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REPLY TO ALTAMONTE SPRINGS

MARTIN S. FRIEDMAN, P.A.  
VALERIE L. LORD, OF COUNSEL  
(LICENSED IN TEXAS ONLY)

July 7, 2004

HAND DELIVERY

Ms. Blanca Bayo  
Commission Clerk and Administrative Services Director  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

RECEIVED-FPSC  
04 JUL -7 PM 12:29  
COMMISSION  
CLERK

Re: Docket No. 040704-WS; Application of North Sumter Utility Company, LLC for an Amendment of Water and Wastewater Certificates in Sumter County, Florida  
Our File No.: 34078.05

Dear Ms. Bayo:

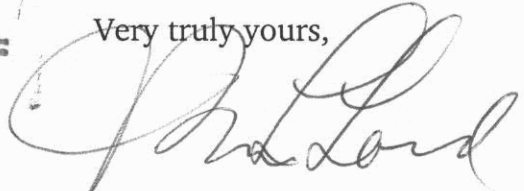
Enclosed for filing are the original and fifteen (15) copies of the Application of North Sumter Utility Company, LLC for an Amendment of Water and Wastewater Certificates in Sumter County, Florida. Also enclosed is our check in the amount of \$4,000.00 representing the appropriate filing fee.

Should you have any questions regarding this filing, please do not hesitate to give me a call.

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward deposit information to Records.

Initials of person who forwarded check:  
S&C

Very truly yours,



RECEIVED & FILED

MVS  
FPSC BUREAU OF RECORDS

VALERIE L. LORD  
For the Firm

VLL/tlc

Enclosures

cc: Mr. John Wise (w/enclosure) *Original Tariffs forwarded to ECR*  
Trey Arnett, P.E. (w/enclosure)

DOCUMENT NUMBER - DATE

**07388 JUL -7 3**

FPSC-COMMISSION CLERK

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Application of  
**NORTH SUMTER UTILITY  
COMPANY, LLC** for amendment  
of water and wastewater certificates  
in Sumter County, Florida

---

Docket No. 040704-WS

**APPLICATION FOR AMENDMENT OF  
CERTIFICATES OF AUTHORIZATION**

NORTH SUMTER UTILITY COMPANY, LLC ("Applicant"), by and through its undersigned attorneys, and pursuant to Section 367.045(2), Florida Statutes, and Rule 25-30.036, Florida Administrative Code, files this Application for Amendment of Water Certificate No. 618-W and Wastewater Certificate No. 532-S to extend its service area to include certain land in Sumter County, Florida, as described in this Application ("New Service Area"), and in support thereof states:

1. The exact name of the Applicant and the address of its principal business offices are:

NORTH SUMTER UTILITY COMPANY, LLC  
1100 Main Street  
The Villages, Florida 32159  
PHONE: (352)753-2270

and after August 1, 2004, will be

1020 Lake Sumter Landing  
The Villages, Florida 32162.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

2. The name and address of the person authorized to receive notices and communications in respect to this application is:

Martin S. Friedman, Esquire  
Rose, Sundstrom & Bentley, LLP  
600 S. North Lake Boulevard, Suite 160  
Altamonte Springs, FL 32701  
(407)830-6331  
(407)830-8522 fax  
[mfriedman@rsbattorneys.com](mailto:mfriedman@rsbattorneys.com)

3. The purpose of this Application is to extend the Applicant's certificated water and wastewater service areas to include the New Service Area described below.

4. As required by Rule 25-30.036, the Applicant provides the following information:

(a) The Applicant's complete name and address are as set out above.

(b) The Applicant is an established utility and has both the financial and technical ability to render reasonably sufficient, adequate and efficient service. The Applicant's most recent financial statements from its 2003 Annual Report, together with a letter from The Villages of Lake-Sumter, Inc., an affiliate of the Applicant, agreeing to provide financial support, are attached as Exhibit "A". With respect to the Applicant's technical ability, attached as Exhibit "B" is a schedule listing the operators and their license numbers. There are no outstanding Consent Orders or Notices of Violation from DEP. Its regulatory accountants are Cronin, Jackson, Nixon & Wilson, CPAs, and its attorneys are the law firm of Rose, Sundstrom & Bentley, LLP, both of the whom are the preeminent firms in their respective disciplines in the regulation of water and wastewater utilities in Florida.

(c) To the best of the Applicant's knowledge, the provision by the Applicant of water and wastewater service to the New Service Area is consistent with the water and wastewater sections of the Sumter County Comprehensive Plan at the time this Application is filed, as approved by the Department of Community Affairs. Attached as Exhibit "C" is a letter from Jackson E. Sullivan, AICP, stating that the provision of water and wastewater service to the New Service Area is consistent with the goals, objectives and policies of the Sumter County Comprehensive Plan.

(d) Documentary evidence of the Applicant's ownership of the properties on which its plants are constructed is attached as Exhibit "D".

(e) A description of the New Service Area that the Applicant proposes to serve, using township, range and section references, is attached as Exhibit "E".

(f) One copy of each of the detailed water and wastewater system maps showing the lines, treatment facilities and the territory proposed to be served is attached hereto as Exhibit "F".

(g) The Applicant proposes to expand its wastewater treatment plant to serve the New Service Area. The method of effluent disposal will remain the same as for the current plant. Effluent will be disposed of via a public access reuse system that will irrigate golf courses within The Villages of Sumter. Rapid infiltration basins (RIBS) will be utilized as a back-up disposal method for effluent. The RIBs will be used only on limited occasions when the effluent does not meet public access reuse standards. Anticipated water and wastewater flows are shown on the tables provided with Exhibit "F".

(h) Not applicable. Please refer to (g) above.

(i) A map of the Applicant's certificated water and wastewater service area, and the New Service Area, showing township, range and section, is attached as Exhibit "G".

(j) The capacity of the existing lines and treatment facilities and the design capacity of the reuse system are as set out in the letter from Robert E. Farner, P.E. attached as Exhibit "H".

(k) The numbers and dates of permits issued by the Department of Environmental Protection are as shown on Exhibit "I".

(l) Attached as Exhibit "J" is a letter from John F. Wise providing a description of the proposed method of financing the construction. There will not be any impact on the Applicant's capital structure.

(m) In the New service Area, the Applicant will serve both residential and commercial customers. Residential customers will consist of conventionally built single-family detached and attached homes. The homes will be part of the Villages development, which is a retirement community being developed in Sumter, Lake and Marion Counties. Commercial facilities within the New Service area will be developed around Village Commercial Centers. The primary types of commercial customers anticipated to be served include offices, retail stores and restaurants. Additional supporting uses may include institutional/educational uses, medical facilities and recreational facilities. This Application is not intended to, nor will it, affect the type or quality of service already provided by the Applicant. The amendment of the Applicant's water and wastewater certificates for the purposes described in this Application will not interrupt, curtail or otherwise affect the provision of water and wastewater service to the Applicant's existing customers. The ERC

total is based on 130 gallons per day for potable water and 103 gallons per day for wastewater. Using these values, the New Service Area will include 5,385 water ERCs and 2,719 wastewater ERCs.

(n) The amendment of the Applicant's certificated water and wastewater service areas for the purposes described in this Application will not have any impact on the Applicant's rates or service availability charges.

(o) Attached as Exhibit "K" to this Application are the original and two copies of the revised water and wastewater tariff sheets reflecting the addition of the New Service Area. Copies of the revised tariff sheets are attached to each copy of the Application.

(p) Copies of the original water and wastewater certificates are attached as Exhibit "L". The Applicant has not been able to locate the original certificate and requests replacement certificates which incorporate the amendments requested in this Application.

(q) Rates for the Applicant were established by the Commission in Docket No. 010859-WS pursuant to Order No. PSC-02-0554-PAA-WS. They have not been changed since the original certificates were issued in this docket.

(r) In response to Section 367.045(2)(c), Florida Statutes, attached hereto as Exhibit "M" is an Affidavit that the Applicant has on file with the Commission a tariff and current annual report.

8. The approval of this Application is in the public interest because there is a need to provide water and wastewater service to the New Service Area to meet anticipated demand. It is in the public interest for the Applicant's water and wastewater certificates to be amended for this purpose.

9. Attached to this Application as Late Filed Exhibit “N” is an Affidavit that notice of the Application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:

- (1) the governing body of the municipality, county or counties in which the system or territory proposed to be served is located;
- (2) the privately owned water utility that holds a certificate granted by the Public Service Commission and that is located within the county in which the utility or the territory proposed to be served is located;
- (3) if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties and holding a certificate granted by the Commission;
- (4) the regional planning council;
- (5) the Office of Public Counsel;
- (6) the Public Service Commission’s Director of Records and Reporting;
- (7) the appropriate regional office of the Department of Environmental Protection; and
- (8) the appropriate water management district;

Copies of the Notice and a list of entities noticed shall accompany the affidavit.

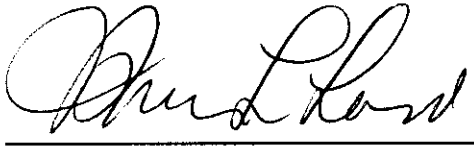
10. Attached as Late filed Exhibit “O” is an Affidavit that notice of the Application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each property owner in the New Service Areas.

11. Attached as Late Filed Exhibit "P" is an Affidavit that notice of the Application was published once a week in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code.

12. The New Service Area will serve an estimated 5,385 water ERCs and 2,719 wastewater ERCs. Therefore the appropriate filing fee is \$4,000.00 (\$2,250.00 for water and \$1,750.00 for wastewater).

Respectfully submitted on this  
12<sup>th</sup> day of July, 2004, by:

ROSE, SUNDSTROM & BENTLEY, LLP  
600 S. North Lake Boulevard  
Suite 160  
Altamonte Springs, Florida 32701  
Telephone: (407) 830-6331  
Facsimile: (407) 830-8522

By:   
MARTIN S. FRIEDMAN  
VALERIE L. LORD  
For the Firm



**EXHIBIT "A"**

**FINANCIAL STATEMENTS**

UTILITY NAME: North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31, 2003

**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	\$ 8,226,925	\$ 25,630,946
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,044	397,275
Net Plant			\$ 8,225,881	\$ 25,233,671
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 8,225,881	\$ 25,233,671
<b>OTHER PROPERTY AND INVESTMENTS</b>				
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	7,294,171	2,544,123
Total Other Property & Investments			\$ 7,294,171	\$ 2,544,123
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 28,030	\$ 27,200
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	510	675,067
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material and Supplies			14,367
161	Stores Expense			
162	Prepayments			30,095
171	Accrued Interest and Dividends Receivable		5,193	1,195
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			4,595
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			\$ 33,733	\$ 752,518

• Not Applicable for Class B Utilities

UTILITY NAME: North Sumter Utility Company, LLC

<b>YEAR OF REPORT</b> December 31, 2003
--

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>DEFERRED DEBITS</b>				
181	Unamortized Debt Discount & Expense	F-13	\$ 309,635	\$ 560,308
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			\$ 309,635	\$ 560,308
<b>TOTAL ASSETS AND OTHER DEBITS</b>			<b>\$ 15,863,420</b>	<b>\$ 29,090,621</b>

\* Not Applicable for Class B Utilities

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

UTILITY NAME: North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31, 2003

**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			
211	Other Paid - In Capital			
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(68,450)	(1,037,105)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ (67,450)	\$ (1,036,105)
<b>LONG TERM DEBT</b>				
221	Bonds	F-15	13,900,000	23,150,000
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			\$ 13,900,000	\$ 23,150,000
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		1,287,391	439,839
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	585,946	5,176,612
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits			
236	Accrued Taxes	W/S-3		860
237	Accrued Interest	F-19	157,534	395,871
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
Total Current & Accrued Liabilities			\$ 2,030,871	\$ 6,013,182

• Not Applicable for Class B Utilities

UTILITY NAME: North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31, 2003

**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			\$ _____	\$ _____
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		\$ _____	\$ _____
263	Pensions and Benefits Reserve		\$ _____	\$ _____
265	Miscellaneous Operating Reserves		\$ _____	\$ _____
Total Operating Reserves			\$ _____	\$ _____
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ _____	\$ 970,206
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	\$ _____	\$ 6,662
Total Net C.I.A.C.			\$ _____	\$ 963,544
<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			\$ _____	\$ _____
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ <u>15,863,420</u>	\$ <u>29,090,621</u>

UTILITY NAME: North Sumter Utility Company, LLC

<b>YEAR OF REPORT</b> December 31, 2003
--

**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)	\$ _____	\$ 16,050
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ _____	\$ 16,050
401	Operating Expenses	F-3(b)	\$ 18,454	\$ 202,918
403	Depreciation Expense:	F-3(b)	\$ 1,044	\$ 396,231
	Less: Amortization of CIAC	F-22		6,662
Net Depreciation Expense			\$ 1,044	\$ 389,569
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	14,672	14,575
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			\$ 34,170	\$ 607,062
Net Utility Operating Income			\$ (34,170)	\$ (591,012)
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ (34,170)	\$ (591,012)

\* 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)
\$ 8,116	\$ 7,934	\$
\$ 8,116	\$ 7,934	\$
\$ 108,397	\$ 94,521	\$
83,545 2,799	312,686 3,862	
\$ 80,745	\$ 308,823	\$
1,409	13,166	
\$ 190,552	\$ 416,510	\$
\$ (182,435)	\$ (408,576)	\$
\$ (182,435)	\$ (408,576)	\$

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

UTILITY NAME: North Sumter Utility Company, LLC

**YEAR OF REPORT**  
December 31, 2003

**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)]			\$ (34,170)	\$ (591,012)
<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		7,176	35,652
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 7,176	\$ 35,652
<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			\$ _____	\$ _____
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 39,104	\$ 389,653
428	Amortization of Debt Discount & Expense	F-13	2,352	23,642
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 41,456	\$ 413,295
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ _____	\$ _____
NET INCOME			\$ (68,450)	\$ (968,655)

Explain Extraordinary Income:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



UTILITY NAME: North Sumter Utility Company, LLC

<b>YEAR OF REPORT</b> December 31, 2003
--

**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	\$ 4,616,693	\$ 17,508,257
	Less: Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	84,067	313,208
110	Accumulated Amortization	F-8		
271	Contributions In Aid of Construction	F-22	375,986	594,220
252	Advances for Construction	F-20		
Subtotal			\$ 4,156,640	\$ 16,600,829
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	2,799	3,862
Subtotal			\$ 4,159,440	\$ 16,604,691
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		13,550	11,815
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 4,172,990	\$ 16,616,506
NET UTILITY OPERATING INCOME			\$ (182,435)	\$ (408,576)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			-4.37%	-2.46%

**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, 2003
--

**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	23,150,000	100.00%	0.0683	6.83%
Customer Deposits	_____	_____	_____	_____
Tax Credits - Zero Cost	_____	_____	_____	_____
Tax Credits - Weighted Cost	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____
<b>Total</b>	\$ <u>23,150,000</u>	<u>100.00%</u>		<u>6.83%</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

<b>YEAR OF REPORT</b> December 31, 2003
--

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

<b>CLASS OF CAPITAL (a)</b>	<b>PER BOOK BALANCE (b)</b>	<b>NON-UTILITY ADJUSTMENTS (c)</b>	<b>NON-JURISDICTIONAL ADJUSTMENTS (d)</b>	<b>OTHER (1) ADJUSTMENTS SPECIFIC (e)</b>	<b>OTHER (1) ADJUSTMENTS PRO RATA (f)</b>	<b>CAPITAL STRUCTURE (g)</b>
Common Equity	\$ (1,037,105)	\$	\$	\$ 1,037,105	\$	\$
Preferred Stock						
Long Term Debt	23,150,000					23,150,000
Customer Deposits						
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Inc. Taxes						
Other (Explain)						
<b>Total</b>	\$ <u>22,112,895</u>	\$ <u>                    </u>	\$ <u>                    </u>	\$ <u>1,037,105</u>	\$ <u>                    </u>	\$ <u>23,150,000</u>

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

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Remove negative equity

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# The Villages®

June 15, 2004

Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Reference: North Sumter Utility Company, L.L.C.

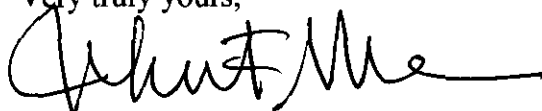
Dear Sir,

North Sumter Utility Company, L.L.C. ("NSU") has filed and received its original water and wastewater utility certificates. NSU is currently filing for an extension of its service territory. NSU is an affiliate of The Villages of Lake-Sumter, Inc. ("The Villages") through common ownership. The Villages is a real estate developer that will develop the property upon which NSU is proposing to extend providing water and sewer utilities.

The purpose of this letter is to inform you that The Villages will make the financial and operating commitment necessary for NSU to be successful in providing water and wastewater facilities to the residents of The Villages development within the existing NSU service territory and the expansion service territory. I have enclosed a copy of the December 31, 2003 financial statement for The Villages. The Villages has the ability to provide the financial support and operating support necessary for NSU to be successful.

Please contact me should you have any questions.

Very truly yours,



John F. Wise  
Vice President Finance

JFW/lct  
L0146



**THE VILLAGES OF LAKE-SUMTER, INC.**

Consolidated Financial Statements

December 31, 2003 and 2002

(With Independent Accountants' Review Report Thereon)



KPMG LLP  
Suite 1600  
111 North Orange Avenue  
PO Box 3031  
Orlando, FL 32802

**Independent Accountants' Review Report**

The Board of Directors  
The Villages of Lake-Sumter, Inc.:

We have reviewed the accompanying consolidated balance sheets of The Villages of Lake-Sumter, Inc. as of December 31, 2003 and 2002 and the related consolidated statements of operations, shareholders' equity and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these consolidated financial statements is the representation of the management of The Villages of Lake-Sumter, Inc.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

**KPMG LLP**

January 30, 2004



THE VILLAGES OF LAKE-SUMTER, C.  
CONSOLIDATED BALANCE SHEETS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
<b>Current Assets:</b>		
Cash	\$ 29,566,479	\$ 26,388,362
Restricted cash	5,350,358	2,251,884
Accounts and notes receivable, less allowance for doubtful accounts of \$786,000 in 2003 and \$748,000 in 2002	7,454,842	4,867,457
Inventories	272,716,697	140,795,201
Prepaid expenses	422,947	668,022
Total current assets	315,511,323	174,970,926
Property, plant and equipment, net of accumulated depreciation	332,268,675	189,702,392
Restricted funds held by Trustee for capital projects and repayment of debt	20,169,662	30,051,210
Land held for future development and sale	34,778,437	27,409,325
Due from affiliates	11,115,203	1,672,765
Other assets	24,335,278	29,668,872
	\$738,178,578	\$453,475,490
 <b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>		
<b>Current Liabilities:</b>		
Notes Payable	-	13,363,300
Customer deposits	35,537,856	25,316,014
Accounts payable	29,255,221	11,869,528
Accrued expenses	17,983,618	7,619,801
Unearned revenues	5,446,142	3,107,253
Due to affiliates	5,911,893	2,559,274
Other current liabilities	72,591,813	55,789,785
Current installments of long-term debt	12,127,589	12,452,589
Total current liabilities	178,854,132	132,077,544
Long-term debt less current installments)	187,756,726	109,374,849
Minority interest in consolidated partnership	102,551	471,495
<b>Shareholders' Equity:</b>		
<b>Common stock:</b>		
Voting - \$100 par value, 100 shares authorized, 50.84 shares issued	5,084	5,084
Non-Voting - \$100 par value, 5,000 shares authorized issued and outstanding	500,000	500,000
Additional paid-in capital	25,904,587	6,068,967
Retained earnings	351,882,831	211,804,884
Less 29.68 shares of treasury stock, at cost	(6,827,333)	(6,827,333)
Total shareholders' equity	371,465,169	211,551,602
	\$738,178,578	\$453,475,490

Commitments and contingencies (Notes 4 and 8)

See accompanying notes to consolidated financial statements.

THE VILLAGES OF LAKE-SUMTER, INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

	<u>2003</u>	<u>2002</u>
<b>Revenues:</b>		
Developed lots and homes	\$581,433,834	\$386,995,859
Food and beverage services	21,483,275	19,475,254
Homeowner amenity fees	2,757,424	3,941,658
Retail store operations	20,019,231	14,894,333
Other	45,819,765	37,499,743
	<hr/>	<hr/>
Total revenues	671,513,529	462,806,847
	<hr/>	<hr/>
<b>Cost of Sales:</b>		
Developed lots and homes	317,876,563	207,590,118
Other	34,669,111	26,822,879
	<hr/>	<hr/>
Total cost of revenues	352,545,674	234,412,997
	<hr/>	<hr/>
Gross profit	318,967,855	228,393,850
 <b>Selling, operating and general and administrative expenses, including advertising expense of \$6,223,000 in 2003 and \$5,862,000 in 2002.</b>		
	186,550,017	142,705,758
	<hr/>	<hr/>
Operating profit	132,417,838	85,688,092
 <b>Other income (expenses):</b>		
Gain on sale of amenity assets and assignment of amenity fees	47,699,705	-
Charter School asset write-down and loss on sale	(2,227,404)	(7,700,322)
Other income	3,218,085	712,961
Minority partners' share of income of consolidated partnership	(6,056)	(6,898)
Interest income	455,070	173,786
Interest expense	(9,362,308)	(8,138,207)
	<hr/>	<hr/>
Total other income (expense), net	39,777,092	(14,958,680)
	<hr/>	<hr/>
Net income	\$172,194,930	\$ 70,729,412
	<hr/>	<hr/>



THE VILLAGES OF LAKE-SUMTER, INC.  
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY  
YEARS ENDED DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

	<u>Total</u>	<u>Common Stock</u>				<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	
		<u>Voting Shares</u>	<u>Amount</u>	<u>Non-Voting Shares</u>	<u>Amount</u>			<u>Shares</u>	<u>Amount</u>
Balances - December 31, 2001	\$171,944,545	50.84	5,084	5,000	500,000	-	178,266,794	29.68	(6,827,333)
Net income	70,729,412	-	-	-	-	-	70,729,412	-	-
Capital contribution	6,068,967	-	-	-	-	6,068,967	-	-	-
Dividends	(37,191,322)	-	-	-	-	-	(37,191,322)	-	-
Balances - December 31, 2002	<u>211,551,602</u>	<u>50.84</u>	<u>5,084</u>	<u>5,000</u>	<u>500,000</u>	<u>6,068,967</u>	<u>211,804,884</u>	<u>29.68</u>	<u>(6,827,333)</u>
Net income	172,194,930	-	-	-	-	-	172,194,930	-	-
Capital contribution	19,835,620	-	-	-	-	19,835,620	-	-	-
Dividends	(32,116,983)	-	-	-	-	-	(32,116,983)	-	-
Balances - December 31, 2003	<u>\$371,465,169</u>	<u>50.84</u>	<u>5,084</u>	<u>5,000</u>	<u>500,000</u>	<u>25,904,587</u>	<u>351,882,831</u>	<u>29.68</u>	<u>(6,827,333)</u>

See accompanying notes to consolidated financial statements.

THE VILLAGES OF LAKE-SUMTER, INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
DECEMBER 31, 2003 AND 2002

(See accompanying review report of KPMG LLP)

	<u>2003</u>	<u>2002</u>
Cash flows from operating activities:		
Net income	\$ 172,194,930	\$ 70,729,412
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	10,088,246	11,369,063
Minority partners' share of income of consolidated partnership	6,056	6,898
(Gain) Loss on disposition of property and equipment, and including in 2003 amenity assets and assignment of amenity fees before deducting expenses of approximately \$5,410,000	(53,188,211)	8,077,558
Cash provided by (used for) changes in:		
Restricted cash	(3,098,474)	(130,452)
Accounts and notes receivable	(2,587,385)	3,856,769
Inventories and land held for future development and sale	(122,339,218)	(29,035,564)
Due from affiliates	(6,089,819)	2,064,444
Prepaid expenses	245,075	(374,251)
Other assets	5,333,594	(15,258,241)
Customer deposits	10,221,842	7,041,335
Accounts payable	17,385,693	(4,488,376)
Accrued expenses	10,363,817	1,729,251
Unearned revenues	2,338,889	359,012
Net cash provided by operating activities	<u>40,875,035</u>	<u>55,946,857</u>
Cash flows from investing activities:		
Purchase of property and equipment	(159,937,193)	(29,198,598)
Proceeds from sale of property and equipment, and including in 2003 amenity assets and assignment of amenity fees	60,321,513	8,568,517
Decrease (increase) in Restricted funds held by Trustee	9,881,548	(30,051,210)
Net cash used for investing activities	<u>(89,734,132)</u>	<u>(50,681,291)</u>
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	85,933,159	47,705,906
Repayment of long-term debt	(7,876,282)	(7,484,095)
Dividends paid	(32,116,983)	(37,191,322)
Capital contribution from shareholders	19,835,620	-
Increase (decrease) in Notes payable	(13,363,300)	13,363,300
Distributions paid to minority partners' of consolidated partnership	(375,000)	-
Net cash provided by financing activities	<u>52,037,214</u>	<u>16,393,789</u>
Net increase in cash	3,178,117	21,659,355
Cash, beginning of year	26,388,362	4,729,007
Cash, end of year	<u>\$ 29,566,479</u>	<u>\$ 26,388,362</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 8,662,309	\$ 7,888,207
Non cash transactions:		
Lot development costs provided by community development district debt	\$ 16,802,028	\$ 39,838,755
Land contributed by shareholders	<u>\$ -</u>	<u>\$ 6,068,967</u>

See accompanying notes to consolidated financial statements.

THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

1. Organization and Summary of Significant Accounting Policies

Operations

The Villages of Lake-Sumter, Inc. ("The Villages") has developed a retirement community known as The Villages located in The Villages, Florida. The Villages constructs and sells single-family site built homes, including the related land. Sales are recorded at closing. Funds collected prior to closing are recorded as customer deposits, and are shown as a liability in the accompanying consolidated balance sheets.

The Villages also owns and operates recreational facilities, restaurants, retail stores, a TV station, radio station and a newspaper within the community.

Principles of Consolidation

The consolidated financial statements include the accounts of The Villages, and the following entities.

<u>Name</u>	<u>Percent Owned</u>
The Villages Medical Services, L.L.C.	100%
Senior Broadcasting, Inc.	100%
Senior Cablevision Partnership	75%
Clearlink Communications L.L.C.	50%

The Villages Medical Services L.L.C. is developing and operating medical office buildings, doctor's offices and a medical laboratory. Senior Broadcasting, Inc. is operating an AM radio station. Clearlink Communications L.L.C. is operating a cable television network in newer areas of The Villages and Senior Cablevision, Inc. collects a fee from an unrelated cable television provider for each new home cable television hook-up in previously developed areas of The Villages. Senior Cablevision, Inc. collected substantially all its remaining hook-up fees in 2002. All significant intercompany balances have been eliminated in consolidation.

Inventories

Inventories are stated at cost, which is not in excess of estimated net realizable value. Costs incurred to develop lots and construct homes are capitalized and charged to cost of sales when the lots and homes are sold. Cost of other inventories, consisting primarily of food and beverages and retail merchandise is determined principally using the first-in, first-out method.

THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

1. Organization and Summary of Significant Accounting Policies,  
Continued

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Normal maintenance and repair costs are expensed as incurred. Depreciation is provided for property, plant and equipment by use of the straight-line method over the estimated useful lives of the assets, as follows:

	<u>YEARS</u>
Buildings and improvements	15 - 31.5
Machinery and equipment	3 - 10
Furniture and fixtures	3 - 10
Vehicles	3 - 5

Unearned Revenues

Unearned revenues primarily relate to annual golf membership and greens fee agreements collected in advance related to The Villages' golf course operations. These fees are recognized as earned revenue evenly over the term of the agreements.

Income Taxes

The Villages and its stockholders have elected under Subchapter S of the Internal Revenue Code to have The Villages' taxable income or loss reported by its shareholders. Because of this election, Federal and state income taxes have not been provided for in the accompanying consolidated financial statements. The Villages provides the funds, in the form of cash dividends, for its shareholders to pay income taxes on their portion of The Villages taxable income.

Advertising

The Villages expenses advertising costs as incurred.

Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

1. Organization and Summary of Significant Accounting Policies,  
Continued

Financial Instruments Fair Value

The carrying amounts reported in the accompanying consolidated balance sheets for cash, restricted cash, accounts and notes receivable, customer deposits, notes payable and accounts payable approximate fair value due to the short term nature of these financial accounts. The carrying value of variable rate long-term debt approximates fair value due to required repricing. The fair value of fixed rate long-term debt is estimated using discounted cash flows based upon the incremental borrowing rates currently available to The Villages for loans with similar security, terms and maturities. The fair value of fixed rate long-term debt included in the accompanying consolidated balance sheet is estimated to be approximately equal to its carrying value.

Reclassification

Certain amounts in the 2002 consolidated financial statements have been reclassified to conform to the current year presentation.

2. Inventories

Inventories at December 31, 2003 and 2002 consisted of the following:

	<u>2003</u>	<u>2002</u>
Developed lots and lots under construction	\$114,729,006	42,358,467
Lot development costs provided by Community Development Districts (see note 4)	72,591,813	55,789,785
Homes under construction	79,769,914	37,966,209
Other	5,625,964	4,680,740
	<u>\$272,716,697</u>	<u>140,795,201</u>

The inventory includes developed lots and land actively held for sale as a component of inventory. Land held for future development and sale is excluded from inventory, as it will not be available for sale during The Villages' upcoming fiscal year.

THE VILLAGES OF LAKE-SUMTER, INC.  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 DECEMBER 31, 2003 AND 2002  
 (See accompanying review report of KPMG LLP)

3. Property, Plant and Equipment

Property, plant and equipment at December 31, 2003 and 2002 consisted of the following:

	<u>2003</u>	<u>2002</u>
Retail facilities	\$ 26,676,896	24,439,863
Recreational facilities, restaurants and common areas	128,466,383	89,428,537
Construction and related equipment	2,962,745	2,326,119
Sales, administrative and other offices and equipment	151,575,938	101,073,785
Construction in progress	75,931,673	16,949,726
	<u>385,613,635</u>	<u>234,218,030</u>
Less accumulated depreciation	(53,344,960)	(44,515,638)
	<u>\$332,268,675</u>	<u>189,702,392</u>

4. Village Community Development Districts

The Villages is utilizing Community Development District ("CDDs") to plan, finance and construct major infrastructure and lot improvements including roads and drainage. The Villages has formed the following CDDs.

<u>Name</u>	<u>Date Formed</u>
Village Community Development District No. 1 ("District 1")	1992
Village Community Development District No. 2 ("District 2")	1996
Village Community Development District No. 3 ("District 3")	1998
Village Community Development District No. 4 ("District 4")	2000
Village Community Development District No. 5 ("District 5")	2002

The CDDs can issue debt to finance major infrastructure improvements ("Infrastructure Debt") and debt to finance lot improvements ("Lot Debt"). The interest on the bonds issued by the CDDs is exempt from income taxes. The Villages has capitalized the Infrastructure Debt and Lot Debt related to unsold lots in the accompanying consolidated balance sheets.

THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

4. Village Community Development Districts continued

The Villages is required to pay annual assessments for maintenance and debt service related to Infrastructure Debt. These assessments for maintenance and debt service are billed to the lot owners by the County and are included on the property owners' annual property tax bill. The Counties remit the assessments collected, net of a collection fee, to the Districts. This obligation for maintenance and debt service becomes the obligation of the purchaser when a home and lot are sold. The villages' payments to the Counties are expensed during the year incurred. The Infrastructure Debt is included in the accompanying consolidated balance sheets as Other current liabilities and the related costs are included in inventory. The Infrastructure Debt and the related inventory amount are reduced as lots are sold and the Infrastructure Debt becomes the obligation of the purchaser.

The Villages is required to make interest and principal payments on the Lot Debt. The interest is payable semi-annually and principal payments are made each time a lot and home is sold.

On the Lot Debt, District 5 received cash of \$53,829,094, which was held by a Trustee, after debt issuance costs in the amount of \$1,211,029. The debt issuance costs are included in other assets in the accompanying consolidated balance sheet and are being amortized as an additional element of interest expense related to the Lot Debt. The Villages will increase its land inventory by amounts disbursed by District 5 for lot improvements related to property owned by The Villages. These inventory costs will be charged to cost of sales as lots are sold.

The portions of the net proceeds from the Lot Debt that has not been disbursed by the Trustee is shown on the accompanying consolidated balance sheets as "Restricted funds held by trustee for capital project and repayment of debt". The composition of these funds at December 31, 2003 and 2002 is as follows:

	<u>2003</u>	<u>2002</u>
Construction Fund	\$13,224,525	26,384,637
Interest Fund	1,371,901	1,542,110
Debt Service Reserve Fund	5,573,236	2,124,463
	<u>\$20,169,662</u>	<u>30,051,210</u>

THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

4. Village Community Development Districts continued

A summary of the Districts' obligations related to the developed and undeveloped residential land owned by The Villages at December 31, 2003 is as follows.

	Debt Issuance Date	Lots		Original Bond Amount	Amount Outstanding	
		Total	Unsold		Infrastructure	Lot
District 1						
Phase I	06/19/92	1,700	1	\$16,400,000	2,178	-
Phase II	10/28/94	<u>1,720</u>	<u>1</u>	<u>10,175,000</u>	<u>2,158</u>	<u>-</u>
		<u>3,420</u>	<u>2</u>	<u>26,575,000</u>	<u>4,336</u>	<u>-</u>
District 2						
Phase I	07/24/96	2,191		6,155,000	-	-
Phase II	02/20/98	<u>1,477</u>	<u>4</u>	<u>6,670,000</u>	<u>46,810</u>	<u>-</u>
		<u>3,668</u>	<u>4</u>	<u>12,825,000</u>	<u>46,810</u>	<u>-</u>
District 3						
Phase I	07/16/98	2,679	6	12,625,000	78,864	-
Phase II	10/04/02	<u>1,083</u>	<u>457</u>	<u>8,725,000</u>	<u>3,702,985</u>	<u>-</u>
		<u>3,762</u>	<u>463</u>	<u>21,350,000</u>	<u>3,781,849</u>	<u>-</u>
District 4						
Phase I	06/02/00	2,800	159	14,600,000	798,064	-
Phase II	01/11/02	<u>2,206</u>	<u>333</u>	<u>12,740,000</u>	<u>2,147,370</u>	<u>-</u>
Phase III	02/07/03	<u>128</u>	<u>78</u>	<u>930,000</u>	<u>572,461</u>	<u>-</u>
		<u>5,134</u>	<u>570</u>	<u>28,270,000</u>	<u>3,517,895</u>	<u>-</u>
District 5						
Phase I	11/14/02	3,158	2,947	60,535,000	25,550,923	29,298,943
Phase II	12/11/03	<u>3,242</u>	<u>3,242</u>	<u>69,820,000</u>	<u>39,690,000</u>	<u>30,130,000</u>
		<u>6,400</u>	<u>6,189</u>	<u>130,355,000</u>	<u>65,240,923</u>	<u>59,428,943</u>
		<u>22,384</u>	<u>7,228</u>	<u>\$219,375,000</u>	<u>72,591,813</u>	<u>59,428,943</u>

All of the unsold lots in District 1, District 2, District 3, and District 4 are fully developed and available for sale. The amounts outstanding for infrastructure and lot debt were \$55,789,785 and \$30,660,000 at December 31, 2002, respectively.

During March 2003, The Villages sold assets in its amenity division, which had been constructed since the previous sale to Village Center Community Development District ("Center District"), and assigned its right to collect a monthly amenity fee from 4,478 households to the Center District. The Villages received proceeds of approximately \$59,910,000 and has recognized a gain related to this transaction of approximately \$47,700,000 in 2003. The Villages intends to sell its amenity division assets to the Center District in the future.



THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

4. Village Community Development Districts continued

The Villages is building a new town in the portion of The Villages currently under development. In order to finance the infrastructure, The Villages formed Sumter Landing Community Development District ("Sumter Landing") in 2002. During 2003, Sumter Landing issued \$34,160,000 of its special assessment revenue Bonds to finance the required infrastructure. The commercial property owners within the boundary of the Sumter Landing district are responsible to make the required principal and interest on this debt. The Villages has capitalized this debt in its 2003 consolidated balance sheet (see note 6).

5. Notes Payable

The Villages had borrowed \$13,363,300 from a financial institution at December 31, 2002, which was due on demand. This amount is included in Other assets in the accompanying 2002 consolidated balance sheet, and was deposited with a manufacturer for equipment that was delivered in 2003 (see note 7).

At December 31, 2003 and 2002 The Villages had a \$27,000,000 bank line of credit, bearing interest at prime less .5%, collateralized by homes under construction, developed lots and undeveloped land within the boundaries of District 2, District 3, District 4 and District 5. The Villages was not indebted on this line of credit at December 31, 2003 or 2002.

THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

6. Long-Term Debt

Long-term debt at December 31, 2003 and 2002 consisted of the following:

	<u>2003</u>	<u>2002</u>
Special Assessment Revenue Bonds, Series 2002B issued by District No. 5 bearing interest at 5.40% interest payable semiannually with a balloon principal payment due in 2007.	\$ 29,298,943	30,660,000
Special Assessment Revenue Bonds, Series 2003B issued by District 5 bearing interest at 5.0% interest payable semi-annually. With a balloon payment due in 2008	30,130,000	-
Special Assessment Revenue Bonds, Series 2003 issued by Sumter Landing Community Development District bearing interest at 6.25% to 6.95%. Interest payable semi annually and principal payable annually through 2033. Annual principal and interest payments are approximately \$2.7 million.	33,159,298	-
Unsecured notes payable to former owner of The Villages, interest payable at 6.61% payable in monthly installments, including interest, ranging from \$8,094 to \$24,697 through 2013.	1,454,299	1,454,299
Unsecured notes payable to shareholders of The Villages, interest payable monthly at 3% to 4%. The 3% notes are due on demand and the 4% note in the amount of \$9,528,000 is due on demand plus one year	11,146,344	2,694,370
Mortgage notes payable to Banks, interest Payable at various rates ranging from 2.42% to 8.48%, payable in varying monthly installments currently aggregating \$910,000 including interest, with various balloon payments through 2019.	91,519,047	86,506,919
Equipment note payable to Bank, interest at 3.67%, payable in monthly installments of \$49,642 including interest through 2008.	2,445,667	-
Present value of seven \$100,000 unsecured annual payments discounted to 8.5% payable through 2009 plus nine \$45,000 unsecured annual payments discounted at 8.5% payable through 2013.	730,717	511,850
Total long-term debt	199,884,315	121,827,438
Less current installments	(12,127,589)	(12,452,589)
Long-term debt less current installments	<u>\$187,756,726</u>	<u>109,374,849</u>

THE VILLAGES OF LAKE-SUMTER, INC.  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 DECEMBER 31, 2003 AND 2002  
 (See accompanying review report of KPMG LLP)

6. Long-Term Debt (continued)

Maturities of long-term debt for the years ended December 31, 2004 through 2008 and thereafter are as follows:

2004	\$ 12,127,000
2005	33,126,000
2006	19,984,000
2007	52,535,000
2008	46,042,000
Thereafter	36,070,315
	<u>\$199,884,315</u>

The net book value of property, plant and equipment pledged as collateral for long-term debt was \$138,467,000 at December 31, 2003.

7. Commitments and Contingencies

The Villages is contingently liable for bank indebtedness of Lazy B Cattle Venture, Ltd. in the amount of \$5,362,000. The Villages is also contingently liable for bank indebtedness of a church building at the Villages owned by Abundant Life Ministries, Inc. in the amount of \$2,475,000.

North Sumter Utility Company ("NSU") is required to maintain cash in escrow accounts, managed by a Trustee, in amounts sufficient to pay the next installment of principal and interest on their Industrial Development Revenue Bonds. The Villages has guaranteed the payments required to be made to the Trustee and The Villages has guaranteed to fund the operating deficits of NSU. As of December 31, 2003, the balance outstanding on the NSU Industrial Development Revenue Bonds was \$23,150,000. NSU is providing potable water and sewer service to portions of The Villages currently under development.

During 2001 and 2003 The Villages entered into non-cancelable operating leases for equipment that expire in 2011 and 2013, respectively. Rental expense recorded for these leases in 2003 and 2002 was \$1,695,864 and \$1,375,288, respectively. Future minimum lease payments related to these non-cancelable operating leases for the years ended December 31, 2004 through 2008 and thereafter are as follows:

2004	\$ 4,133,817
2005	4,133,817
2006	4,133,817
2007	4,133,817
2008	4,133,817
Thereafter	36,174,150
	<u>\$56,843,235</u>

THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

7. Commitments and Contingencies (continued)

The Lazy B Cattle Venture Ltd. ("Lazy B") was formed in 1991 as a retirement program for members of The Villages' management team. During 2003 and 2002 The Villages paid approximately \$446,000 and \$408,000 respectively, to the Lazy B for rent of retail space in three shopping centers owned by the Lazy B. The leases are on a month to month basis.

During 2001 and 2002 The Villages entered into land purchase options to acquire land for future development. The payments required to exercise these options for the years ended December 31, 2004 through 2008 and thereafter are as follows.

	Option Amount	Acres to be Acquired
2004	\$ 2,247,725	376
2005	2,638,489	683
2006	1,100,000	21
2007	150,000	-
2008	150,000	-
Thereafter	<u>2,580,000</u>	<u>258</u>
	<u>\$ 8,866,214</u>	<u>1,338</u>

The Villages is not required to make scheduled option payments. However, if a scheduled option payment is not made, the option terminates and The Villages forfeits its right to acquire additional property in the future pursuant to the options.

The Villages shareholders have formed a company called PM3, Ltd. ("PM3"). PM3 has capitalized into land the acquisition costs of 3,300 acres at December 31, 2003. The Villages intends to acquire this property for future development. A summary of the PM3 balance sheet at December 31, 2003 is as follows:

<u>Assets</u>		<u>Liabilities &amp; Equity</u>	
Cash	\$ 3,564,136	Long-term debt	\$19,040,026
Land	29,603,151	Equity	14,727,261
Other	600,000		
	<u>\$33,767,287</u>		<u>\$33,767,287</u>

THE VILLAGES OF LAKE-SUMTER, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2003 AND 2002  
(See accompanying review report of KPMG LLP)

7. Commitments and Contingencies (continued)

In order to meet its development schedule, The Villages acquired approximately 2000 acres of land owned by PM3 in 2002. Simultaneous to the acquisition, The Villages dividended approximately \$2,550,000 to its shareholders who then made a capital contribution to PM3 in order to satisfy an existing PM3 mortgage. The Villages shareholders then made a capital contribution of the land to The Villages equal to their original cost of the land in the amount of \$6,068,967. The Villages guarantees PM3 indebtedness in the amount of \$3,053,000.

8. Villages Charter School

The Villages has committed to develop a charter school system for use by children of its employees and children of individuals who work within The Villages development. The Villages Charter School, Inc. ("VCS, Inc.") is a Florida not for profit corporation, and has received charters from the local county to operate an elementary, middle and high school. The Villages has constructed an early childhood development center, two elementary schools and a middle school, which were leased to VCS, Inc.

During November 2002, The Villages sold the early childhood development Center, the elementary schools and the middle school to the Lazy B for \$5,750,000. The sales price was based on an appraisal, which determined the value, based upon the cash flow received from the local county for capital outlay funding. The Villages has recorded a loss of approximately \$20,050,000 in its 2001 and 2002 consolidated financial statements related to this sale. The Villages accrued \$12,350,000 of this loss in its 2001 consolidated statements and the remainder of the loss in its 2002 consolidated financial statements. During 2003, The Villages expanded the elementary schools and middle school and recorded a loss of \$2,227,404 related to the cost of the expansions.

During 2003, The Villages completed Phase I construction of the Charter high school, Phase II was completed in January 2004, and Phase III is currently under construction. The Villages estimates it will have a cost in the high school of approximately \$36,000,000 upon completion. The Villages does not intend to sell the High School buildings.

9. Capital Contribution

During October 2003, The Villages shareholders made a cash capital contribution to The Villages in the amount of \$19,835,620.

10. Concentration of Assets

All of The Villages assets are located in Central Florida in Lake, Sumter and Marion Counties.

**EXHIBIT "B"**

**LICENSED OPERATORS**

CERTIFIED OPERATORS

OPERATIONS MANAGEMENT INTERNATIONAL, INC.  
THE VILLAGES, FL

	<b>WASTEWATER</b>	<b>WATER</b>
<b>BRIDGES, DAVID</b>	"A" 3873	"C" 4914
<b>BROWN, CHRIS</b>	"B" 8576	N/A
<b>CORTEZ, PAUL</b>	"A" 6991	"B" 6122
<b>FRIESEN, WAYNE</b>	"C" 12964	N/A
<b>HAMMOND, STEVE</b>	"A" 6055	N/A
<b>KEAIRNS, EDDIE</b>	"C" 7914	N/A
<b>MINCEY, TAB</b>	"B" 9581	"C" 8626
<b>THRASH, MARY</b>	"A" 8413	"B" 8153
<b>VAUGHN, RUSS</b>	"A" 6387	"B" 5381

**EXHIBIT "C"**

**LETTER FROM CARLETON FIELDS REGARDING CONSISTENCY WITH SUMTER  
COUNTY COMPREHENSIVE PLAN**



# CARLTON FIELDS

ATTORNEYS AT LAW

MIAMI  
ORLANDO  
ST. PETERSBURG  
TALLAHASSEE  
TAMPA  
WEST PALM BEACH

215 S. Monroe Street, Suite 500  
Tallahassee, Florida 32301-1866  
P.O. Drawer 190  
Tallahassee, Florida 32302-0190

850.224.1585  
850.222.0398 fax  
www.carltonfields.com

**Jackson E. Sullivan, AICP**  
Senior Governmental Consultant  
[jsullivan@carltonfields.com](mailto:jsullivan@carltonfields.com)

June 10, 2004

John Arnett, III  
Vice-President  
The Villages of Lake-Sumter, Inc.  
1100 Main Street  
Lady Lake, Florida 32159

VIA U.S. MAIL

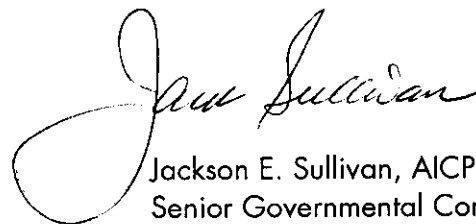
**Re:** Consistency of PSC Application to Modify Service Area with Sumter  
County Comprehensive Plan

Dear Mr. Arnett:

I have reviewed the map of areas to be included in the PSC application to provide water and sewer service to an expanded area in Sumter County relative to consistency with the Comprehensive Plan for Sumter County. The Sumter County Comprehensive has been approved by the Department of Community Affairs pursuant to Section 163.3177, F.S. and Chapter 9J-5, F.A.C. and found to be consistent with State statutes, the State Comprehensive Plan and the Withlacoochee Strategic Regional Policy Plan. I have also reviewed the Future Land Use element and the Sanitary Sewer and Potable Water sub-elements of the Sumter County Comprehensive Plan dealing with water and sewer utilities and to the best of knowledge, the provision of water and sewer service as described in the PSC application is consistent with the goals, objectives and policies of the Sumter County Comprehensive Plan.

If I can provide you with additional information, please don't hesitate to contact me.

Sincerely



Jackson E. Sullivan, AICP  
Senior Governmental Consultant

JES/bno

**EXHIBIT "D"**

**EVIDENCE OF LAND OWNERSHIP**

THIS INSTRUMENT PREPARED BY/RETURN TO:  
Steven M. Roy/jac.  
McLin & Burns P.A.  
P.O. Box 1299  
The Villages, Florida 32159

Parcel Identification No. \_\_\_\_\_

Rec 21.00  
TF 3.00  
DOC .70  
CC 6.00  
30.70

**WARRANTY DEED**

R-Grant + Dzero  
1100 Main St.  
The Villages, FL  
32159

THIS INDENTURE made this 1<sup>st</sup> day of April, 2004, between **THE VILLAGES OF LAKE-SUMTER, INC.**, a Florida corporation whose address is 1100 Main Street, The Villages, Florida 32159, Grantor, and **North Sumter Utility Company, LLC**, whose address is 1100 Main Street, The Villages, Florida 32159, Grantee,

WITNESSETH, that said Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable considerations to said Grantor in hand paid by Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs and assigns forever, the property described in attached **Exhibit "A"**, situate and being in Sumter County, Florida:

Subject to restrictions, reservations, easements and limitations of record, if any, provided that this shall not serve to reimpose same, zoning ordinances, and taxes for the current year and subsequent years. Said Grantor does hereby fully warrant the title to said land, and will defend that same against the lawful claims of all persons whomsoever.

"Grantor" and "Grantee" are used for singular or plural, as context requires.

IN WITNESS WHEREOF, the Grantor has hereunto set Grantor's hand and seal the day and year first above written.

Signed, sealed and delivered

**THE VILLAGES OF LAKE-SUMTER, INC.,**  
a Florida corporation

in our presence:

*Doris A. Pardo*

Doris A. Pardo  
Printed Name

*Linda C. Tucker*

Linda C. Tucker  
Printed Name

By: *Martin L. Dzero*  
Martin L. Dzero, Vice-President

STATE OF FLORIDA  
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of April, 2004, Martin L. Dzero, the Vice President of and on behalf of **The Villages of Lake-Sumter, Inc.**, a Florida corporation for the purposes expressed herein, who did not take an oath.

*Doris A. Pardo*

NOTARY PUBLIC - STATE OF FLORIDA  
(Signature of Notary Public)

Doris A. Pardo  
(Print Name of Notary Public)  
My Commission Expires: 7/29/2005  
Personally Known  or Produced Identification \_\_\_\_\_  
Type of Identification Produced: \_\_\_\_\_

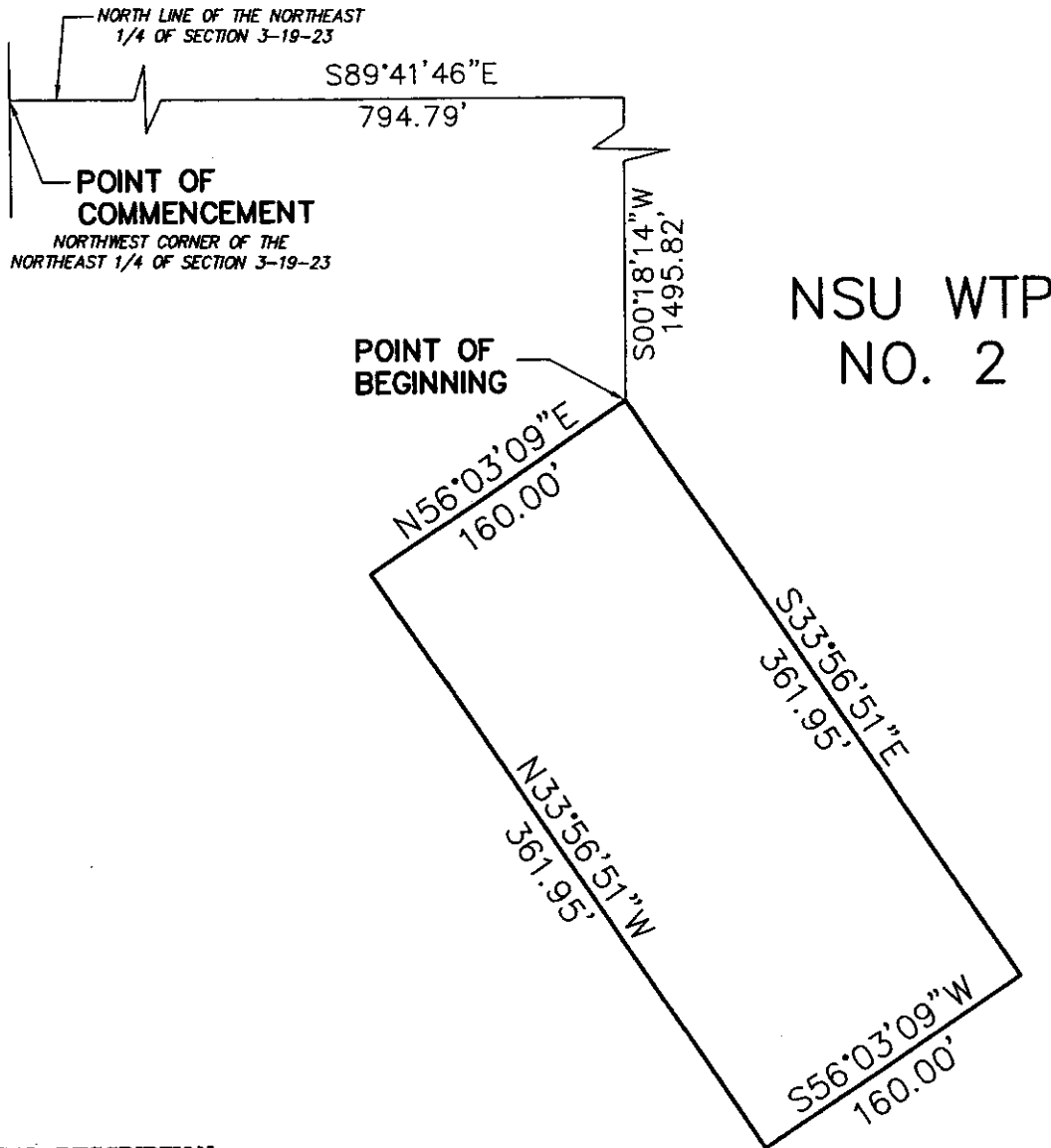


SUMTER COUNTY, FLORIDA  
GLORIA HAYWARD, CLERK OF CIRCUIT COURT  
DOC \$0.70

04/12/2004  
04:09:21PM  
#2004-9613  
B-1195 P-45

# SKETCH FOR DESCRIPTION (NOT A FIELD SURVEY)

Exhibit A  
1 of 4



SCALE: 1" = 100'

SUMTER COUNTY, FLORIDA  
GLORIA HAYWARD, CLERK OF CIRCUIT COURT

DOC \$0.70  
#2004-9613  
04/12/2004  
04:09:21PM  
B-1195 P-46

NSU WTP  
NO. 2

### LEGAL DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF SECTION 3, TOWNSHIP 19 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF SAID SECTION 3; THENCE, ALONG THE NORTH LINE OF SAID NORTHEAST 1/4, S89°41'46"E, 794.79 FEET; THENCE, DEPARTING SAID NORTH LINE S00°18'14"W, 1495.82 FEET TO THE POINT OF BEGINNING; THENCE S33°56'51"E, 361.95 FEET; THENCE S56°03'09"W, 160.00 FEET; THENCE N33°56'51"W, 361.95 FEET; THENCE N56°03'09"E, 160.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.33 ACRES, MORE OR LESS.

3/31/04  
DATE

### GENERAL NOTES

1. REPRODUCTIONS OF THIS SKETCH ARE NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
2. THIS SKETCH PREPARED FOR DESCRIPTION PURPOSES ONLY AND DOES NOT REPRESENT A FIELD SURVEY.

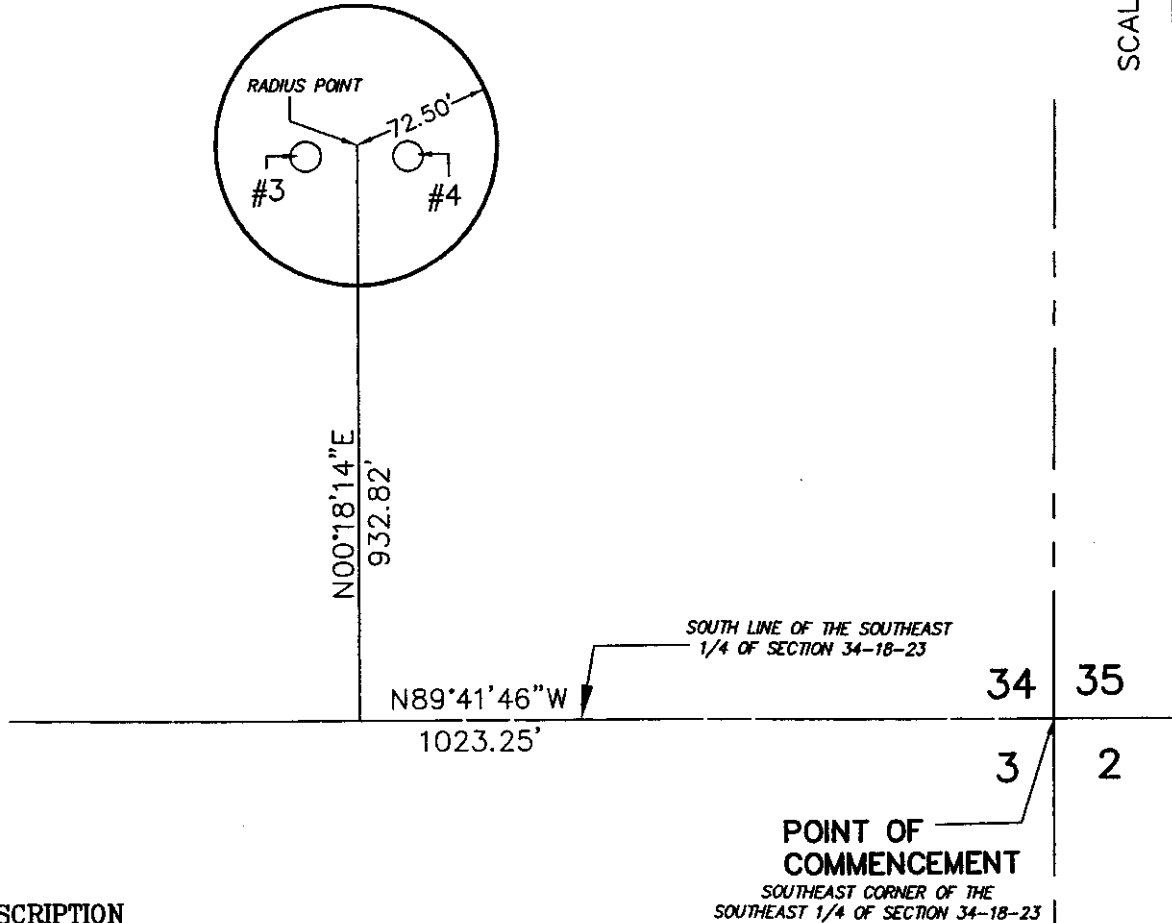
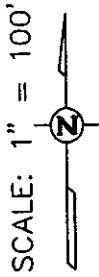
WILLARD R. BOWSKY, JR., PROFESSIONAL SURVEYOR & MAPPER  
FLORIDA REGISTRATION NO. 3756

**FARNER BARZLEY**  
AND ASSOCIATES, INC. (REG. SURVEYORS & PLANNERS)  
1507 BUENOS AIRES BOULEVARD • THE VILLAGES, FL 32159 • (352) 753-3114

09-26-2002 921141.XXX

# SKETCH FOR DESCRIPTION (NOT A FIELD SURVEY) NSU WELL NO. 3 & WELL NO. 4

SUMTER COUNTY, FLORIDA  
GLORIA HAYWARD, CLERK OF CIRCUIT COURT  
DOC #0.70



### LEGAL DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF SECTION 34, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, SAID PARCEL BEING A CIRCLE AND HAVING A RADIUS OF 72.50 FEET, ITS RADIUS POINT BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF THE SOUTHEAST 1/4 OF SAID SECTION 34; THENCE, ALONG THE SOUTH LINE OF SAID SOUTHEAST 1/4, N89°41'46"W, 1023.25 FEET; THENCE, DEPARTING SAID SOUTH LINE, N00°18'14"E, 932.82 FEET TO AFORESAID RADIUS POINT.

CONTAINING 0.38 ACRES, MORE OR LESS.

3/31/04  
DATE

### GENERAL NOTES

1. REPRODUCTIONS OF THIS SKETCH ARE NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
2. THIS SKETCH PREPARED FOR DESCRIPTION PURPOSES ONLY AND DOES NOT REPRESENT A FIELD SURVEY.

**WILLARD R. BOJISKY, JR.**  
 CERTIFICATE  
 NO. 5703  
 WILLARD R. BOJISKY, JR. PROFESSIONAL SURVEYOR & MAPPER  
 FLORIDA REGISTRATION STATE OF FLORIDA

**FORNER BERLEY**  
 AND ASSOCIATES, INC.  
 1507 BUENOS AIRES BOULEVARD THE VILLAGES, FL 32138 (352) 753-3114

▲ ENGINEERS  
 ▲ SURVEYORS  
 ▲ PLANNERS  
 LB 4709

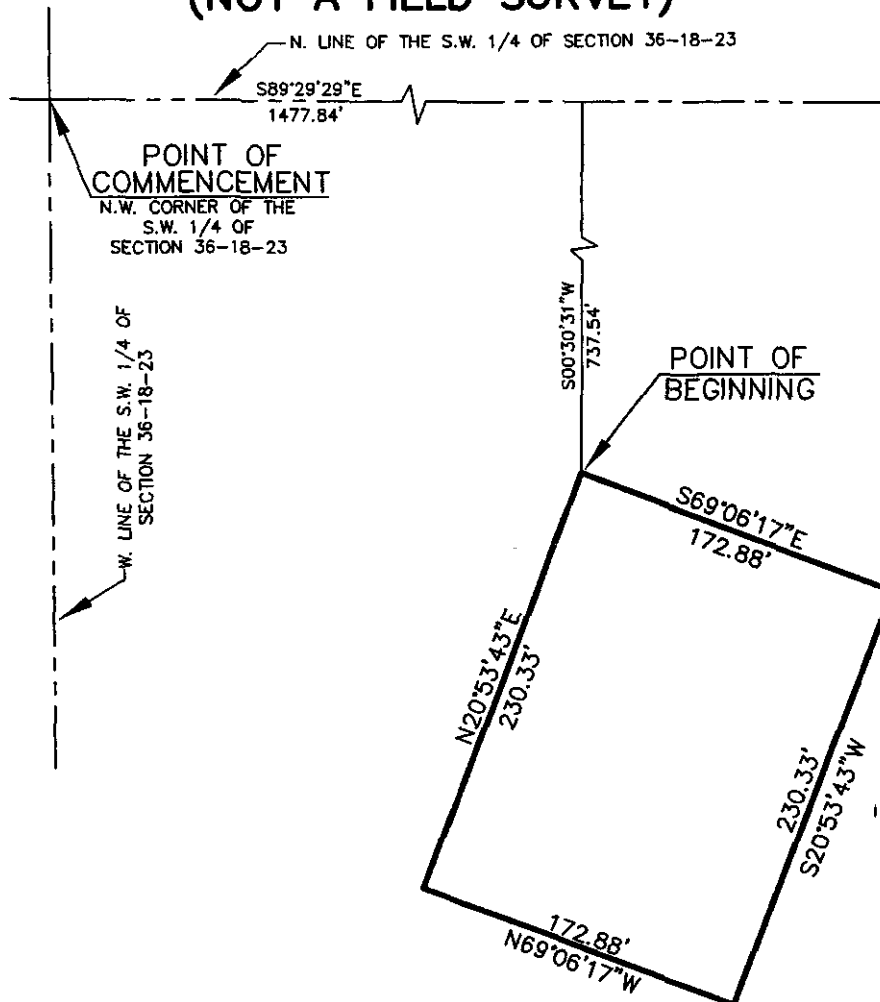
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# SKETCH FOR DESCRIPTION (NOT A FIELD SURVEY)

SUMTER COUNTY, FLORIDA  
GLORIA HAYWARD, CLERK OF CIRCUIT COURT

DOC \$0.70

NSU  
WTP NO. 3



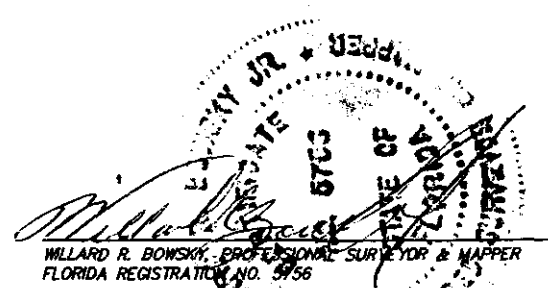
## LEGAL DESCRIPTION:

A PARCEL OF LAND BEING A PORTION OF SECTION 36, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF THE SOUTHWEST 1/4 OF SAID SECTION 36; THENCE S89°29'29"E ALONG THE NORTH LINE OF THE SAID SOUTHWEST 1/4, 1477.84 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°30'31"W, 737.54 FEET TO THE POINT OF BEGINNING; THENCE S69°06'17"E, 172.88 FEET; THENCE S20°53'43"W, 230.33 FEET; THENCE N69°06'17"W, 172.88 FEET; THENCE N20°53'43"E, 230.33 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.91 ACRES, MORE OR LESS.

3/31/04  
DATE



## GENERAL NOTES

1. REPRODUCTIONS OF THIS SKETCH ARE NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
2. THIS SKETCH PREPARED FOR DESCRIPTION PURPOSES ONLY AND DOES NOT REPRESENT A FIELD SURVEY.

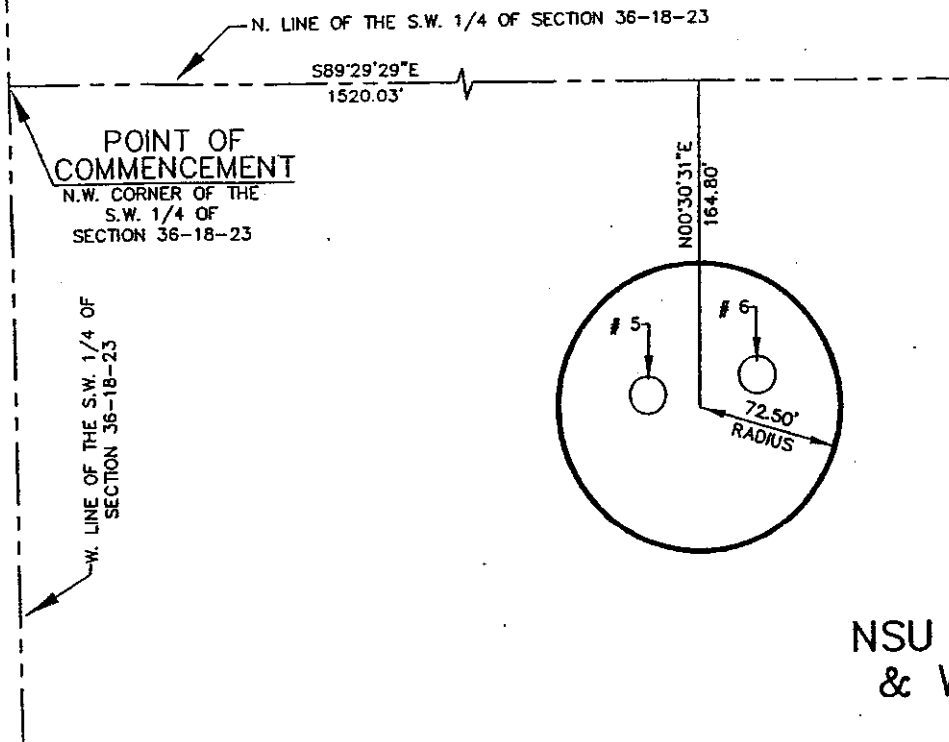
**FARNER  
BARLEY  
AND ASSOCIATES, INC.**

1507 BUENOS AIRES BOULEVARD • THE VILLAGES, FL 32158 • (352) 753-3114

- ▲ ENGINEERS
- ▲ SURVEYORS
- ▲ PLANNERS
- LB 4709

04/12/2004 #2004-9613  
04:09:21PM B-1195 P-48

# SKETCH FOR DESCRIPTION (NOT A FIELD SURVEY)



SUMTER COUNTY, FLORIDA  
GLORIA HAYWARD, CLERK OF CIRCUIT COURT  
DOC \$0.70

NSU WELL NO. 5  
& WELL NO. 6  
SITE



## LEGAL DESCRIPTION:

A PARCEL OF LAND BEING A PORTION OF SECTION 36, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, SAID PARCEL BEING A CIRCLE AND HAVING A RADIUS OF 72.50 FEET, ITS RADIUS POINT BEING LOCATED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF THE SOUTHWEST 1/4 OF SAID SECTION 36; THENCE S89°29'29\"/>

CONTAINING 0.38 ACRES, MORE OR LESS.

11/26/03  
DATE

### GENERAL NOTES

1. REPRODUCTIONS OF THIS SKETCH ARE NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
2. THIS SKETCH PREPARED FOR DESCRIPTION PURPOSES ONLY AND DOES NOT REPRESENT A FIELD SURVEY.

Signature: Willard R. Bowsky, Jr.  
 WILLARD R. BOWSKY, JR., PROFESSIONAL SURVEYOR & MAPPER  
 FLORIDA REGISTRATION NO. 5756

**FARNER  
BAILEY  
AND ASSOCIATES, INC.**  
 ENGINEERS SURVEYORS PLANNERS  
 1507 BUENOS AIRES BOULEVARD • THE VILLAGES, FL 32159 • (352) 753-3114

04/12/2004 #2004-9613  
04:09:21PM B-1195 P-49

ixN \_\_\_\_\_  
rec 9.00  
FF 1.50  
Doc 28.70  
nt \_\_\_\_\_  
XC \_\_\_\_\_  
pri 2.00  
41.20

THIS INSTRUMENT PREPARED BY/RETURN TO:  
Steven M. Roy/ahs  
McLin, Burnsed, Morrison, Johnson,  
Newman & Roy, P.A.  
Post Office Box 1299  
Leesburg, Florida 32158-1299

Parcel Identification No. \_\_\_\_\_

Documentary Stamps 28.70  
Intangible Tax \_\_\_\_\_  
Paid 17th Day of Oct 2001  
GLORIA R. HAYWARD, CLERK  
CIRCUIT COURT SUMTER COUNTY, FL  
BY Lenny R. Johnson

### WARRANTY DEED

THIS INDENTURE made this 16th day of October, 2001, between H. Gary Morse and R. Dewey Burnsed as Trustees of the Jennifer Boone Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986, a one-third undivided interest; H. Gary Morse and R. Dewey Burnsed as Trustees of the Mark G. Morse Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986, a one-third undivided interest, and H. Gary Morse and R. Dewey Burnsed, as Trustee of the Tracy Mathews Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986, a one-third undivided interest, as tenants in common, whose address is 1100 Main Street, The Villages, Florida 32159, and The Villages of Lake-Sumter, Inc; whose address is 1100 Main Street, The Villages, Florida 32159 Grantors, and North Sumter Utility Company, L.L.C., whose address is 1100 Main Street, The Villages, Florida 32159, Grantee,

WITNESSETH, that said Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable considerations to said Grantor in hand paid by Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs and assigns forever, the following described land, situate and being in Sumter County, Florida, to-wit: D15-003

See attached Exhibit A

Subject to restrictions, reservations, easements and limitations of record, if any, provided that this shall not serve to reimpose same, zoning ordinances, and taxes for the current year and subsequent years. Said Grantor does hereby fully warrant the title to said land, and will defend that same against the lawful claims of all persons whomsoever.

"Grantor" and "Grantee" are used for singular or plural, as context requires.

IN WITNESS WHEREOF, the Grantor has hereunto set Grantor's hand and seal the day and year first above written.

WITNESSES TO ALL:

Steven M. Roy  
Printed Name

Doris A. Pardo  
Printed Name

H. Gary Morse and R. Dewey Burnsed  
H. Gary Morse and R. Dewey Burnsed as Trustees of the Jennifer Boone Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986; and as Trustees of the Mark G. Morse Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986, and as Trustees of the Tracy Mathews Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986

THE VILLAGES OF LAKE-SUMTER, INC.  
By: John Parker  
John Parker, Vice President

STATE OF FLORIDA  
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 16th day of October, 2001, by John Parker, the Vice President of and on behalf of The Villages of Lake-Sumter, Inc.; and by H. Gary Morse and R. Dewey Burnsed as Trustees of the Jennifer Boone Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986; and as Trustees of the Mark G. Morse Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986, and as Trustees of the Tracy Mathews Irrevocable Trust, under Agreement dated the 12<sup>th</sup> day of December, 1986.

Doris A. Pardo  
NOTARY PUBLIC - STATE OF FLORIDA  
(Signature of Notary Public)  
Doris A. Pardo  
(Print Name of Notary Public)  
My Commission Expires: 7/29/05  
Serial/Commission Number # 00018368  
Personally Known  or  Produced Identification  
Type of Identification Produced: \_\_\_\_\_

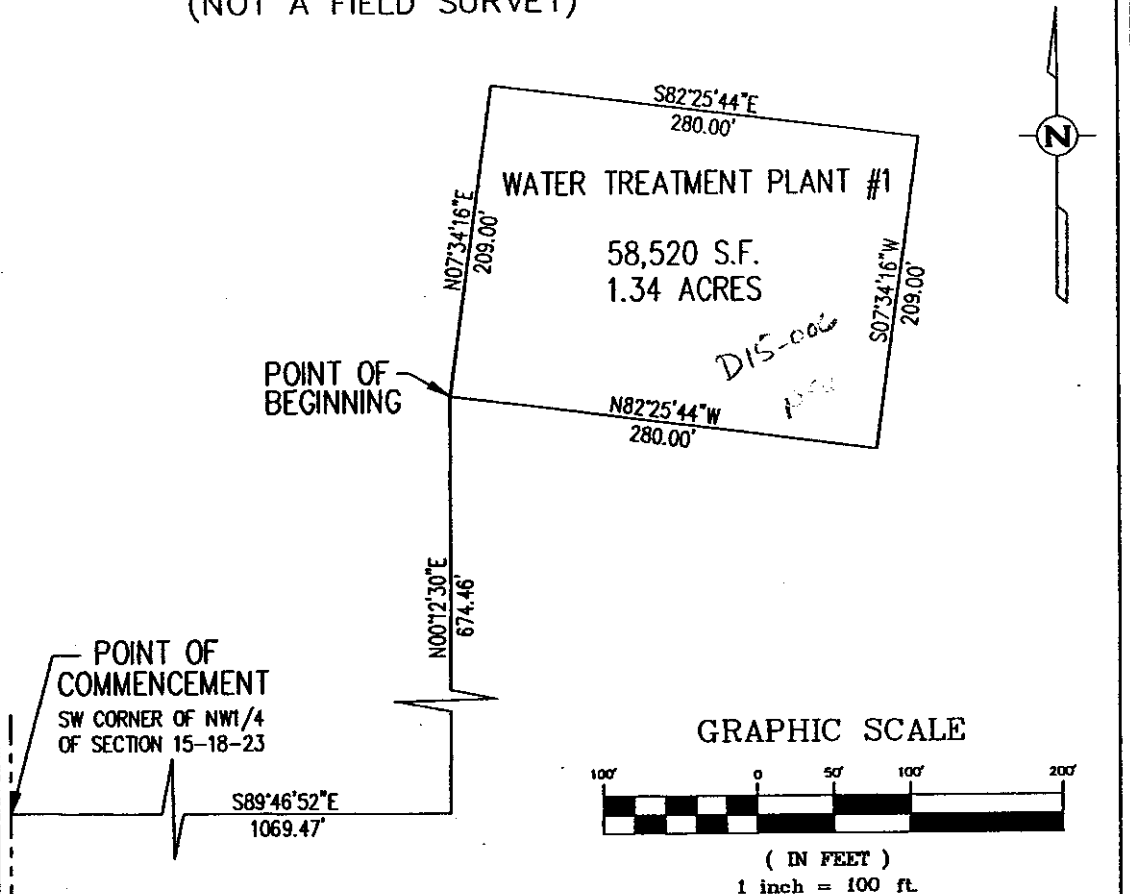


SUMTER CO., FL, GLORIA HAYWARD - CLERK CIRCUIT COURT INST # 2001-1007



# SKETCH FOR DESCRIPTION

(NOT A FIELD SURVEY)



**LEGAL DESCRIPTION**  
 NORTH SUMTER UTILITIES  
 WATER TREATMENT PLANT #1

THAT PORTION OF THE NORTHWEST 1/4 OF SECTION 15, TOWNSHIP 18 SOUTH, RANGE 23 EAST, DESCRIBED AS FOLLOWS:

FROM THE SOUTHWEST CORNER OF THE SAID NORTHWEST 1/4; RUN S89°46'52"E ALONG THE SOUTH LINE THEREOF A DISTANCE OF 1069.47 FEET; THENCE N00°12'30"E, 674.46 FEET TO THE POINT OF BEGINNING; THENCE N07°34'16"E, 209.00 FEET; THENCE S82°25'44"E, 280.00 FEET; THENCE S07°34'16"W, 209.00 FEET; THENCE N82°25'44"W, 280.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.34 ACRES, MORE OR LESS.

**GENERAL NOTES**

1. REPRODUCTIONS OF THIS SKETCH ARE NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
2. THIS SKETCH PREPARED FOR DESCRIPTION PURPOSES ONLY AND DOES NOT REPRESENT A FIELD SURVEY.
3. LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR OWNERSHIP. DESCRIPTION IS BASED UPON INFORMATION SHOWN ON TAX PARCEL CARD.

10/12/01  
DATE

*William S. Bealey*  
 WILLIAM S. BEALEY, PROFESSIONAL SURVEYOR & MAPPER  
 FLORIDA REGISTRATION NO. 3815



**FARNER  
BEALEY**  
AND ASSOCIATES, INC.

300 NORTH BUCKLER AVENUE • TALLahas, FL 32708 • (904) 243-8400

▲ ENGINEERS  
▲ SURVEYORS  
▲ PLANNERS  
LB 4708

NORTH SUMTER UTILITIES - WATER TREATMENT PLANT #1  
 SUMTER CO., FL, GLORIA HAYWARD - CLERK CIRCUIT COURT INST#: 2001 18874

ExN \_\_\_\_\_  
Rec 13.00  
TF 2.00  
Doc 1022.00  
Int \_\_\_\_\_  
CC \_\_\_\_\_  
1037.00  
3.00  
Pill 1040.00

THIS INSTRUMENT PREPARED BY/RETURN TO:  
Steven M. Roy/ahs  
McLin, Burns&d, Morrison, Johnson,  
Newman & Roy, P.A.  
Post Office Box 1299  
Leesburg, Florida 32158-1299

Parcel Identification No.

Documentary Stamp \$ 1022.00  
Intangible Tax \_\_\_\_\_  
Paid 17th Day of Oct, 2001  
GLORIA R. HAYWARD, CLERK  
CIRCUIT COURT SUMTER COUNTY, FL  
By Mandy A. Johnson D.C.

### WARRANTY DEED

THIS INDENTURE made this 16th day of October, 2001, between PM3, Ltd. a Florida limited partnership, whose address is 1100 Main Street, The Villages, Florida 32159, Grantor, and North Sumter Utility Company, L.L.C., whose address is 1100 Main Street, The Villages, Florida 32159, Grantee,

WITNESSETH, that said Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable considerations to said Grantor in hand paid by Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs and assigns forever, the following described land, situate and being in Sumter County, Florida, to-wit:

D24-001  
D35-001

See attached Exhibit A

Subject to restrictions, reservations, easements and limitations of record, if any, provided that this shall not serve to reimpose same, zoning ordinances, and taxes for the current year and subsequent years. Said Grantor does hereby fully warrant the title to said land, and will defend that same against the lawful claims of all persons whomsoever.

"Grantor" and "Grantee" are used for singular or plural, as context requires.

IN WITNESS WHEREOF, the Grantor has hereunto set Grantor's hand and seal the day and year first above written.

Signed, sealed and delivered  
in our presence:

Rebecca Billings

Rebecca Billings

Printed Name Doris A. Pardo

Doris A. Pardo

Printed Name

PM3, Ltd., a Florida limited partnership,

By: PM3, Inc, a Florida corporation, its General Partner

By: John Parker

John Parker, Vice President

STATE OF FLORIDA  
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 16th day of October, 2001, by John Parker, the Vice President of PM3, Inc., a Florida corporation, on behalf of PM3, Ltd. a Florida limited partnership, its General Partner

Rebecca Billings

(Notary Seal)

NOTARY PUBLIC - STATE OF FLORIDA

(Signature of Notary Public)

Rebecca Billings

(Print Name of Notary Public)

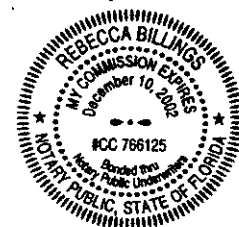
My Commission Expires: 12-10-2002

CC 766125

Serial/Commission Number

Personally Known  or \_\_\_\_\_ Produced Identification

Type of Identification Produced: \_\_\_\_\_



# SKETCH FOR DESCRIPTION (NOT A FIELD SURVEY)

chabit "A"

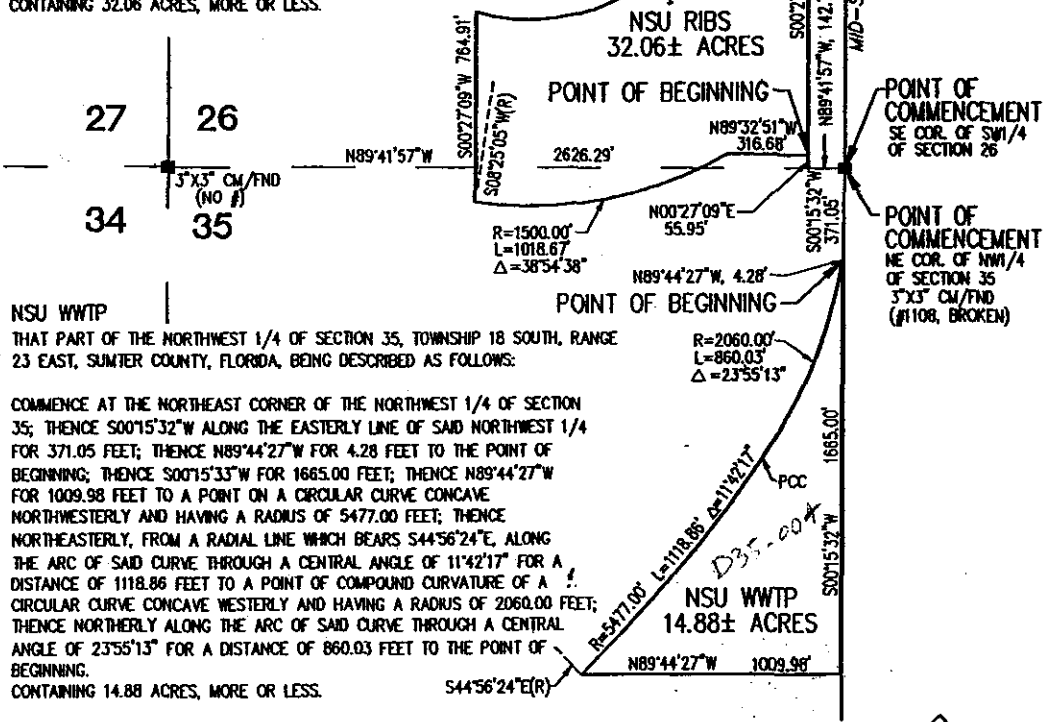
### NSU RIBS

THAT PART OF THE SOUTHWEST 1/4 OF SECTION 26 AND THAT PART OF THE NORTHWEST 1/4 OF SECTION 35, ALL IN TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF THE SOUTHWEST 1/4 OF SECTION 26; THENCE N89°41'57"W ALONG THE SOUTHERLY LINE OF SAID SOUTHWEST 1/4 FOR 142.76 FEET; THENCE N00°27'09"E FOR 55.95 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N00°27'09"E FOR 1729.26 FEET; THENCE N89°32'51"W FOR 482.64 FEET TO A POINT ON A CIRCULAR CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 750.00 FEET; THENCE SOUTHERLY, SOUTHWESTERLY AND WESTERLY, FROM A RADIAL LINE WHICH BEARS N54°16'13"E, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 142°16'23" FOR A DISTANCE OF 1862.35 FEET; THENCE S00°27'09"W FOR 764.91 FEET TO A POINT ON A CIRCULAR CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 1500.00 FEET; THENCE EASTERLY, FROM A RADIAL LINE WHICH BEARS S08°25'05"W, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 38°54'38" FOR A DISTANCE OF 1018.67 FEET; THENCE S89°32'51"E FOR 316.68 FEET TO THE POINT OF BEGINNING. CONTAINING 32.06 ACRES, MORE OR LESS.

### LEGEND

- PCC - POINT OF COMPOUND CURVE
- NSU - NORTH SUMTER UTILITIES, INC.
- WWTP - WASTE WATER TREATMENT PLANT
- RIBS - RAPID INFILTRATION BASINS



### NSU WWTP

THAT PART OF THE NORTHWEST 1/4 OF SECTION 35, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF SECTION 35; THENCE S00°15'32"W ALONG THE EASTERLY LINE OF SAID NORTHWEST 1/4 FOR 371.05 FEET; THENCE N89°44'27"W FOR 4.28 FEET TO THE POINT OF BEGINNING; THENCE S00°15'33"W FOR 1665.00 FEET; THENCE N89°44'27"W FOR 1009.98 FEET TO A POINT ON A CIRCULAR CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 5477.00 FEET; THENCE NORTHEASTERLY, FROM A RADIAL LINE WHICH BEARS S44°56'24"E, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 11°42'17" FOR A DISTANCE OF 1118.86 FEET TO A POINT OF COMPOUND CURVATURE OF A CIRCULAR CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 2060.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 23°55'13" FOR A DISTANCE OF 860.03 FEET TO THE POINT OF BEGINNING. CONTAINING 14.88 ACRES, MORE OR LESS.

### GENERAL NOTES

1. REPRODUCTIONS OF THIS SKETCH ARE NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
2. THIS SKETCH PREPARED FOR DESCRIPTION PURPOSES ONLY AND DOES NOT REPRESENT A FIELD SURVEY.
3. LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR OWNERSHIP. DESCRIPTION IS BASED UPON INFORMATION SHOWN ON TAX PARCEL CARD.

10/12/01  
DATE

*William S. Bailey*  
WILLIAM S. BAILEY, PROFESSIONAL SURVEYOR & MAPPER  
FLORIDA REGISTRATION NO. 3815

**FERNS  
BAILEY**  
AND ASSOCIATES, INC.

200 NORTH SHILOH AVENUE • TAMPA, FL 33778 • (813) 343-0001

▲ ENGINEERS  
▲ SURVEYORS  
▲ PLANNERS  
LB 4709

SUMTER CO, FL, GLORIA HAYWARD - CLERK CIRCUIT COURT INST#: 2001 18873

XN 3.00  
cc 9.00  
F 1.50  
nc 15.40  
H  
C  
28.90

Bond Series 2002

Documentary Stamp 15.40  
Intangible Tax  
Paid 30th Day of Jan. 2002  
GLORIA R. HAYWARD, CLERK  
CIRCUIT COURT SUMTER COUNTY FL.  
BY *[Signature]* D.G.

THIS INSTRUMENT PREPARED BY/RETURN TO:  
Steven M. Roy/may  
McLin, Burnsed, Morrison, Johnson,  
Newman & Roy, P.A.  
Post Office Box 1299  
Lakeland, Florida 32150-1299 Lady Lake, FL

Parcel Identification No. D15003

WARRANTY DEED

THIS INDENTURE made this 8th day of January, 2002, between H. Gary Morse and R. Dewey Burnsed as Trustees of the Jennifer Boone Irrevocable Trust, under Agreement dated the 12th day of December, 1986, a one-third undivided interest; H. Gary Morse and R. Dewey Burnsed as Trustees of the Mark G. Morse Irrevocable Trust, under Agreement dated the 12th day of December, 1986, a one-third undivided interest, and H. Gary Morse and R. Dewey Burnsed, as Trustee of the Tracy Mathews Irrevocable Trust, under Agreement dated the 12th day of December, 1986, a one-third undivided interest, as tenants in common, whose address is 1100 Main Street, The Villages, Florida 32159, and The Villages of Lake-Sumter, Inc; whose address is 1100 Main Street, The Villages, Florida 32159 (the "Grantor"), and North Sumter Utility Company, L.L.C., whose address is 1100 Main Street, The Villages, Florida 32159, ("Grantee").

WITNESSETH, that said Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable considerations to said Grantor in hand paid by Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs and assigns forever, the following described land, situate and being in Sumter County, Florida, to-wit:

See attached Exhibit A

Subject to restrictions, reservations, easements and limitations of record, if any, provided that this shall not serve to reimpose same, zoning ordinances, and taxes for the current year and subsequent years. Said Grantor does hereby fully warrant the title to said land, and will defend that same against the lawful claims of all persons whomsoever.

"Grantor" and "Grantee" are used for singular or plural, as context requires.

IN WITNESS WHEREOF, the Grantor has hereunto set Grantor's hand and seal the day and year first above written.

WITNESSES TO ALL:

*[Signature]*  
Print Name Doris A. Pardo

*[Signature]*  
Print Name Rebecca Billings

*[Signature]*  
*[Signature]*  
H. Gary Morse and R. Dewey Burnsed as Trustees of the Jennifer Boone Irrevocable Trust, under Agreement dated the 12th day of December, 1986; and as Trustees of the Mark G. Morse Irrevocable Trust, under Agreement dated the 12th day of December, 1986, and as Trustees of the Tracy Mathews Irrevocable Trust, under Agreement dated the 12th day of December, 1986

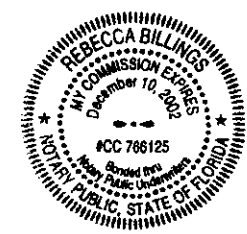
THE VILLAGES OF LAKE-SUMTER, INC.  
By: *[Signature]*  
John Parker, Vice President

STATE OF FLORIDA  
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 8th day of January, 2002, by John Parker, the Vice President of and on behalf of The Villages of Lake-Sumter, Inc.; and by H. Gary Morse and R. Dewey Burnsed as Trustees of the Jennifer Boone Irrevocable Trust, under Agreement dated the 12th day of December, 1986; and as Trustees of the Mark G. Morse Irrevocable Trust, under Agreement dated the 12th day of December, 1986, and as Trustees of the Tracy Mathews Irrevocable Trust, under Agreement dated the 12th day of December, 1986.

*[Signature]*  
NOTARY PUBLIC - STATE OF FLORIDA  
(Signature of Notary Public)  
Rebecca Billings  
(Print Name of Notary Public)  
My Commission Expires: 12-10-2002  
CC 766125  
Serial/Commission Number  
Personally Known  or  Produced Identification  
Type of Identification Produced: \_\_\_\_\_

(Notary Seal)

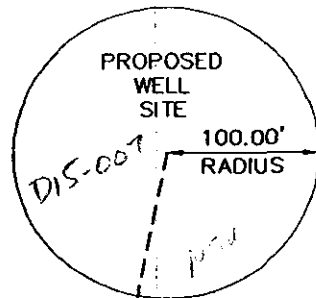


SUMTER COUNTY, FLORIDA  
GLORIA R. HAYWARD, CLERK OF CIRCUIT COURT

01/30/2002 #2002-1912  
02:56:44PM B-946 P-582

**SKETCH FOR DESCRIPTION**  
(NOT A FIELD SURVEY)

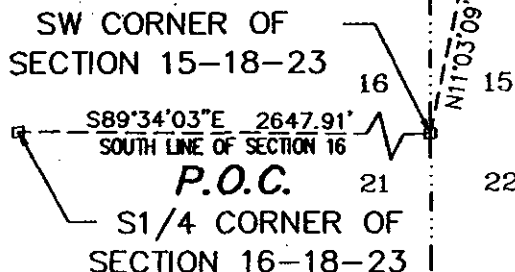
SHOWING PROPOSED WELL SITE



GRAPHIC SCALE



( IN FEET )  
1 inch = 100 ft.



DESCRIPTION

A PARCEL OF LAND LYING IN THE SOUTHWEST 1/4 OF SECTION 15, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, SAID PARCEL BEING A CIRCLE AND HAVING A RADIUS OF 100.00 FEET, ITS RADIUS POINT BEING LOCATED AS FOLLOWS:

COMMENCE AT THE SOUTH 1/4 CORNER OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA; THENCE S89°34'03"E ALONG THE SOUTH LINE OF SAID SECTION 16, A DISTANCE OF 2647.91 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 15; THENCE N11°03'09"E, 2087.85 FEET TO SAID RADIUS POINT.

GENERAL NOTES

1. REPRODUCTIONS OF THIS SKETCH ARE NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.
2. THIS SKETCH PREPARED FOR DESCRIPTION PURPOSES ONLY AND DOES NOT REPRESENT A FIELD SURVEY.

*Willard R. Bowsky*  
WILLARD R. BOWSKY, P.L.L.C. PROFESSIONAL SURVEYOR & MAPPER  
FLORIDA REGISTRATION NO. 5758



**EXHIBIT "E"**

**DESCRIPTION OF AREA PROPOSED TO BE SERVED**

DESCRIPTION: (AREA "A")

A PORTION OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF SAID SECTION 16; THENCE N89°30'31"W, ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF SAID SECTION 16, 1,365.39 FEET TO A POINT ON THE ARC OF A CURVE CONCAVE WEST, AND HAVING A RADIUS OF 405.00 FEET, AND A CHORD BEARING AND DISTANCE OF N03°56'39"E, 32.40 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 04°35'06", AN ARC DISTANCE OF 32.41 FEET; THENCE N01°39'06"E, 295.70 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE WEST AND HAVING A RADIUS OF 1,130.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09°07'52", AN ARC DISTANCE OF 180.09 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE EAST AND HAVING A RADIUS OF 540.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 45°51'50", AN ARC DISTANCE 432.26 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE SOUTH AND HAVING A RADIUS OF 25.00 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 81°15'11", AN ARC DISTANCE OF 35.45 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE NORTH AND HAVING A RADIUS OF 430.00 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 28°49'32", AN ARC DISTANCE 216.33 FEET; THENCE S89°11'17"E, 1,679.00 FEET TO THE EAST LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 16; THENCE S00°31'04"W ALONG SAID EAST LINE 856.76 FEET TO THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 16; THENCE N89°30'31"W ALONG SAID SOUTH LINE 658.01 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "B")

A PORTION OF SECTION 21, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

THE EAST 1/8 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 21, LESS THE SOUTH 33.00 FEET THEREOF FOR COUNTY ROAD 472.

AND

DESCRIPTION: (AREA "C")

COMMENCE AT THE NW CORNER OF SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, AND PROCEED SOUTH 900 FEET, EAST 210 FEET, SOUTH 210 FEET, EAST 210 FEET FOR THE POINT OF BEGINNING, CONTINUE EAST 480 FEET, NORTH 420 FEET, EAST 420', NORTH 690 FEET, WEST 690 FEET, SOUTH 630 FEET, WEST 210 FEET, SOUTH APPROXIMATELY 480 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "D")

THE EAST 1/2 OF THE NORTHWEST 1/4, AND THE NORTHEAST 1/4, AND THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4, ALL LYING IN SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

AND

DESCRIPTION: (AREA "E")

A PORTION OF SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 33; THENCE S89°36'41"E, ALONG THE SOUTH LINE OF SAID SECTION 33, A DISTANCE OF 31.86 FEET TO THE POINT OF BEGINNING; THENCE N00°29'36"E, 624.30 FEET; THENCE S89°56'58"E, 448.69 FEET; THENCE N80°05'50"E, 184.54 FEET; THENCE S88°47'19"E, 410.04 FEET; THENCE N87°26'01"E, 159.77 FEET; THENCE N81°47'58"E, 95.13 FEET; THENCE N79°07'11"E, 105.40 FEET; THENCE N76°40'48"E, 132.80 FEET; THENCE N00°28'22"E, 1,892.13 FEET; THENCE S89°25'28"E, 1,092.00 FEET; THENCE S00°28'23"W, 1,293.34 FEET; THENCE S89°38'04"E, 1,323.01 FEET; THENCE S00°29'11"W, 1,323.67 FEET TO THE SOUTH LINE OF SAID SECTION 33; THENCE N89°38'21"W ALONG SAID SOUTH LINE 1,322.37 FEET; THENCE CONTINUE ALONG SAID SOUTH LINE N89°36'41"W, 2,618.63 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "F")

THE NORTH 370.00 FEET OF THE SOUTH 420.00 FEET OF THE EAST 210.00 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 2, TOWNSHIP 19 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

AND

DESCRIPTION: (AREA "G")

A PORTION OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

BEGIN AT THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S89°45'06"W ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 24 A DISTANCE OF, 661.20 FEET TO THE WEST LINE OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N00°17'53"E ALONG SAID WEST LINE 852.05 FEET; THENCE DEPARTING SAID WEST LINE N82°03'38"E, 668.64 FEET TO THE EAST LINE OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S00°19'58"W ALONG SAID EAST LINE 941.54 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "H")

A PORTION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

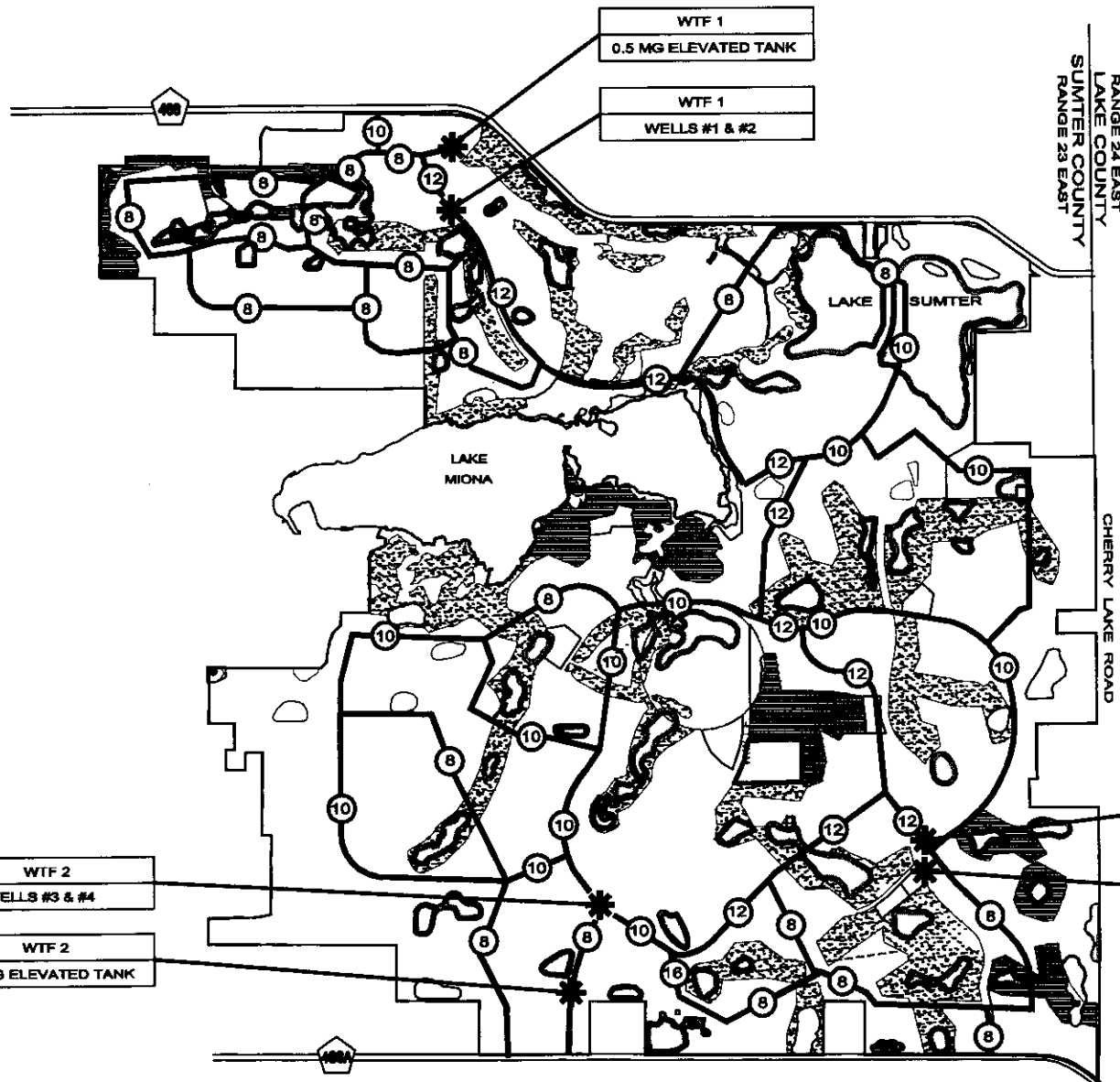
BEGIN AT THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S00°22'03"W ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 24 A DISTANCE OF 148.51 FEET; THENCE DEPARTING SAID EAST LINE S67°34'11"W, 104.50 FEET; THENCE S69°49'06"W, 132.79 FEET; THENCE S72°10'36"W, 180.95 FEET; THENCE S74°43'06"W, 67.79 FEET; THENCE S74°19'34"W, 212.14 FEET TO THE WEST LINE OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N00°19'58"E ALONG SAID WEST LINE 361.16 FEET TO THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N89°41'18"E ALONG SAID NORTH LINE, 662.01 FEET TO THE POINT OF BEGINNING.







**EXHIBIT "F"**

**DETAILED SYSTEM MAPS**

S:\SUMTER\SITEPLANS\SU-WWTF\EXHIBITS\INSU DRI added areas\FIG. 7.dwg, 06/09/2004 03:53:40 PM



**LEGEND**

-  16 INCH MAIN
-  12 INCH MAIN
-  10 INCH MAIN
-  8 INCH MAIN

WTF 1  
0.5 MG ELEVATED TANK

WTF 1  
WELLS #1 & #2

RANGE 24 EAST  
LAKE COUNTY  
SUMTER COUNTY  
RANGE 23 EAST

CHERRY LAKE ROAD

WTF 2  
WELLS #3 & #4

WTF 2  
0.8 MG ELEVATED TANK

WTF 3  
WELLS #5 & #6

WTF 3  
1.5 MG GROUND STORAGE TANK

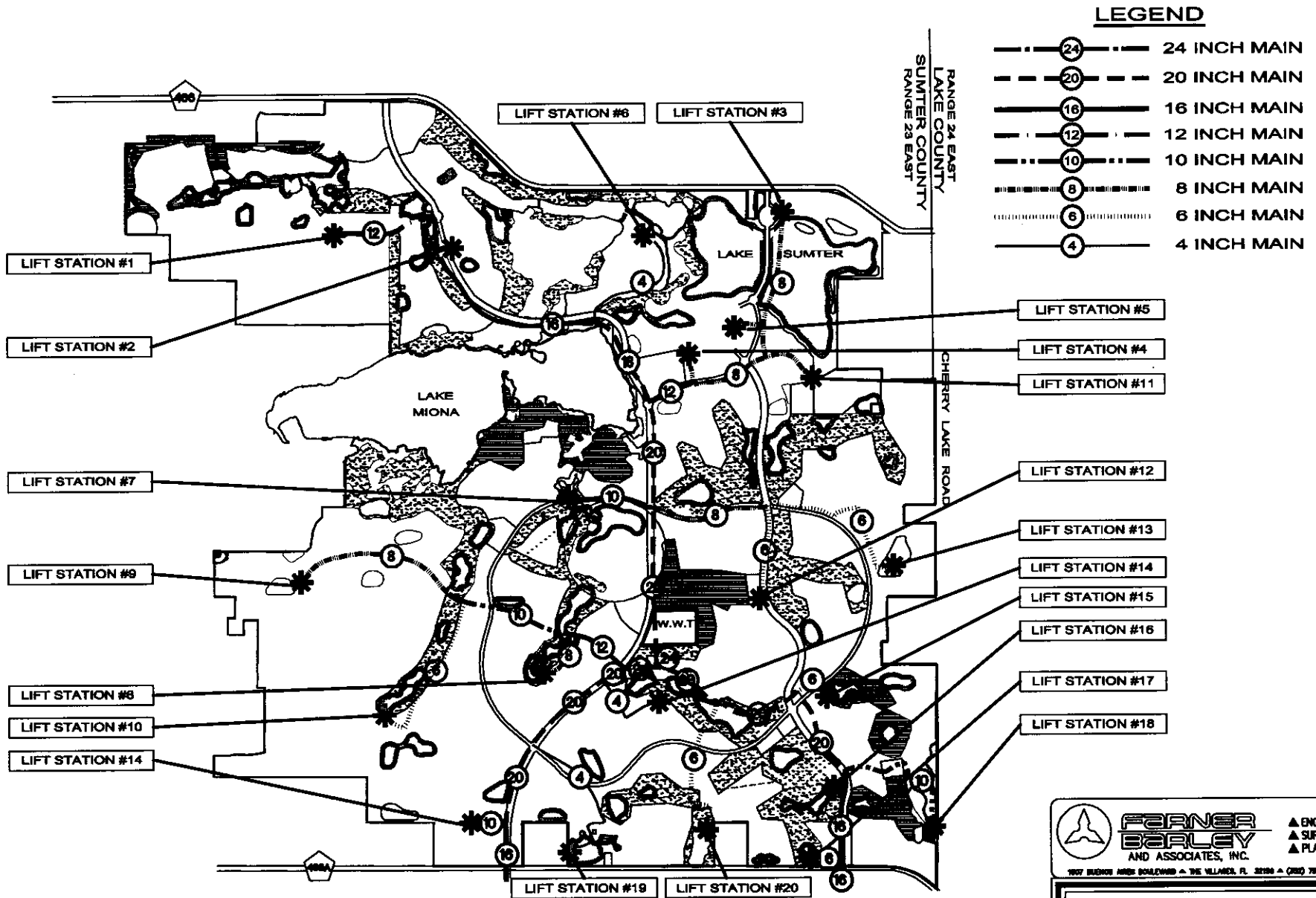
 **FARNER  
BARLEY  
AND ASSOCIATES, INC.**

1907 BUCHER AVENUE BOULEVARD • THE VILLAGE, FL. 32108 • (386) 783-3914

- ▲ ENGINEERS
- ▲ SURVEYORS
- ▲ PLANNERS

**NORTH SUMTER  
UTILITY COMPANY  
WATER TREATMENT FACILITY  
LOCATION & DISTRIBUTION  
SYSTEM MAP** **FIG. 7**

S:\SUMTER\SITE\PLANS\SU-WWTF\EXHIBITS\SU DRI added areas\FIG. 8.dwg, 06/09/2004 03:36:02 PM



**FARNER BARLEY AND ASSOCIATES, INC.**  
 1017 BUSINESS PARK BOULEVARD • THE VILLAGE, FL. 32159 • (352) 783-3114

▲ ENGINEERS  
 ▲ SURVEYORS  
 ▲ PLANNERS

**NORTH SUMTER  
 UTILITY COMPANY  
 WASTEWATER TREATMENT  
 FACILITY + TRANSMISSION  
 SYSTEM LOCATION MAP  
 FIG. 8**

**TABLE A  
NSU WATER DEMAND PROJECTIONS  
(CUMMULATIVE VALUES)**

Year	Annual Home Sales	Avg. Annual Residential Connections (D.U.)	Residential Demand ADD (MGD)	Commercial Connections	Commercial Demand ADD (MGD)	New Home Construction Demands (MGD)	Unaccounted Losses (MGD)	ADD (MGD)	MDD (MGD)	PHD (MGD)
2003	210	105	0.015	3	0.002	0.003	0.002	0.021	0.052	0.073
2004	3,040	1,730	0.242	46	0.028	0.037	0.027	0.335	0.837	1.171
2005	4,000	5,250	0.735	138	0.084	0.049	0.082	0.950	2.376	3.326
2006	4,000	9,250	1.295	243	0.147	0.049	0.144	1.636	4.089	5.724
2007	4,000	13,250	1.855	349	0.211	0.049	0.207	2.322	5.805	8.127
2008	3,500	17,000	2.380	447	0.271	0.043	0.265	2.959	7.398	10.357
2009	2,225	19,863	2.781	523	0.316	0.027	0.310	3.434	8.585	12.019
2010	500	21,225	2.972	559	0.338	0.006	0.331	3.647	9.117	12.763
2011	0	21,475	3.007	565	0.342	0.000	0.335	3.683	9.208	12.892

NOTES: Average Annual Residential Connections = Cumulative Annual Home Sales for all prior years +50% of current year home sales.  
Average Daily Water Demand (ADD) per residential dwelling unit is 140 GPD  
MDD = ADD X 2.5  
PHD = ADD X 3.5  
Commercial connections based upon historical data.  
Commercial demands based upon Chapter 64-6 F.A.C.  
Home construction based upon 4500 gallons per homes. These demands by the Villages based upon historical water usage within the Development.

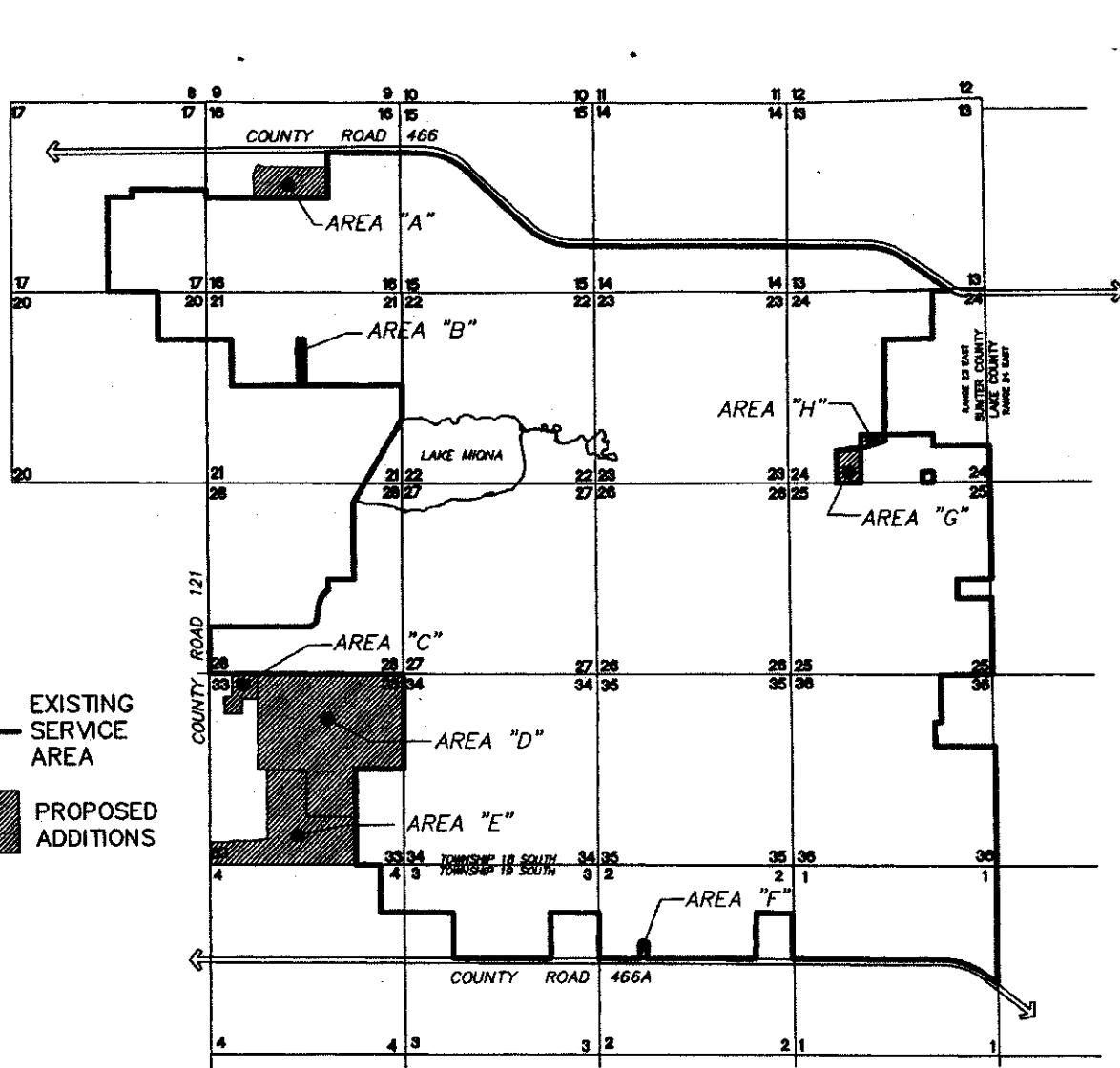
**TABLE B**  
**NSU WASTEWATER FLOW AND LOAD PROJECTIONS**  
**(CUMMULATIVE VALUES)**

Year	Annual Home Sales	Avg. Annual Residential Connections (D.U.)	Residential Flow AADF (MGD)	Commercial Connections	Commercial Flow AADF (MGD)	Total AADF (MGD)	MMADF (MGD)	BOD (LB/DAY)	T.S.S. (LB/DAY)
2003	210	105	0.012	3	0.002	0.014	0.017	43	57
2004	3,040	1,730	0.194	46	0.024	0.218	0.272	682	909
2005	4,000	5,250	0.589	138	0.072	0.661	0.826	2,066	2,754
2006	4,000	9,250	1.037	243	0.126	1.163	1.454	3,637	4,849
2007	4,000	13,250	1.485	349	0.181	1.666	2.083	5,211	6,949
2008	3,500	17,000	1.906	447	0.232	2.138	2.672	6,686	8,914
2009	2,225	19,863	2.227	523	0.271	2.498	3.122	7,811	10,415
2010	500	21,225	2.379	559	0.289	2.668	3.335	8,345	11,127
2011	0	21,475	2.407	565	0.293	2.700	3.375	8,445	11,260

NOTES: AADF = 59 GPCD = 112.1 GPD/D.U. for Residential  
MMDF = 1.25 x AADF = 140.1 GPD/D.U. for Residential  
Commercial connections based upon historical data.  
Commercial Flows based upon Chapter 64E-6 F.A.C., Estimated Sewage Flows  
BOD (lb/day) projected at 300 mg/l @ MMADF  
TSS (lb/day) projected at 400 mg/l @ MMADF

**EXHIBIT "G"**

**WATER AND WASTEWATER SERVICE AREA MAP**



# NORTH SUMTER UTILITY COMPANY FLORIDA PUBLIC SERVICE COMMISSION SERVICE AREA EXPANSION



**FARNER  
BERLEY  
AND ASSOCIATES, INC.**

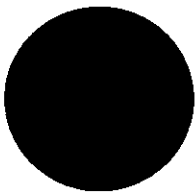
1507 BUENOS AIRES BOULEVARD • THE VILLAGES, FL 32158 • (352) 753-3114

- ▲ ENGINEERS
- ▲ SURVEYORS
- ▲ PLANNERS
- LB 4709

**EXHIBIT "H"**

**CAPACITY OF EXISTING LINES, CAPACITY OF TREATMENT FACILITIES AND DESIGN  
CAPACITY OF PROPOSED EXTENSION**





VIA HAND DELIVERY

June 14, 2004

Mr. Trey Arnett  
GRANT AND DZURO  
1100 Main Street  
The Villages, Florida 32159

RE: **NORTH SUMTER UTILITY COMPANY - PSC RESPONSE**

Dear Mr. Arnett:

Enclosed please find the following with regards to the above-referenced project:

**Question No. 9**

**A statement describing the capacity of the existing lines, capacity of the treatment facilities and design capacity of the proposed extension.**

Based upon the information provided by North Sumter Utility Company, the present day water and wastewater flows consume approximately 22% of the NSU water system capacity and 6% of the NSU WWTF capacity. See attached Exhibit "A".

Based on the above information and flows tabulated in Exhibit "A" it is evident that sufficient water and wastewater system capacity is available for the new areas anticipated to be served by the North Sumter Utility Company.

With regards to existing lines within the service area, sufficient capacity is available to accommodate the proposed new service area.

Should you have any questions regarding this matter, please feel free to contact our office.

Sincerely,  
FARNER, BARLEY & ASSOCIATES, INC.

Robert E. Farner, P.E.  
[bfarner@farnerbarley.com](mailto:bfarner@farnerbarley.com)  
REF/km  
Enclosures

cc: Mr. Gary Moyer, The Villages (w/encl.)  
H:\karen\DOCS\WP\wordperfect\VILLAGES\NorthSumter.Util\trey arnett letter psc.wpd

EXHIBIT "A"

NSU WATER SYSTEM

CURRENT (MAX. DAY) FLOWS (MGD)	CURRENT (MAX. DAY) CAPACITIES (MGD)	ANTICIPATED (MAX. DAY) DEMAND OF NEW AREA (MGD)
.637	2.88	.700

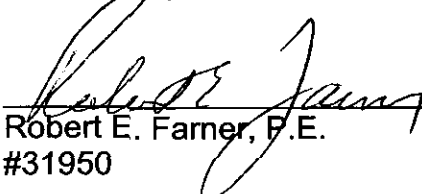
\*Facility presently at 22% of permitted capacity.

NSU WASTEWATER TREATMENT FACILITY

CURRENT FLOWS (MGD)	CURRENT CAPACITIES (MGD)	ANTICIPATED DEMAND OF NEW AREA (MGD)
0.090	1.50	0.280

\*Facility presently at 6% of permitted capacity.

Prepared by:

  
Robert E. Farmer, P.E.  
#31950

**EXHIBIT "I"**

**PERMITS**

## North Sumter Utility Company Water & Wastewater Permit Summary

NSU Water Treatment Facilities	Permit Number	Date of Issue	Date Cleared
Elevated Storage Tank	0192674-001-DS/C	02/12/02	05/12/03
Water Treatment Facility #1 & Wellhouse #1 (Wells 1 & 2)	0192674-002-WC/17	11/01/02	05/12/03
Water Treatment Facility #2 (Wells 3 & 4 & Elev. Tank #2)	0192674-092-WC/MA	03/23/04	
Water Treatment Facility #3 (Well Site & Plant Site)	0192674-098-WC/12	05/10/04	

Water Distribution	Permit Number	Date of Issue	Date Cleared
Belvedere Boulevard	0192674-003-DS/C	01/08/03	07/30/03
Buena Vista Boulevard (South) - Ph I & C.R. 472	0192674-004-DS/C	01/27/03	07/31/03
Buena Vista Blvd.-Ph II, Morse Blvd.-Ph I & Stillwater Tr.	0192674-005-DS/C	03/06/03	Final: 04/22/04
Lynnhaven Lane	0192674-006-DS/C	02/18/03	10/31/03
Arnold Palmer Signature Country Club	0192674-009-DS/C	02/28/03	10/13/03
Units 74 & 75 and Broyhill Villas	0192674-007-DS/C	03/07/03	06/30/03
Sumter Landing Town Center (Lk. Sumter Landing)	0192674-008-DS/C	03/05/03	Final: 03/18/04
Cherry Hill Villas	0192674-010-DS/C	04/08/03	07/29/03
Inglewood Villas	192674-011-DS/C	04/08/03	07/29/03
Unit 81	192674-014-DS/C	04/21/03	07/29/03
Ezell Villas	192674-015-DS/C	04/15/03	09/11/03
Unit 72	192674-012-DS/C	04/21/03	09/11/03
Unit 77 and Belvedere NR & Pimlico VR	192674-013-DS/C	04/21/03	Final: 09/30/03
Clifton Villas	0192674-016-DS/C	05/02/03	07/14/03
Unit 76	0192674-017-DS/C	05/02/03	Final: 05/20/04
Hialeah Villas	0192674-018-DS/C	05/02/03	08/05/03
Mariposa Way	0192674-019-DS/C	05/13/03	
Arlington Villas	0192674-020-DS/C	05/16/03	09/19/03
Latrobe Villas	0192674-021-DS/C	05/30/03	12/16/03
Unit 71	0192674-023-DS/C	05/28/03	12/16/03
Unit 80	0192674-022-DS/C	05/30/03	09/24/03
Unit 78	0192674-024-DS/C	05/30/03	10/13/03
Unit 79	0192674-026-DS/C	06/04/03	11/06/03
Belmont Villas	0192674-025-DS/C	06/04/03	11/13/03
Unit 73	0192674-027-DS/C	06/23/03	12/16/03
Heritage Villas	0192674-028-DS/C	06/24/03	09/12/03
Unit 70	0192674-029-DS/C	07/30/03	Partial: 03/21/04
Unit 102	0192674-030-DS/C	07/10/03	12/23/03
Clayton Villas	0192674-031-DS/C	07/10/03	10/31/03
Rainey Villas	0192674-033-DS/C	07/11/03	10/31/03
Unit 103	0192674-034-DS/C	07/11/03	11/13/03
Bellamy Villas	0192674-032-DS/C	07/10/03	11/13/03
Unit 84	0192674-035-DS/C	07/11/03	10/31/03
Buena Vista Blvd. - Ph III, Part 1	0192674-036-DS/C	08/07/03	
Unit 82	0192674-037-DS/C	08/08/03	12/05/03
Jasper Villas	0192674-038-DS/C	08/19/03	12/05/03
Unit 83	0192674-039-DS/C	08/15/03	Final: 10/29/03
Unit 85	0192674-041-DS/C	09/05/03	02/02/04
Unit 86	0192674-040-DS/C	09/10/03	01/23/04
Swainwood Villas & Churchill Downs VR	0192674-042-DS/C	09/10/03	01/23/04
Bailey Trail - Phase I	0192674-043-DS/C	10/02/03	Partial: 05/04/04
Unit 89	0192674-045-DS/C	10/06/03	01/07/04
Collington Villas	0192674-044-DS/C	10/07/03	01/07/04
Unit 88	0192674-046-DS/C	10/06/03	01/07/04
Southern Oak Villas	0192674-047-DS/C	10/16/03	
Unit 87	0192674-048-DS/C	10/16/03	
Lime Grove (f/k/a Allamanda) Villas	0192674-049-DS/C	10/27/03	
Mount Pleasant Villas	0192674-050-DS/C	10/27/03	
Unit 90	0192674-052-DS/C	11/05/03	03/16/04
Buena Vista Blvd. - Ph III, Part 2	0192674-051-DS/C	10/29/03	
Bailey Ridge Villas	0192674-053-DS/C	11/05/03	
Unit 96	0192674-054-DS/C	11/06/03	
Unit 93 & Hibiscus Village Rec. Center	0192674-055-DS/C	11/13/03	05/11/04
Unit 95	0192674-056-DS/C	11/17/03	05/06/04

North Sumter Utility Company  
Water & Wastewater Permit Summary

Water Distribution (Continued)	Permit Number	Date of Issue	Date Cleared
St. Charles Place - Phase I	0192674-057-DS/C	11/18/03	
Laurel Manor Rec. Center & Office Park	0192674-059-DS/C	11/17/03	Final: 05/05/04
Laurel Manor Office Park - 4" Water Main Modification	0192674-097-DS/MM	03/29/04	(for both)
Hickory Grove Villas	0192674-058-DS/C	11/17/03	05/11/04
Units 91 & 92	0192674-060-DS/C	12/09/03	05/04/04
Eagle Ridge Villas	0192674-061-DS/C	11/26/03	
Mount Vernon Villas	0192674-067-DS/C	12/05/03	
Bailey Trail - Phase II	0192674-062-DS/C	11/26/03	
Lake Miona Regional Rec. Center	0192674-068-DS/C	12/18/03	
Sullivan Villas	0192674-064-DS/C	12/01/03	
Unit 99	0192674-065-DS/C	12/05/03	
Unit 94	0192674-066-DS/C	12/05/03	05/04/04
Lake Shore Cottages	0192674-068-DS/C	12/18/03	03/22/04
Odell Street - Phase I	0192674-071-DS/C	12/30/03	
Unit 97	0192674-070-DS/C	01/07/04	
Chesterfield Villas	0192674-069-DS/C	12/30/03	
Morse Blvd. - Phase II	0192674-072-DS/C	01/13/04	
Unit 98	0192674-073-DS/C	01/14/04	
Canal Street - Phase I	0192674-074-DS/C	01/08/04	
Edgefield Villas	0192674-075-DS/C	01/08/04	
Unit 100	0192674-076-DS/C	01/21/04	
Richmond Villas	0192674-077-DS/C	02/06/04	
Units 106 & 107	0192674-079 (no DS/C listed)	02/09/04	
Canal Street Village Rec. Center	0192674-078-DS/C	02/09/04	
Unit 114	0192674-081-DS/C	02/11/04	
Kaylee Villas	0192674-080-DS/C	02/11/04	
Odell Circle - Phase II	0192674-085-DS/C	03/11/04	
Stillwater Trail - Phase II	0192674-083-DS/C	02/16/04	
Canal Street - Phase II	0192674-082-DS/C	02/18/04	
Morse Blvd. - Phase III	0192674-084-DS/C	02/24/04	
Units 111& 125 and Caroline Postal Park & NR	0192674-086-DS/C	02/26/04	
Unit 112	0192674-087-DS/C	03/05/04	
Unit 113	0192674-090-DS/C	03/05/04	
Unit 105 - West	0192674-089-DS/C	03/05/04	
Unit 105 - East	0192674-088-DS/C	03/05/04	
Mallory Hill Golf Maintenance Facility	0192674-091-DS/C	03/05/04	
Bonita Blvd.	0192674-093-DS/C	03/15/04	
Key Largo/Hemingway Golf Maintenance Facility	APP.		
Villages Public Safety Dept. #4 (@ Bonita Blvd.)	APP.		
Katherine Villas	0192674-094-DS/C	02/11/04	
Mallory Hill Country Club	0192674-095-DS/C	03/25/04	
Units 108 & 109, Stillwater Villas, Virginia Vine Villas and Virginia Trace Postal Park & NR	0192674-096-DS/C	03/25/04	
Unit 110 & Elizabeth Villas	0192674-099-DS/C	04/05/04	
Unit 117	0192674-100-DS/C	04/16/04	
Unit 116	0192674-101-DS/C	04/29/04	
Emmalee Villas	0192674-102-DS/C	04/20/04	
Alexa Villas	0192674-103-DS/C	5/3/2004	
Unit 123	0192674-104-DS/C	05/06/04	
Carlton Villas	0192674-105-DS/C	05/17/04	
Janeann Villas	App. 5/26/04		
Unit 122, Newport Villas & Largo Postal Park & NR	App. 5/28/04		

\* Notice of Intent to Use General Permit

## North Sumter Utility Company Water & Wastewater Permit Summary

NSU Wastewater Treatment Facilities	Permit Number	Date of Issue	Date Cleared
Wastewater Treatment Facility	FLA-281581 (001-DW1P/NP)	04/19/02	PART: 07/03/03
Wastewater Treatment Facility Mod. (RIB's) / (R002)	FLA281581-002-DW1/MR	08/05/03	
Wastewater Treatment Facility Mod. (Wildwood Effluent)	FLA281581-003-DW1/MR	02/25/04	
Wastewater Treatment Facility Mod. (CSU Plant Addition & WRA Relocation)	App.		

Wastewater Collection	Permit Number	Date of Issue	Date Cleared
Belvedere Boulevard	CS60-0207383-001	01/14/03	07/24/03
Buena Vista Boulevard (South) - Ph I & C.R. 472	CS60-0207383-002	01/14/03	07/24/03
Buena Vista Blvd.-Ph II, Morse Blvd.-Ph I & Stillwater Tr.	CS60-0207383-003	02/25/03	Final: 08/04/03
Lynnhaven Lane	CS60-0207383-004	02/25/03	12/02/03
Arnold Palmer Signature Country Club	CS60-0207383-005	02/25/03	10/14/03
Units 74 & 75 and Broyhill Villas	CS60-0207383-006	04/01/03	Final: 08/18/03
Sumter Landing Town Center (Lake Sumter Landing)	CS60-0207383-007	3/31/2003	Final: 04/20/04
Cherry Hill Villas	CS60-0207383-008	04/14/03	10/10/03
Inglewood Villas	CS60-0207383-009	04/14/03	10/10/03
Unit 81	CS60-0207383-012	04/08/03	10/09/03
Ezell Villas	CS60-0207383-013	04/09/03	11/12/03
Unit 72	CS60-0207383-011	04/08/03	02/17/04
Unit 77, Belvedere NR & Pimlico VR	CS60-0207383-010	04/24/03	Final: 12/10/03
Clifton Villas	CS60-0207383-014	05/19/03	08/19/03
Unit 76	CS60-0207383-015	05/30/03	09/29/03
Hialeah Villas	CS60-0207383-016	05/29/03	12/18/03
Mariposa Way	Ltr. Confirming Waiver 5/6/03	None Required	N/A
Arlington Villas	CS60-0207383-018	06/16/03	12/18/03
Latrobe Villas	CS60-0207383-019	05/29/03	01/28/04
Unit 71	CS60-0207383-020	07/08/03	01/28/04
Unit 80	CS60-0207383-021	06/27/03	10/06/03
Unit 78	CS60-0207383-023	06/23/03	Final: 12/18/03
Unit 79	CS60-0207383-024	07/08/03	01/27/04
Belmont Villas	CS60-0207383-025	07/02/03	02/18/04
Unit 73	CS60-0207383-026	07/21/03	02/10/04
Heritage Villas	CS60-0207383-027	08/08/03	10/14/03
Unit 70	CS60-0207383-028	07/28/03	03/08/04
Unit 102	CS60-0207383-34	08/07/03	02/17/04
Clayton Villas	CS60-0207383-031	07/10/03	12/17/03
Rainey Villas	CS60-0207383-029	07/11/03	12/17/03
Unit 103	CS60-0207383-032	08/05/03	12/11/03
Bellamy Villas	CS60-0207383-033	08/05/03	12/11/03
Unit 84	CS60-0207383-030	07/11/03	09/16/03
Buena Vista Blvd. - Ph III, Part 1	CS60-0207383-035	09/05/03	
Unit 82	CS60-0207383-036	09/05/03	12/11/03
Jasper Villas	CS60-0207383-037	08/22/03	12/24/03
Unit 83	CS60-0207383-038	09/05/03	02/19/04
Unit 85	CS60-0207383-039	10/03/03	02/09/04
Unit 86	CS60-0207383-040	10/03/03	02/09/04
Swainwood Villas & Churchill Downs VR	CS60-0207383-041	10/13/03	02/09/04
Bailey Trail - Phase I	CS60-0207383-042	11/06/03	
Unit 89	CS60-0207383-043	10/29/03	01/27/04
Collington Villas	CS60-0207383-044	10/29/03	01/28/04
Unit 88	CS60-0207383-045	11/17/03	01/27/04
Unit 87	CS60-0207383-046	11/17/03	
Southern Oak Villas	CS60-0207383-047	11/19/03	
Lime Grove (f/k/a Allamanda) Villas	CS60-0207383-048	11/21/03	
Mount Pleasant Villas	CS60-0207383-049	11/21/03	
Unit 90	CS60-0207383-059	12/12/03	
Buena Vista Blvd. - Ph III, Part 2	CS60-0207383-050	12/18/03	
Bailey Ridge Villas	CS60-0207383-052	12/24/03	
Unit 96	CS60-0207383-053	12/18/03	
Unit 93 & Hibiscus VR	CS60-0207383-054	12/24/03	

North Sumter Utility Company  
Water & Wastewater Permit Summary

Wastewater Collection (continued)	Permit Number	Date of Issue	Date Cleared
Unit 95	CS60-0207383-055	12/18/03	
St. Charles Place - Phase I	CS60-0207383-057	01/13/04	
Laurel Manor Rec. Center & Office Park	CS60-0207383-056	12/08/03	
Mod. to Laurel Manor Office Park only - General Permit	CS60-0207383-093	04/20/04	
Hickory Grove Villas	CS60-0207383-058	12/24/03	
Units 91 & 92	CS60-0207383-059	12/24/03	
Eagle Ridge Villas	CS60-0207383-60	01/13/04	
Mount Vernon Villas	CS60-0207383-064	12/24/03	
Lake Miona Regional Rec. Center	Not Required	Waiver Issued 12/24/03	
Sullivan Villas	CS60-0207383-062	12/31/03	
Unit 99	CS60-0207383-063	12/31/03	
Unit 94	CS60-0207383-065	01/14/04	
Lake Shore Cottages	CS60-0207383-066	01/16/04	04/01/04
Odell Circle - Phase I	CS60-0207383-069	01/26/04	
Unit 97	CS60-0207383-068	01/28/04	
Chesterfield Villas	CS60-0207383-067	01/16/04	
Unit 98	CS60-0207383-070	02/05/04	
Canal Street - Phase I	CS60-0207383-071	02/05/04	
Edgefield Villas	CS60-0207383-072	02/05/04	
Unit 100	CS60-0207383-073	02/24/04	
Richmond Villas	CS60-0207383-074	03/01/04	
Units 106 & 107	CS60-0207383-076	03/22/04	
Canal Street Village Rec. Center	CS60-0207383-075	03/10/04	
Unit 114	CS60-0207383-078	04/14/04	
Kaylee Villas	CS60-0207383-077	03/22/04	
Stillwater Trail - Phase II	CS60-0207383-079	03/22/04	
Canal Street - Phase II	CS60-0207383-080	03/22/04	
Morse Blvd. - Phase III	CS60-0207383-081	03/25/04	
Odell Circle - Phase II	CS60-0207383-082	03/25/04	
Units 111, 125 & Caroline Postal Park & NR	CS60-0207383-083	04/13/04	
Unit 112	CS60-0207383-084	04/13/04	
Unit 113	CS60-0207383-087	04/15/04	
Unit 105 - West	CS60-0207383-085	04/12/04	
Unit 105 - East	CS60-0207383-086	04/14/04	
Mallory Hill Golf Maintenance Facility	CS60-0207383-088	04/16/04	
Bonita Blvd.	CS60-0207383-089	04/22/04	
Key Largo/Hemingway Golf Maintenance Facility	CS60-0207383-089	04/22/04	
Villages Public Safety Dept. #4	CS60-0207383-089	04/22/04	
Katherine Villas	CS60-0207383-090	04/22/04	
Mallory Hill Country Club	CS60-0207383-091	04/22/04	
Units 108 & 109, Stillwater Villas, Virginia Vine Villas and Virginia Trace Postal Park & NR	CS60-0207383-092	05/07/04	
Unit 110 & Elizabeth Villas	CS60-0207383-094	05/12/04	
Unit 117		App.	
Unit 116		App. 4/16/04	
Emmalee Villas		App. 4/16/04	
Alexa Villas		App. 4/23/04	
Unit 123		App. 4/27/04	
Carlton Villas		App. 5/3/04	
Janeann Villas		App. 5/26/04	
Unit 122, Newport Villas & Villages of Largo PP & NRC		App. 5/28/04	

**EXHIBIT "J"**

**METHOD OF FINANCING**



North Sumter Utility, L.L. C.  
1100 Main Street  
The Villages, FL 32159

June 15, 2004

Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Reference: North Sumter Utility Company, L.L.C. ("NSU")

Dear Sir,

NSU has financed and intends to finance the construction of its potable water and wastewater utility system with funds from the following three sources.

1. Debit financing – NSU has issued \$23,150,000 of debt in the form of tax exempt bond financing. These funds were used to construct a substantial portion of the existing NSU facilities.
2. CIAC collections – NSU will collect main extension charges for residential water in the amount of \$839 per hookup and for residential sewer in the amount of \$1,461 per hookup. These collections of CIAC will become substantial, as it is anticipated that NSU will hookup approximately 4,000 residential homes per year beginning in 2004.
3. Loans from its affiliate – The Villages of Lake-Sumter, Inc. has agreed to provide financial assistance to NSU in order for NSU to be able to expand and meet its financial obligations.

Please contact me should you need further information.

Very truly yours,



John F. Wise  
Treasurer

JFW/lct  
L0147

**EXHIBIT "K"**

**REVISED TARIFF PAGES**

SECOND REVISED SHEET NO. 3.0  
CANCELS FIRST REVISED SHEET NO. 3.0

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WATER TARIFF

TERRITORY SERVED

CERTIFICATE NUMBER - 618 - W

COUNTY - Sumter

COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-02-0554-PAA-WS	April 23, 2002	010859-WS	Original Certificate
PSC-03-0768-FOF-WS	June 27, 2003	021036-WS	Amendment
PSC-04-			Amendment

(Continued to Sheet No. 3.1)

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WATER TARIFF

(Continued from Sheet No. 3.3)

DESCRIPTION OF TERRITORY SERVED CONTINUED

LESS THE FOLLOWING DESCRIBED PARCEL: THE SOUTH 296.00 FEET OF THE EAST 296.00 FEET OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 24.

ALSO, LESS THE NORTH 540 FEET OF THE EAST 965 FEET OF THE SOUTHEAST 1/4 OF SAID SECTION 25;

ALSO, LESS THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 36; ALSO LESS THE FOLLOWING DESCRIBED TRACT OF LAND: BEGIN 16.95 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SECTION 36, RUN THENCE SOUTH 89°35'30" WEST 1464 FEET; THENCE SOUTH 00°52'00" WEST 643.25 FEET; THENCE SOUTH 00°54'40" EAST 665.55 FEET TO THE SOUTH LINE OF THE NORTH 1/2 OF THE NORTHEAST 1/4; THENCE EAST ALONG SAID SOUTH LINE TO THE EAST LINE OF THE SECTION; THENCE NORTH ALONG SAID EAST LINE TO THE POINT OF BEGINNING.

ADDITIONAL AREA TO BE INCLUDED

THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 20, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

AND

THE NORTH 1/2 OF SECTION 21, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

LESS: THE EAST 1/8 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 21.

ALSO LESS: THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 21.

(CONTINUED ON SHEET NO. 3.5)

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WATER TARIFF  
(Continued from Sheet No. 3.4)

DESCRIPTION OF TERRITORY SERVED CONTINUED

DESCRIPTION: (AREA "A")

A PORTION OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF SAID SECTION 16; THENCE N89°30'31"W, ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF SAID SECTION 16, 1,365.39 FEET TO A POINT ON THE ARC OF A CURVE CONCAVE WEST, AND HAVING A RADIUS OF 405.00 FEET, AND A CHORD BEARING AND DISTANCE OF N03°56'39"E, 32.40 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 04°35'06", AN ARC DISTANCE OF 32.41 FEET; THENCE N01°39'06"E, 295.70 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE WEST AND HAVING A RADIUS OF 1,130.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09°07'52", AN ARC DISTANCE OF 180.09 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE EAST AND HAVING A RADIUS OF 540.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 45°51'50", AN ARC DISTANCE 432.26 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE SOUTH AND HAVING A RADIUS OF 25.00 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 81°15'11", AN ARC DISTANCE OF 35.45 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE NORTH AND HAVING A RADIUS OF 430.00 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 28°49'32", AN ARC DISTANCE 216.33 FEET; THENCE S89°11'17"E, 1,679.00 FEET TO THE EAST LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 16; THENCE S00°31'04"W ALONG SAID EAST LINE 856.76 FEET TO THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 16; THENCE N89°30'31"W ALONG SAID SOUTH LINE 658.01 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "B")

A PORTION OF SECTION 21, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

THE EAST 1/8 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 21, LESS THE SOUTH 33.00 FEET THEREOF FOR COUNTY ROAD 472.

AND

(CONTINUED ON SHEET NO. 3.6)

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WATER TARIFF

(Continued from Sheet No. 3.5)

DESCRIPTION: (AREA "C")

COMMENCE AT THE NW CORNER OF SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, AND PROCEED SOUTH 900 FEET, EAST 210 FEET, SOUTH 210 FEET, EAST 210 FEET FOR THE POINT OF BEGINNING, CONTINUE EAST 480 FEET, NORTH 420 FEET, EAST 420', NORTH 690 FEET, WEST 690 FEET, SOUTH 630 FEET, WEST 210 FEET, SOUTH APPROXIMATELY 480 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "D")

THE EAST 1/2 OF THE NORTHWEST 1/4, AND THE NORTHEAST 1/4, AND THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4, ALL LYING IN SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

AND

DESCRIPTION: (AREA "E")

A PORTION OF SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 33; THENCE S89°36'41"E, ALONG THE SOUTH LINE OF SAID SECTION 33, A DISTANCE OF 31.86 FEET TO THE POINT OF BEGINNING; THENCE N00°29'36"E, 624.30 FEET; THENCE S89°56'58"E, 448.69 FEET; THENCE N80°05'50"E, 184.54 FEET; THENCE S88°47'19"E, 410.04 FEET; THENCE N87°26'01"E, 159.77 FEET; THENCE N81°47'58"E, 95.13 FEET; THENCE N79°07'11"E, 105.40 FEET; THENCE N76°40'48"E, 132.80 FEET; THENCE N00°28'22"E, 1,892.13 FEET; THENCE S89°25'28"E, 1,092.00 FEET; THENCE S00°28'23"W, 1,293.34 FEET; THENCE S89°38'04"E, 1,323.01 FEET; THENCE S00°29'11"W, 1,323.67 FEET TO THE SOUTH LINE OF SAID SECTION 33; THENCE N89°38'21"W ALONG SAID SOUTH LINE 1,322.37 FEET; THENCE CONTINUE ALONG SAID SOUTH LINE N89°36'41"W, 2,618.63 FEET TO THE POINT OF BEGINNING.

AND

(CONTINUED ON SHEET NO. 3.7)

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WATER TARIFF

(Continued from Sheet No. 3.6)

DESCRIPTION: (AREA "F")

THE NORTH 370.00 FEET OF THE SOUTH 420.00 FEET OF THE EAST 210.00 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 2, TOWNSHIP 19 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

AND

DESCRIPTION: (AREA "G")

A PORTION OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

BEGIN AT THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S89°45'06"W ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 24 A DISTANCE OF, 661.20 FEET TO THE WEST LINE OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N00°17'53"E ALONG SAID WEST LINE 852.05 FEET; THENCE DEPARTING SAID WEST LINE N82°03'38"E, 668.64 FEET TO THE EAST LINE OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S00°19'58"W ALONG SAID EAST LINE 941.54 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "H")

A PORTION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

BEGIN AT THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S00°22'03"W ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 24 A DISTANCE OF 148.51 FEET; THENCE DEPARTING SAID EAST LINE S67°34'11"W, 104.50 FEET; THENCE S69°49'06"W, 132.79 FEET; THENCE S72°10'36"W, 180.95 FEET; THENCE S74°43'06"W, 67.79 FEET; THENCE S74°19'34"W, 212.14 FEET TO THE WEST LINE OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N00°19'58"E ALONG SAID WEST LINE 361.16 FEET TO THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N89°41'18"E ALONG SAID NORTH LINE, 662.01 FEET TO THE POINT OF BEGINNING.

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC  
WASTEWATER TARIFF

TERRITORY SERVED

CERTIFICATE NUMBER - 532-S

COUNTY - SUMTER

COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-02-0554-PAA-WS	April 23, 2002	010859-WS	Original Certificate
PSC-03-0768-FOF-WS	June 27, 2003	021036-WS	Amendment
PSC-04-			Amendment

(Continued to Sheet No. 3.1)

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE



NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 3.3)

DESCRIPTION OF TERRITORY SERVED CONTINUED

LESS THE FOLLOWING DESCRIBED PARCEL: THE SOUTH 296.00 FEET OF THE EAST 296.00 FEET OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 24.

ALSO, LESS THE NORTH 540 FEET OF THE EAST 965 FEET OF THE SOUTHEAST 1/4 OF SAID SECTION 25;

ALSO, LESS THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 36; ALSO LESS THE FOLLOWING DESCRIBED TRACT OF LAND: BEGIN 16.95 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SECTION 36, RUN THENCE SOUTH 89°35'30" WEST 1464 FEET; THENCE SOUTH 00°52'00" WEST 643.25 FEET; THENCE SOUTH 00°54'40" EAST 665.55 FEET TO THE SOUTH LINE OF THE NORTH 1/2 OF THE NORTHEAST 1/4; THENCE EAST ALONG SAID SOUTH LINE TO THE EAST LINE OF THE SECTION; THENCE NORTH ALONG SAID EAST LINE TO THE POINT OF BEGINNING.

ADDITIONAL AREA TO BE INCLUDED

THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 20, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

AND

THE NORTH 1/2 OF SECTION 21, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

LESS: THE EAST 1/8 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 21.

ALSO LESS: THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 21.

(CONTINUED ON SHEET NO. 3.5)

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 3.4)

DESCRIPTION OF TERRITORY SERVED CONTINUED

DESCRIPTION: (AREA "A")

A PORTION OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF SAID SECTION 16; THENCE N89°30'31"W, ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF SAID SECTION 16, 1,365.39 FEET TO A POINT ON THE ARC OF A CURVE CONCAVE WEST, AND HAVING A RADIUS OF 405.00 FEET, AND A CHORD BEARING AND DISTANCE OF N03°56'39"E, 32.40 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 04°35'06", AN ARC DISTANCE OF 32.41 FEET; THENCE N01°39'06"E, 295.70 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE WEST AND HAVING A RADIUS OF 1,130.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09°07'52", AN ARC DISTANCE OF 180.09 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE EAST AND HAVING A RADIUS OF 540.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 45°51'50", AN ARC DISTANCE 432.26 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE SOUTH AND HAVING A RADIUS OF 25.00 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 81°15'11", AN ARC DISTANCE OF 35.45 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE NORTH AND HAVING A RADIUS OF 430.00 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 28°49'32", AN ARC DISTANCE 216.33 FEET; THENCE S89°11'17"E, 1,679.00 FEET TO THE EAST LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 16; THENCE S00°31'04"W ALONG SAID EAST LINE 856.76 FEET TO THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 16; THENCE N89°30'31"W ALONG SAID SOUTH LINE 658.01 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "B")

A PORTION OF SECTION 21, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

THE EAST 1/8 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 21, LESS THE SOUTH 33.00 FEET THEREOF FOR COUNTY ROAD 472.

AND

(CONTINUED ON SHEET NO. 3.6)

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 3.5)

DESCRIPTION: (AREA "C")

COMMENCE AT THE NW CORNER OF SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, AND PROCEED SOUTH 900 FEET, EAST 210 FEET, SOUTH 210 FEET, EAST 210 FEET FOR THE POINT OF BEGINNING, CONTINUE EAST 480 FEET, NORTH 420 FEET, EAST 420', NORTH 690 FEET, WEST 690 FEET, SOUTH 630 FEET, WEST 210 FEET, SOUTH APPROXIMATELY 480 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "D")

THE EAST 1/2 OF THE NORTHWEST 1/4, AND THE NORTHEAST 1/4, AND THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4, ALL LYING IN SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

AND

DESCRIPTION: (AREA "E")

A PORTION OF SECTION 33, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 33; THENCE S89°36'41"E, ALONG THE SOUTH LINE OF SAID SECTION 33, A DISTANCE OF 31.86 FEET TO THE POINT OF BEGINNING; THENCE N00°29'36"E, 624.30 FEET; THENCE S89°56'58"E, 448.69 FEET; THENCE N80°05'50"E, 184.54 FEET; THENCE S88°47'19"E, 410.04 FEET; THENCE N87°26'01"E, 159.77 FEET; THENCE N81°47'58"E, 95.13 FEET; THENCE N79°07'11"E, 105.40 FEET; THENCE N76°40'48"E, 132.80 FEET; THENCE N00°28'22"E, 1,892.13 FEET; THENCE S89°25'28"E, 1,092.00 FEET; THENCE S00°28'23"W, 1,293.34 FEET; THENCE S89°38'04"E, 1,323.01 FEET; THENCE S00°29'11"W, 1,323.67 FEET TO THE SOUTH LINE OF SAID SECTION 33; THENCE N89°38'21"W ALONG SAID SOUTH LINE 1,322.37 FEET; THENCE CONTINUE ALONG SAID SOUTH LINE N89°36'41"W, 2,618.63 FEET TO THE POINT OF BEGINNING.

AND

(CONTINUED ON SHEET NO. 3.7)

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

NAME OF COMPANY: NORTH SUMTER UTILITY COMPANY, LLC

WASTEWATER TARIFF

(Continued from Sheet No. 3.6)

DESCRIPTION: (AREA "F")

THE NORTH 370.00 FEET OF THE SOUTH 420.00 FEET OF THE EAST 210.00 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 2, TOWNSHIP 19 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA.

AND

DESCRIPTION: (AREA "G")

A PORTION OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

BEGIN AT THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S89°45'06"W ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 24 A DISTANCE OF, 661.20 FEET TO THE WEST LINE OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N00°17'53"E ALONG SAID WEST LINE 852.05 FEET; THENCE DEPARTING SAID WEST LINE N82°03'38"E, 668.64 FEET TO THE EAST LINE OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S00°19'58"W ALONG SAID EAST LINE 941.54 FEET TO THE POINT OF BEGINNING.

AND

DESCRIPTION: (AREA "H")

A PORTION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 18 SOUTH, RANGE 23 EAST, SUMTER COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS.

BEGIN AT THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE S00°22'03"W ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 24 A DISTANCE OF 148.51 FEET; THENCE DEPARTING SAID EAST LINE S67°34'11"W, 104.50 FEET; THENCE S69°49'06"W, 132.79 FEET; THENCE S72°10'36"W, 180.95 FEET; THENCE S74°43'06"W, 67.79 FEET; THENCE S74°19'34"W, 212.14 FEET TO THE WEST LINE OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N00°19'58"E ALONG SAID WEST LINE 361.16 FEET TO THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE N89°41'18"E ALONG SAID NORTH LINE, 662.01 FEET TO THE POINT OF BEGINNING.

H. G. MORSE  
ISSUING OFFICER

PRESIDENT  
TITLE

**EXHIBIT "L"**

**COPIES OF WATER AND WASTEWATER CERTIFICATES**

FLORIDA PUBLIC SERVICE COMMISSION

Certificate Number

532 - S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to:

North Sumter Utility Company, L.L.C.

Whose principal address is:

1100 Main Street  
The Villages, FL 32159-7719 (Sumter County)

to provide wastewater service in accordance with the provision of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER	PSC-02-0179-FOF-WS	DOCKET	010859-WS
ORDER		DOCKET	
ORDER		DOCKET	
ORDER		DOCKET	
ORDER		DOCKET	

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

*Blanca S. Bayl*

Commission Clerk and Administrative Services Director



FLORIDA PUBLIC SERVICE COMMISSION

Certificate Number

618 - W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to:

North Sumter Utility Company, L.L.C.

Whose principal address is:

1100 Main Street  
The Villages, FL 32159-7719 (Sumter County)

to provide water service in accordance with the provision of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER	PSC-02-0179-FOF-WS	DOCKET	010859-WS
ORDER		DOCKET	
ORDER		DOCKET	
ORDER		DOCKET	
ORDER		DOCKET	

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

*Blanca S. Bayo*

Commission Clerk and Administrative Services Director



**EXHIBIT "M"**

**AFFIDAVIT OF CURRENT ANNUAL REPORT AND TARIFFS**



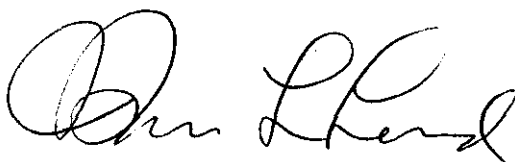
AFFIDAVIT

STATE OF FLORIDA

COUNTY OF SEMINOLE

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared VALERIE L. LORD, ESQUIRE, who, after being duly sworn on oath, did depose on oath and say that she is the attorney for NORTH SUMTER UTILITY COMPANY, LLC, that NORTH SUMTER UTILITY COMPANY, LLC has a Tariff on file with the Public Service Commission; and that on June 29, 2004, she verified on the Public Service Commission's website that NORTH SUMTER UTILITY COMPANY, LLC has a current Annual Report on file.

FURTHER AFFIANT SAYETH NAUGHT.




VALERIE L. LORD

Sworn to and subscribed before me this 6th day of July, 2004, by VALERIE L. LORD, who is personally known to me.



**Trina L. Collins**  
Commission # DD290253  
Expires February 12, 2008  
Bonded Troy Fahn - Insurance, Inc. 800-385-7019



PRINTED NAME: Trina L. Collins  
NOTARY PUBLIC  
My Commission Expires: 2-12-08

EXHIBIT "M"

**EXHIBIT "N"**

**AFFIDAVIT OF MAILING NOTICES GOVERNMENTAL ENTITIES**

**(To be late filed)**

**EXHIBIT "O"**

**AFFIDAVIT OF MAILING NOTICE TO PROPERTY OWNERS**

**(To be late filed)**

**EXHIBIT "P"**

**AFFIDAVIT OF PUBLISHING NOTICE IN NEWSPAPER**

**(To be late filed)**