

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Lake Region Water & Sewer) File No. SR-2010-0110
Company's Application to Implement a General) Tariff No. YS-2010-0250
Rate Increase in Water & Sewer Service)

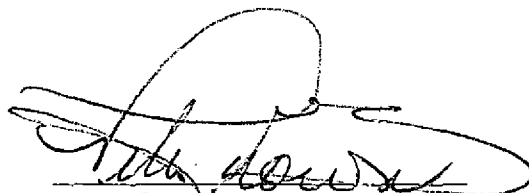
In the Matter of Lake Region Water & Sewer) File No. WR-2010-0111
Company's Application to Implement a General) Tariff No. YW-2010-0251
Rate Increase in Water & Sewer Service)

STATE OF MISSOURI)
COUNTY OF CAMDEN) SS

AFFIDAVIT OF PETER N. BROWN

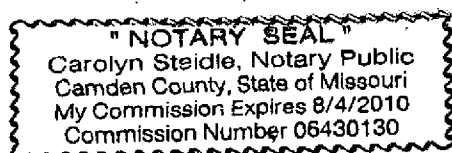
Comes Now Peter N. Brown after being duly sworn, being of lawful age and from his personal knowledge, information and belief, upon his oath states as follows:

1. I am Co-Chairman of the Board of Four Seasons Group, Inc. and President of Four Seasons Lakesites, Inc.
2. The documents listed on Exhibit A hereto are corporate records of Four Seasons Lakesites, Inc., and are kept in the regular course of business of Four Seasons Lakesites, Inc.
3. The response to the Supplemental Requests is true to the best of my current information and belief.


Peter N. Brown

Subscribed and sworn to before me this the 3 day of June, 2010.

My Commission expires:



Notary

(Seal)

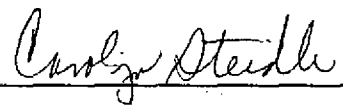

staff Exhibit No. 28
Date 6-24-10 Reporter PF
File No. SR-2010-0110
WR-2010-0111

EXHIBIT A

1. Audited financial statements of Four Seasons Lakesites, Inc. for the years 1994-2003.
2. 3rd Amended & Restated Declaration of Restrictive Covenants.
3. Four Seasons Lakesites, Inc. land sale contract package.
4. Brochure depicting Four Seasons Lakesites, Inc. development on Shawnee Bend (Porto Cima).

Supplemental Requests

1. Do the Financial Statements provided by Four Season's Lakesites reflect that the price received for sales of undeveloped lots exceeded the expenses associated with the development of Porta Cima located at Lake Ozark on Shawnee Bend?

Yes

2. Were the undeveloped lots Porta Cima priced to sell for the book value of all assets and development costs plus a premium amount?

No

3. Was the original investment in the land developed to be the now named Porta Cima located on Shawnee Bend by Four Season's Lakesites an estimated \$300.00 per acre? If not, what is the estimated cost per acre of the original investment for this development?

The book value of the property was approximately \$300-350 per acre, and represented the historical cost of the land when it was acquired in about 1968. The fair market value of the land was considerably higher at the time of development.

4. Do the Financial Statements provided by Four Season's Lakesite, Inc. reflect an assigned amount to availability fees or otherwise reflect inclusion of availability fees at all?

No. Four Seasons Water & Sewer Company was a wholly owned subsidiary of Four Seasons Group, Inc. until it was sold to an unrelated third party on August 17, 1998. No Four Seasons entity received any availability fees from that date until the settlement with Lake Region Water & Sewer Co. on April 26, 2005. It is believed that any availability fees paid prior to August 17, 1998 would have been recorded on the books of Four Seasons Water & Sewer Co., which should be in the possession of the Public Service Commission. Due to the passage of time, changes in personnel and computer systems, it is unclear as to the exact amount of availability fees actually received prior to August 17, 1998 and recorded on the books of the water and sewer company (which were filed with the PSC).

5. Do the Financial Statements provided for the year 1994 – 2003 net income for all years equal \$9,315,282.00? If so, does this amount properly reflect expenses for initial infrastructure for the development of Porta Cima located on Shawnee Bend, Lake Ozark?

The audited financial statements speak for themselves as to the amount of income earned by Four Seasons Lakesites, Inc. (FSL). FSL would have expensed all of the costs of development, including, but not limited to, the cost of sales and marketing, roads, water, sewer and other utilities

installation. The plan was to recover the cost of providing water and sewer utilities from the lot purchasers by standby or availability fees. All (or virtually all) lot purchasers are obligated by written contract to pay standby or availability fees to the developer or its assigns. When those fees are received, they become income to the receiving entity. As a matter of private contract, these fees are not subject to regulation by the PSC or modification of any kind by any governmental entity as both the United States and Missouri Constitutions contain provisions that prohibit passing laws that impair the obligation of contract.