villages / Sumter

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i+j)	BALANCE AT END OF YEAR (c+f-k) (k)
301	Organization	\$ -	\$ -	\$ -	\$ -	3,368
302	Franchises					
304	Structure and Improvements					91,568
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					159,358
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					23,284
311	Pumping Equipment					359,569
320	Water Treatment Equipment					213,182
330	Distribution Reservoirs and Standpipes					41,839
331	Transmission and Distribution					439,134
333	Services					74,458
334	Meters and Meter Installations					649,834
335	Hydrants					
336	Backflow Prevention Devices					
339	Other Plant / Miscellaneous Equipment					
340	Office Furniture and Equipment					32
341	Transportation Equipment					
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					10,325
347	Miscellaneous Equipment					4,544
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ -	\$ -	\$ -	\$ -	2,070,495

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
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WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
460	Water Sales: Unmetered Water Revenue			
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	11,024	13,450	\$ 1,761,754
461.2	Metered Sales to Commercial Customers	290	368	140,998
461.3	Metered Sales to Industrial Customers			
461.4	Metered Sales to Public Authorities			
461.5	Metered Sales to Multiple Family Dwellings			
	Total Metered Sales	11,314	13,818	1,902,752
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
	Total Fire Protection Revenue	-		
464	Other Sales to Public Authorities			
465	Sales to Irrigation Customers	1	2	35,700
466	Sales for Resale Non-Potable Irrigation			
467	Interdepartmental Sales			
	Total Water Sales	11,315	13,820	1,938,452
	Other Water Revenues:			
469	Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			60
472	Rents From Water Property			59,200
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 59,260
	Total Water Operating Revenues			\$ 1,997,712

* 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

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WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ -	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders			
604	Employee Pensions and Benefits			
610	Purchased Water			
615	Purchased Power	143,117		
616	Fuel for Power Production			
618	Chemicals			
620	Materials and Supplies	906		
631	Contractual Services - Engineering	53,156		
632	Contractual Services - Accounting	15,870		
633	Contractual Services - Legal	1,575		
634	Contractual Services - Mgt. Fees	347,881		41,645
635	Contractual Services - Testing			
636	Contractual Services - Other	556,314	11,598	
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expense			
656	Insurance - Vehicle			
657	Insurance - General Liability	4,168		
658	Insurance - Workmens Comp.			
659	Insurance - Other	32,035		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense			
675	Miscellaneous Expenses	1,364		
Total Water Utility Expenses		\$ 1,156,386	\$ 11,598	\$ 41,645

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
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WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
143,117					
					906
					53,156
					15,870
					1,575
					306,236
224,412	101,924	179,474	33,945		4,961
					4,168
					32,035
					1,364
\$ 367,529	\$ 101,924	\$ 179,474	\$ 33,945		\$ 420,271

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	-	34,601	1,542	33,059	35,357
February	-	40,271	1,577	38,694	39,190
March	-	43,796	1,542	42,254	30,014
April	-	43,235	1,542	41,693	44,083
May	-	41,774	1,555	40,219	38,543
June	-	34,793	1,542	33,251	36,454
July	-	35,633	1,542	34,091	33,374
August	-	37,735	1,567	36,168	32,169
September	-	36,097	1,579	34,518	37,799
October	-	40,150	1,542	38,608	30,033
November	-	42,712	1,542	41,170	40,199
December	-	42,284	1,542	40,742	39,903
Total for year	N/A	473,081	18,614	454,467	437,118

If water is purchased for resale, indicate the following:

Vendor N/A

Point of delivery

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

N/A

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
NSU-WS-1	2000 GPM	.422 MGD	Groundwater
NSU-WS-2	2000 GPM	.432 MGD	Groundwater
NSU-WS-5	2000 GPM	.219 MGD	Groundwater
NSU-WS-6	2000 GPM	.228 MGD	Groundwater

UTILITY NAME: North Sumter Utility Company, LLC
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WATER TREATMENT PLANT INFORMATION
Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>WTP 1- 2.183 MGD peak month (SWFWMD)</u>		
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>		
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc):	<u>Chlorination</u>		
LIME TREATMENT			
Unit rating (i.e., GPM, pounds per gallon):	<u>N/A</u>	Manufacturer	<u>N/A</u>
FILTRATION			
Type and size of area:			
Pressure (in square feet):	<u>N/A</u>	Manufacturer	<u></u>
Gravity (in GPM/square feet):	<u></u>	Manufacturer	<u></u>

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

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CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	13,529	13,529
5/8"	Displacement	1.0	195	195
3/4"	Displacement	1.5	32	48
1"	Displacement	2.5	30	75
1 1/2"	Displacement or Turbine	5.0	21	105
2"	Displacement, Compound or Turbine	8.0	12	96
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				14,048

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:

$$\begin{array}{r}
 ERC = \quad 437,118 \text{ gallons, divided by} \\
 \quad \quad 125 \text{ gallons per day} \\
 \quad \quad \underline{365 \text{ days}} \\
 \quad \quad \underline{9,580.7 \text{ ERC's}}
 \end{array}$$

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

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OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.	
1. Present ERC's * that system can efficiently serve.	<u>14,048</u>
2. Maximum number of ERC's * which can be served.	<u>17,310</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>17,310</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>35,012</u>
5. Estimated annual increase in ERC's *.	<u>Approximately 2,300</u>
6. Is the utility required to have fire flow capacity? If so, how much capacity is required?	<u>No - fire flow demands served by VWCA</u> <u>N/A</u>
7. Attach a description of the fire fighting facilities.	<u>N/A</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. <u>NSU WTP 3 additional supply well- Fall 2008, NSU WTP 2 Spring 2009,</u> <u>Continuing expansion of the distribution system with development</u>	
9. When did the company last file a capacity analysis report with the DEP?	<u>1/2005</u>
10. If the present system does not meet the requirements of DEP rules:	
a. Attach a description of the plant upgrade necessary to meet the DEP rules.	<u>N/A</u>
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will construction be	<u>N/A</u>
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order of the DEP?	<u>No</u>
11. Department of Environmental Protection ID #	<u>PWS ID No. 6605012</u>
12. Water Management District Consumptive Use Permit #	<u>20013005.000</u>
a. Is the system in compliance with the requirements of the CUP?	<u>Yes</u>
b. If not, what are the utility's plans to gain compliance?	<u>N/A</u>

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

**WASTEWATER
OPERATION
SECTION**

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 44,786,821
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(4,242,526)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(23,071,004)
252	Advances for Construction	F-20	
	Subtotal		<u>17,473,291</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	1,062,000
	Subtotal		<u>18,535,291</u>
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		152,776
	Other (Specify): Completed Construction not Classified		-
	WASTEWATER RATE BASE		<u>\$ 18,688,067</u>
	UTILITY OPERATING INCOME	S-3	<u>\$ 922,599</u>
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		<u>4.94 %</u>

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

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	S-9	\$ 3,357,032
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		3,357,032
401	Operating Expenses	S-10(a)	1,222,207
403	Depreciation Expense	S-6(a)	1,270,368
	Less: Amortization of CIAC	S-8(a)	(462,391)
	Net Depreciation Expense		807,977
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC) (Loss on plant abandonment)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		151,065
408.11	Property Taxes		253,184
408.12	Payroll Taxes		
408.13	Other Taxes & Licenses		
408	Total Taxes Other Than Income		404,249
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		2,434,433
	Utility Operating Income		922,599
530	Add Back: Guaranteed Revenue (and AFPI)		
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		532,685
	Total Utility Operating Income		\$ 1,455,284

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
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WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 22,772	\$ -	\$ -	\$ 22,772
352	Franchises				
353	Land and Land Rights	145,465			145,465
354	Structure and Improvements	5,924,235	3,473,804		9,398,039
355	Power Generation Equipment	1,174,235			1,174,235
360	Collection Sewers - Force	1,424,344	209,238		1,633,582
361	Collection Sewers - Gravity	14,291,294	3,165,665		17,456,959
362	Special Collecting Structures				
363	Services to Customers	4,944,336	1,027,676		5,972,012
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	2,814,989	202,830		3,017,819
371	Pumping Equipment	259,500			259,500
374	Reuse Distribution Reservoirs	77,850	365,274		443,124
375	Reuse Transmission and Distribution System	94,088			94,088
380	Treatment & Disposal Equipment	2,454,577			2,454,577
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	2,419,578			2,419,578
390	Office Furniture & Equipment	11,276	454		11,730
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment	116,775			116,775
395	Power Operated Equipment				
396	Communication Equipment	30,951	100,271		131,222
397	Miscellaneous Equipment	28,347	6,997		35,344
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 36,234,612	\$ 8,552,209	\$ -	\$ 44,786,821

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

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$ 22,772						
352	Franchises							
353	Land and Land Rights				\$ 145,465			
354	Structure and Improvements			74,200	9,323,839			
355	Power Generation Equipment				1,174,235			
360	Collection Sewers - Force		1,633,582					
361	Collection Sewers - Gravity		17,456,959					
362	Special Collecting Structures							
363	Services to Customers		5,972,012					
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			3,017,819				
371	Pumping Equipment						259,500	
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System				2,454,577		94,088	
380	Treatment & Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipme				2,419,578			11,730
390	Office Furniture & Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							116,775
395	Power Operated Equipment							131,222
396	Communication Equipment							35,344
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 22,772	\$ 25,062,553	\$ 3,092,019	\$ 15,517,694	\$ 443,124	\$ 353,588	\$ 295,071

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

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
351	Organization	40	%	2.50 %
352	Franchises		%	%
354	Structure and Improvements	32	%	3.13 %
355	Power Generation Equipment	20	%	5.00 %
360	Collection Sewers - Force	30	%	3.33 %
361	Collection Sewers - Gravity	45	%	2.22 %
362	Special Collecting Structures	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 Transmission and Distribution System	43	%	2.33 %
380	Treatment & Disposal Equipment	18	%	5.56 %
381	Plant Sewers	35	%	2.86 %
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment	18	%	5.56 %
390	Office Furniture & Equipment	15	%	6.67 %
391	Transportation Equipment		%	%
392	Stores Equipment		%	%
393	Tools, Shop and Garage Equipment		%	%
394	Laboratory Equipment	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

YEAR OF REPORT
 December 31, 2007

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCUALS (d)	OTHER CREDITS * (1) (e)	TOTAL CREDITS (d + e) (f)
351	Organization	\$ 2,799	\$ 569	\$ -	\$ 569
352	Franchises				
354	Structure and Improvements	642,437	239,411		239,411
355	Power Generation Equipment	205,491	58,712		58,712
360	Collection Sewers - Force	120,936	50,966		50,966
361	Collection Sewers - Gravity	382,902	225,439		225,439
362	Special Collecting Structures	304,815	190,980		190,980
363	Services to Customers	227,222	143,636		143,636
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	211,054	97,213		97,213
371	Pumping Equipment	50,458	14,417		14,417
374	Reuse Distribution Reservoirs	7,364	7,040		7,040
375	Reuse Transmission and Distribution System	7,658	2,188		2,188
380	Treatment & Disposal Equipment	474,083	136,366		136,366
381	Plant Sewers	183,693	52,717		52,717
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	111,705	31,915		31,915
390	Office Furniture & Equipment	2,631	784		784
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment	27,247	7,785		7,785
395	Power Operated Equipment				
396	Communication Equipment	7,564	8,109		8,109
397	Miscellaneous Equipment	2,097	2,121	2	2,123
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 2,972,156	\$ 1,270,368	\$ 2	\$ 1,270,370

* Specify nature of transaction.
 Use () to denote reversal entries.
 Note: (1) Rounding

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (k)
351	Organization	\$ -	\$ -	\$ -	\$ -	3,368
352	Franchises					
354	Structure and Improvements					881,848
355	Power Generation Equipment					264,203
360	Collection Sewers - Force					171,902
361	Collection Sewers - Gravity					608,341
362	Special Collecting Structures					495,795
363	Services to Customers					370,858
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					308,267
371	Pumping Equipment					64,875
374	Reuse Distribution Reservoirs					14,404
375	Reuse Transmission and Distribution System					9,846
380	Treatment & Disposal Equipment					610,449
381	Plant Sewers					236,410
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					143,620
390	Office Furniture & Equipment					3,415
391	Transportation Equipment					
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					35,032
395	Power Operated Equipment					
396	Communication Equipment					15,673
397	Miscellaneous Equipment					4,220
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service		\$ -	\$ -	\$ -	\$ -	4,242,526

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
522.1	Measured Revenues: Residential Revenues	11,022	13,451	\$ 3,120,292
522.2	Commercial Revenues	229	290	236,740
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)			
522	Total Measured Revenues	11,251	13,741	3,357,032
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	11,251	13,741	\$ 3,357,032
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			
	Total Other Wastewater Revenues			\$ -

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

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
Flat Rate Reuse Revenues:				
540.1	Residential Reuse Revenues			\$ -
540.2	Commercial Reuse Revenues			
540.3	Industrial Reuse Revenues			
540.4	Reuse Revenues From Public Authorities			
540.5	Other Reuse Revenues			
540	Total Flat Rate Reuse Revenues			
Measured Reuse Revenues:				
541.1	Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues			
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				
Total Wastewater Operating Revenues				\$ 3,357,032

* 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

YEAR OF REPORT
 December 31, 2007

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	253,526					253,526	
716	Fuel for Power Production							
718	Chemicals							
720	Materials and Supplies	906						
731	Contractual Services - Engineering	44,575						
732	Contractual Services - Accounting	15,870						
733	Contractual Services - Legal	1,575						
734	Contractual Services - Mgt. Fees	306,236						
735	Contractual Services - Testing							
736	Contractual Services - Other	561,959	105,908	113,606	28,052	70,129	79,350	29,046
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expense							
756	Insurance - Vehicle							
757	Insurance - General Liability	4,168						
758	Insurance - Workmens Comp.							
759	Insurance - Other	32,035						
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense							
775	Miscellaneous Expenses	1,357						
	Total Wastewater Utility Expenses	\$ 1,222,207	\$ 105,908	\$ 113,606	\$ 28,052	\$ 70,129	\$ 332,876	\$ 29,046

S-10(a)
 GROUP 1

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
 December 31, 2007

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES - OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES - MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES - OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES - MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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 Production						
718	Chemicals						
720	Materials and Supplies		906				
731	Contractual Services - Engineering		44,575				
732	Contractual Services - Accounting		15,870				
733	Contractual Services - Legal		1,575				
734	Contractual Services - Mgt. Fees		306,236				
735	Contractual Services - Testing						
736	Contractual Services - Other		10,951	91,167			33,750
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expense						
756	Insurance - Vehicle						
757	Insurance - General Liability		4,168				
758	Insurance - Workmens Comp.						
759	Insurance - Other		32,035				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense		1,357				
775	Miscellaneous Expenses						
	Total Wastewater Utility Expenses	\$ -	\$ 417,673	\$ 91,167	\$ -	\$ -	\$ 33,750

S-10(b)
 GROUP 1

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	13,512	13,512
5/8"	Displacement	1.0	145	145
3/4"	Displacement	1.5	31	47
1"	Displacement	2.5	24	60
1 1/2"	Displacement or Turbine	5.0	21	105
2"	Displacement, Compound or Turbine	8.0	8	64
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				13,933

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:

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

For wastewater only utilities:

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

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

NOTE: Total gallons treated includes both treated and purchased treatment

ERC Calculation:	(<u>529,341,000</u>	/ 365 days) / 116 gpd =	<u>12,502</u>
		(total gallons treated)		

UTILITY NAME: North Sumter Utility Company, LLC
 SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
December 31, 2007

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

Permitted Capacity	2.8 MGD		
Basis of Permit Capacity (1)	AADF		
Manufacturer	EIMCO		
Type (2)	Oxidation Ditch		
Hydraulic Capacity	2.8 MGD AADF		
Average Daily Flow	1.451 MGD		
Total Gallons of Wastewater Treated	529,341,000 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.

UTILITY NAME: North Sumter Utility Company, LLC
SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
December 31, 2007

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present ERC's * that system can efficiently serve.	<u>13,933</u>
2. Maximum number of ERC's * which can be served.	<u>17,310</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>17,310</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>32,941</u>
5. Estimated annual increase in ERC's *.	<u>Approximately 2,300</u>
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system. <u>An equalization basin is being added to normalize influent flows. Construction completion is estimated for Summer 2010.</u>	
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. <u>See attached sheet</u>	
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? <u>N/A</u>	
If so, when? <u>N/A</u>	
9. Has the utility been required by the DEP or water management district to implement reuse? <u>Yes</u>	
If so, what are the utility's plans to comply with the DEP? <u>Reuse is currently being done.</u>	
10. When did the company last file a capacity analysis report with the DEP? <u>October 2006</u>	
11. If the present system does not meet the requirements of DEP rules:	
a. Attach a description of the plant upgrade necessary to meet the DEP rules.	
b. Have these plans been approved by DEP? <u>N/A</u>	
c. When will construction begin? <u>N/A</u>	
d. Attach plans for funding the required upgrading. <u>N/A</u>	
e. Is this system under any Consent Order of the DEP? <u>N/A</u>	
11. Department of Environmental Protection ID # <u>FLA281581</u>	

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

UTILITY NAME: North Sumter Utility Company, LLC
SYSTEM NAME / COUNTY: The Villages / Sumter

YEAR OF REPORT
December 31, 2007

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 2007 was 450,731,000 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
Havana Championship Golf Course
Duval Executive Golf Course
Double Palm Executive Golf Course

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

Company: NORTH SUMTER UTILITY COMPANY

For the Year Ended December 31, 2007

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate revenues (521.1 - 521.6)	\$ -	\$ -	\$ -
Total Measured Revenues (522.1 - 522.5)	3,357,032	3,357,032	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	-	-	-
Reclaimed Water Sales (540.1 - 544)	-	-	-
Total Wastewater Operating Revenue	\$ 3,357,032	\$ 3,357,032	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 3,357,032	\$ 3,357,032	\$ -

Explanations:

Instructions:

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

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

Company: NORTH SUMTER UTILITY COMPANY

For the Year Ended December 31, 2007

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales ((461.1 - 461.5)	1,902,752	1,902,752	-
Total Fire Protection Revenue (462.1 - 462.2)	-	-	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	35,700	35,700	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	59,260	59,260	-
Total Water Operating Revenue	\$ 1,997,712	\$ 1,997,712	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 1,997,712	\$ 1,997,712	\$ -

Explanations:

Instructions:

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