

CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES  
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

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

WU956-15-AR

SU957-15-AR

Harbor Waterworks, Inc.

Exact Legal Name of Respondent

522-W & 565-S  
Certificate Number(s)

Submitted To The

STATE OF FLORIDA



FOR THE

YEAR ENDED DECEMBER 31, 2015

RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
2016 MAR - 8 PM 12: 20  
DIVISION OF  
ACCOUNTING & FINANCE

## GENERAL INSTRUCTIONS

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

**Florida Public Service Commission  
Division of Economic Regulation  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850**

The fourth copy should be retained by the utility.

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# **EXECUTIVE SUMMARY**

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UTILITY NAME: Harbor Waterworks, Inc.

### CERTIFICATION OF ANNUAL REPORT

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

YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.
--	--------------------------------	--

YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
--	--------------------------------	--

YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.
--	--------------------------------	---

YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.
--	--------------------------------	--

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

1.	2.	3.	4.

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

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

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

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

**ANNUAL REPORT OF**

<b>YEAR OF REPORT</b> December 31, 2015
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Harbor Waterworks, Inc.  
 (Exact Name of Utility)

County: Lake

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

4939 Cross Bayou Blvc.  
New Port Richey, FL 34652

Telephone: 727-848-8292

E Mail Address: trendell@uswatercorp.net

WEB Site: www.mywaterservice.com

Sunshine State One-Call of Florida, Inc. Member Number HHU 542

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

Troy Rendell  
Manager of Regulated Utilities

Telephone: 727-848-8292

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

4939 Cross Bayou Blvd.  
New Port Richey, FL 34652

Telephone: 727-848-8292

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

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

Date of original organization of the utility: 01/23/12

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

Individual      
 Partnership      
 Sub S Corporation      
 1120 Corporation

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

	Name	Percent Ownership
1.	<u>Gary Deremer</u>	<u>76%</u>
2.	<u>Cecil Delcher</u>	<u>8%</u>
3.	<u>Vickie Penick</u>	<u>8%</u>
4.	<u>Bradford Labella</u>	<u>8%</u>
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**DIRECTORY OF PERSONNEL WHO CONTACT  
THE FLORIDA PUBLIC SERVICE COMMISSION**

<b>NAME OF COMPANY REPRESENTATIVE (1)</b>	<b>TITLE OR POSITION (2)</b>	<b>ORGANIZATIONAL UNIT TITLE (3)</b>	<b>USUAL PURPOSE FOR CONTACT WITH FPSC</b>
Gary Deremer	President	Administration	General Business
Cecil Delcher	V. President	Administration	General Business
Vickie Penick	System Administrator	Administration	General Business
Brad Labella	System Emngineer	Engineering	Engineering
Joseph Gabay	Accounting Manager	Accounting	Accounting Issues
Troy Rendell	Manager Regulated Utilities	Administration Operations	PSC Regulation/Filings/Operations
Ronald DeRossett	Utility Manager	Administration/Operations	Operations/Cust. Serv.

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



UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2015

### COMPANY PROFILE

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

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

The utility was originally organized, as Lake Griffin Utilities, Certificate #522-W in 1989. Rates were set by Order No. 23039, issued June 6, 1990. Those rates are still in effect as adjusted by index filings.

The was transferred to Harbor Hills Utilitites, LP by Order No. PSC-94-1543-FOF-WU, December 13, 1994.

Order No. PSC-12-0587-PAA-WU, issued October 29, 2012 approved the transfer of Harbor Waterworks, Inc. effective February 28, 2012.

Order No. PSC-12-580-PAA-SU, issued October 26, 2012, granted Certificate #565-S to Harbor Waterworks for the wastewater.system.

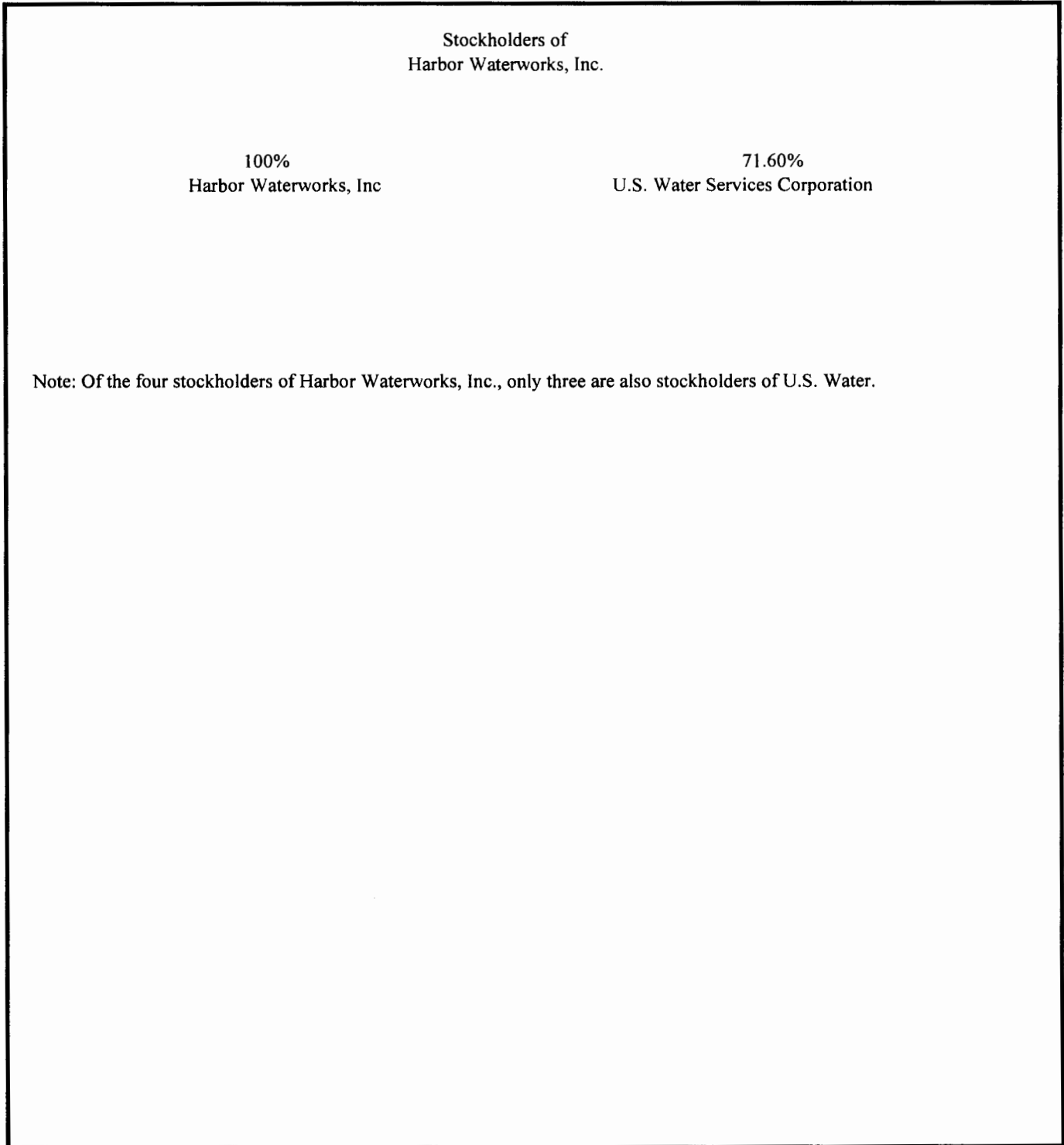
UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2015

**PARENT / AFFILIATE ORGANIZATION CHART**

Current as of \_\_\_\_\_ 12/31/14 \_\_\_\_\_

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



Note: Of the four stockholders of Harbor Waterworks, Inc., only three are also stockholders of U.S. Water.

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**COMPENSATION OF OFFICERS**

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Gary Deremer	President	5%	\$ 30,000
Cecil Delcher	V. President	5%	0

**COMPENSATION OF DIRECTORS**

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

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

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

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Gary Deremer	Contracted Services	\$ See E10(a)	U.S. Water Services Corporation
Cecil Delcher	Contracted Services	See E10(a)	U.S. Water Services Corporation

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

**AFFILIATION OF OFFICERS AND DIRECTORS**

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

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Gary Deremer	President	Stockholder	U.S. Water Services Corporation
Cecil Delcher	V. President	Stockholder	U.S. Water Services Corporation

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b>
December 31, 2015

**BUSINESSES WHICH ARE A BY-PRODUCT, CO PRODUCT OR JOINT-PRODUCT  
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

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

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)
	\$ _____		\$ _____		\$ _____	

UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**  
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**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

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

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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
				\$ _____
U.S. Water Services Corporation	Contracted Services	Monthly	P	152,010

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

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

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.

2. Below are examples of some types of transactions to include:
- purchase, sale or transfer of equipment
  - purchase, sale or transfer of land and structures
  - purchase, sale or transfer of securities
  - noncash transfers of assets
  - noncash dividends other than stock dividends
  - write-off of bad debts or loans

3. The columnar instructions follow:

- (a) Enter name of related party or company.
- (b) Describe briefly the type of assets purchased, sold or transferred.
- (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
- (d) Enter the net book value for each item reported.
- (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
- (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
		\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
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		_____	_____	_____	_____
		_____	_____	_____	_____



**FINANCIAL**

**SECTION**

UTILITY NAME: **Harbor Waterworks, Inc.**

**YEAR OF REPORT**

December 31, 2015

**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	\$ 1,912,874	\$ 1,934,131
108-110	Less: Accumulated Depreciation and Amortization	F-8	914,046	879,635
Net Plant			\$ 998,828	\$ 1,054,496
114-115	Utility Plant Acquisition adjustment (Net)	F-7		0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 998,828	\$ 1,054,496
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	\$ 0	\$ 0
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 0	\$ 0
123	Investment in Associated Companies	F-10	0	0
124	Utility Investments	F-10	0	0
125	Other Investments	F-10	0	0
126-127	Special Funds	F-10	0	0
Total Other Property & Investments			\$ 0	\$ 0
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 202,452	\$ 135,719
132	Special Deposits	F-9	0	0
133	Other Special Deposits	F-9	0	0
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	54,204	43,181
145	Accounts Receivable from Associated Companies	F-12	0	0
146	Notes Receivable from Associated Companies	F-12	0	0
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments		9,138	8,891
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	0	0
Total Current and Accrued Assets			\$ 265,794	\$ 187,791

\* Not Applicable for Class B Utilities

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ 0	\$ 0
182	Extraordinary Property Losses	F-13	0	0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	0	0
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 0	\$ 0
<b>TOTAL ASSETS AND OTHER DEBITS</b>			<b>\$ 1,264,622</b>	<b>\$ 1,242,287</b>

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

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

UTILITY NAME: Harbor Waterworks, Inc.

**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	\$ 100	\$ 100
204	Preferred Stock Issued	F-15	0	0
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		379,936	357,383
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	168,157	163,366
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 548,193	\$ 520,848
<b>LONG TERM DEBT</b>				
221	Bonds	F-15	0	0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	0	0
224	Other Long Term Debt	F-17	185,228	173,489
Total Long Term Debt			\$ 185,228	\$ 173,489
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		18,777	5,451
232	Notes Payable	F-18	68,250	68,250
233	Accounts Payable to Associated Companies	F-18	0	0
234	Notes Payable to Associated Companies	F-18	0	0
235	Customer Deposits		5,243	4,971
236	Accrued Taxes	W/S-3	10,816	0
237	Accrued Interest	F-19	0	0
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	42,080	80,944
Total Current & Accrued Liabilities			\$ 145,166	\$ 159,615

\* Not Applicable for Class B Utilities

UTILITY NAME: Harbor Waterworks, Inc.

**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	\$ 0	\$ 0
252	Advances For Construction	F-20	_____	0
253	Other Deferred Credits	F-21	_____	0
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ 0	\$ 0
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ 0	\$ 0
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 795,241	\$ 817,076
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	409,207	(428,744)
Total Net CIAC			\$ 386,034	\$ 388,332
<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			\$ 0	\$ 0
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ 1,264,621	\$ 1,242,285

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 388,549	\$ 395,440
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	3,926	12,901
Net Operating Revenues			\$ 384,622	\$ 382,539
401	Operating Expenses	F-3(b)	\$ 249,026	\$ 254,724
403	Depreciation Expense:	F-3(b)	\$ 47,085	\$ 47,134
	Less: Amortization of CIAC	F-22	22,839	19,537
Net Depreciation Expense			\$ 24,246	\$ 27,597
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	0	0
407	Amortization Expense (Other than CIAC)	F-3(b)	210	212
408	Taxes Other Than Income	W/S-3	31,832	32,133
409	Current Income Taxes	W/S-3	0	0
410.1	Deferred Federal Income Taxes	W/S-3	0	0
410.11	Deferred State Income Taxes	W/S-3	0	0
411.1	Provision for Deferred Income Taxes - Credit	W/S-3	0	0
412.1	Investment Tax Credits Deferred to Future Periods	W/S-3	0	0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	0	0
Utility Operating Expenses			\$ 305,313	\$ 314,666
Net Utility Operating Income			\$ 79,309	\$ 67,873
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	3,926	12,901
413	Income From Utility Plant Leased to Others		0	0
414	Gains (losses) From Disposition of Utility Property		0	0
420	Allowance for Funds Used During Construction		0	0
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 83,235	\$ 80,774

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

UTILITY NAME: Harbor Waterworks, Inc.

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

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>347,624</u> 12,901	\$ <u>47,816</u> 0	\$ _____
\$ <u>334,723</u>	\$ <u>47,816</u>	\$ <u>0</u>
\$ <u>216,725</u>	\$ <u>37,999</u>	\$ _____
<u>44,367</u> 19,537	<u>2,767</u> 0	_____
\$ <u>24,830</u>	\$ <u>2,767</u>	\$ <u>0</u>
<u>0</u> <u>206</u> <u>29,926</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>6</u> <u>2,207</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____ _____ _____ _____ _____ _____
\$ <u>271,687</u>	\$ <u>42,979</u>	\$ <u>0</u>
\$ <u>63,036</u>	\$ <u>4,837</u>	\$ <u>0</u>
<u>12,901</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____
\$ <u><u>75,937</u></u>	\$ <u><u>4,837</u></u>	\$ <u><u>0</u></u>

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

UTILITY NAME: Harbor Waterworks, Inc.

**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)]			\$ 83,235	\$ 80,774
<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		_____	_____
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 0	\$ 0
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.2	Taxes Other Than Income		\$ _____	\$ _____
409.2	Income Taxes		_____	_____
410.2	Provision for Deferred Income Taxes		_____	_____
411.2	Provision for Deferred Income Taxes - Credit		_____	_____
412.2	Investment Tax Credits - Net		_____	_____
412.3	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ 0	\$ 0
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 8,373	\$ 8,119
428	Amortization of Debt Discount & Expense	F-13	0	0
429	Amortization of Premium on Debt	F-13	0	0
Total Interest Expense			\$ 8,373	\$ 8,119
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ 0	\$ 0
<b>NET INCOME</b>			<b>\$ 74,862</b>	<b>\$ 72,655</b>

Explain Extraordinary Income:

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UTILITY NAME: Harbor Waterworks, Inc.

**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 1,877,983	\$ 56,148
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	<u>873,682</u>	<u>5,408</u>
110	Accumulated Amortization	F-8	<u>536</u>	<u>10</u>
271	Contributions in Aid of Construction	F-22	<u>817,076</u>	<u>0</u>
252	Advances for Construction	F-20		
Subtotal			\$ <u>186,689</u>	\$ <u>50,731</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	428,744	0
Subtotal			\$ <u>615,432</u>	\$ <u>50,731</u>
114	Plus or Minus: Acquisition Adjustments (2)	F-7	<u>0</u>	<u>0</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>0</u>	<u>0</u>
	Working Capital Allowance (3)		<u>27,091</u>	<u>4,750</u>
	Other (Specify): _____ _____ _____		_____ _____ _____	_____ _____ _____
RATE BASE			\$ <u>642,523</u>	\$ <u>55,481</u>
NET UTILITY OPERATING INCOME			\$ <u>63,036</u>	\$ <u>4,837</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>9.81%</u>	<u>8.72%</u>

**NOTES :**

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

UTILITY NAME: Harbor Waterworks, Inc.

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

<b>CLASS OF CAPITAL (a)</b>	<b>DOLLAR AMOUNT (2) (b)</b>	<b>PERCENTAGE OF CAPITAL (c)</b>	<b>ACTUAL COST RATES (3) (d)</b>	<b>WEIGHTED COST (c x d) (e)</b>
Common Equity	\$ 520,849	74.48%	9.28%	6.91%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	173,489	24.81%	4.25%	1.05%
Customer Deposits	4,971	0.71%	2.00%	0.01%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	0	0.00%		0.00%
Other (Explain)	0	0.00%		0.00%
	0	0.00%		0.00%
<b>Total</b>	<b>\$ 699,309</b>	<b>100.00%</b>		<b>7.98%</b>

(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:	_____
Commission order approving Return on Equity:	_____

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	_____
Commission order approving AFUDC rate:	_____

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:

Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**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	\$ 520,849	\$	\$	\$	\$	\$ 520,849
Preferred Stock						0
Long Term Debt	173,489					173,489
Customer Deposits	4,971					4,971
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes						0
Other (Explain)						0
<b>Total</b>	<b>\$ 699,309</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 699,309</b>

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

<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
---

UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2015

**UTILITY PLANT  
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 1,877,983	\$ 56,148	\$	\$ 1,934,131
102	Utility Plant Leased to Other				0
103	Property Held for Future Use				0
104	Utility Plant Purchased or Sold				0
105	Construction Work in Progress				0
106	Completed Construction Not Classified				0
	Total Utility Plant	\$ 1,877,983	\$ 56,148	\$ 0	\$ 1,934,131

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

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

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$	\$	\$	\$ 0
					0
					0
					0
					0
	Total Plant Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
115	Accumulated Amortization	\$	\$	\$	\$ 0
					0
					0
					0
	Total Accumulated Amortization	\$ 0	\$ 0	\$ 0	\$ 0
	Net Acquisition Adjustments	\$ 0	\$ 0	\$ 0	\$ 0

UTILITY NAME: Harbor Waterworks, Inc.

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
<b>ACCUMULATED DEPRECIATION</b>				
<b>Account 108</b>				
Balance first of year	\$ 908,533	\$ 5,178	\$	\$ 913,711
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 44,367	\$ 2,767	\$	\$ 47,134
Account 108.2 (2)	_____	_____	_____	0
Account 108.3 (2)	_____	_____	_____	0
Other Accounts (specify):	_____	_____	_____	0
Account 301 Organization	_____	_____	_____	0
_____	_____	_____	_____	0
Salvage	_____	_____	_____	0
Other Credits (Specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total Credits	\$ 44,367	\$ 2,767	\$ 0	\$ 47,134
Debits during year:				
Book cost of plant retired	79,218	2,538	_____	81,756
Cost of Removal	_____	_____	_____	0
Other Debits (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total Debits	\$ 79,218	\$ 2,538	\$ 0	\$ 81,756
Balance end of year	\$ <u>873,682</u>	\$ <u>5,408</u>	\$ <u>0</u>	\$ <u>879,090</u>
<b>ACCUMULATED AMORTIZATION</b>				
<b>Account 110</b>				
Balance first of year	\$ 330	\$ 4	\$	\$ 334
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$ 206	\$ 6	\$	\$ 212
Other Accounts (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total credits	\$ 206	\$ 6	\$ 0	\$ 212
Debits during year:				
Book cost of plant retired	_____	_____	_____	0
Other debits (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>536</u>	\$ <u>10</u>	\$ <u>0</u>	\$ <u>546</u>

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

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**REGULATORY COMMISSION EXPENSE  
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
_____	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ <u>0</u>		\$ <u>0</u>

**NONUTILITY PROPERTY (ACCOUNT 121)**

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

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
_____	\$ _____	\$ _____	\$ _____	\$ _____ 0
_____	_____	_____	_____	_____ 0
_____	_____	_____	_____	_____ 0
_____	_____	_____	_____	_____ 0
Total Nonutility Property	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

**SPECIAL DEPOSITS ( ACCOUNTS 132 AND 133)**

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): _____ _____ _____	\$ _____ _____ _____
Total Special Deposits	\$ <u>0</u>
OTHER SPECIAL DEPOSITS (Account 133): _____ _____ _____	\$ _____ _____ _____
Total Other Special Deposits	\$ <u>0</u>

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**INVESTMENTS AND SPECIAL FUNDS**  
**ACCOUNTS 123 - 127**

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ <u>0</u>
UTILITY INVESTMENTS (Account 124): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Utility Investment		\$ <u>0</u>
OTHER INVESTMENTS (Account 125): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Investment		\$ <u>0</u>
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): _____ _____ _____ _____ _____		\$ _____ _____ _____ _____ _____
Total Special Funds		\$ <u>0</u>

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**ACCOUNTS AND NOTES RECEIVABLE - NET**  
**ACCOUNTS 141 - 144**

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

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 36,113	
Wastewater		
Other		
<b>Total Customer Accounts Receivable</b>		\$ 36,113
OTHER ACCOUNTS RECEIVABLE (Account 142):		
	\$ 7,102	
<b>Total Other Accounts Receivable</b>		\$ 7,102
NOTES RECEIVABLE (Account 144):		
	\$	
<b>Total Notes Receivable</b>		\$ 0
<b>Total Accounts and Notes Receivable</b>		\$ 43,215
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ 0	
Add: Provision for uncollectibles for current year	\$ 34	
Collection of accounts previously written off		
Utility Accounts		
Others		
<b>Total Additions</b>	\$ 34	
Deduct accounts written off during year:		
Utility Accounts		
Others		
<b>Total accounts written off</b>	\$ 0	
<b>Balance end of year</b>		\$ 34
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>		\$ 43,181



UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2015

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

Report each account receivable from associated companies separately.

<b>DESCRIPTION</b> <b>(a)</b>	<b>TOTAL</b> <b>(b)</b>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>          0</u>

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

Report each note receivable from associated companies separately.

<b>DESCRIPTION</b> <b>(a)</b>	<b>INTEREST</b> <b>RATE</b> <b>(b)</b>	<b>TOTAL</b> <b>(c)</b>
_____	_____ %	\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ <u>          0</u>

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

<b>DESCRIPTION - Provide itemized listing</b> <b>(a)</b>	<b>BALANCE END</b> <b>OF YEAR</b> <b>(b)</b>
_____	\$ _____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ <u>          0</u>

YEAR OF REPORT
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UTILITY NAME: Harbor Waterworks, Inc.

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

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

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181): _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
Total Unamortized Debt Discount and Expense	\$ <u>0</u>	\$ <u>0</u>
UNAMORTIZED PREMIUM ON DEBT (Account 251): _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
Total Unamortized Premium on Debt	\$ <u>0</u>	\$ <u>0</u>

**EXTRAORDINARY PROPERTY LOSSES  
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____ _____ _____	\$ _____ _____ _____
Total Extraordinary Property Losses	\$ <u>0</u>

UTILITY NAME: Harbor Waterworks, Inc.

**MISCELLANEOUS DEFERRED DEBITS  
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Deferred Rate Case Expense</b>	\$ <u>0</u>	\$ <u>0</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Other Deferred Debits</b>	\$ <u>0</u>	\$ <u>0</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Regulatory Assets</b>	\$ <u>0</u>	\$ <u>0</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	\$ <u>0</u>	\$ <u>0</u>

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**CAPITAL STOCK  
ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	%	\$ 1
Shares authorized		100
Shares issued and outstanding		100
Total par value of stock issued	%	\$ 100
Dividends declared per share for year	%	\$ 0
<b>PREFERRED STOCK</b>		
Par or stated value per share	%	\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	%	\$
Dividends declared per share for year	%	\$

\* Account 204 not applicable for Class B utilities.

**BONDS  
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
_____	%	_____	\$ _____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
<b>Total</b>			<b>\$ 0</b>

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

UTILITY NAME: Harbor Waterworks, Inc.

**STATEMENT OF RETAINED EARNINGS**

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 90,711
439	Changes to Account: Adjustments to Retained Earnings ( requires Commission approval prior to use): Credits: _____ _____	\$ _____ _____
	Total Credits:	\$ 0
	Debits: _____ _____	\$ _____ _____
	Total Debits:	\$ 0
435	Balance Transferred from Income	\$ 72,655
436	Appropriations of Retained Earnings: _____ _____	_____ _____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____ _____
438	Common Stock Dividends Declared _____ _____	_____ _____
	Total Dividends Declared	\$ 0
215	Year end Balance	\$ 163,366
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	\$ 0
	<b>Total Retained Earnings</b>	<b>\$ 163,366</b>
Notes to Statement of Retained Earnings:		

**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
	\$ _____
	_____
	_____
	_____
	_____
	_____
	_____
	_____
	_____
	_____
	_____
Total	\$ <u>          0</u>

**OTHER LONG-TERM DEBT  
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
TD BANK - UTILITY PURCHASE	4.25 %	Variable	\$ 173,489
		(Prime + 1%)	
Total			\$ <u>173,489</u>

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

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**NOTES PAYABLE  
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE ( Account 232): Notes to Shareholders	%		\$ 68,250
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
<b>Total Account 232</b>			\$ <u>68,250</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):	%		\$ _____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
<b>Total Account 234</b>			\$ <u>0</u>

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES  
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
<b>Total</b>	\$ <u>0</u>

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt TD BANK	\$ _____		\$ 7,751	\$ 7,751	\$ _____
	_____		_____	_____	_____
	_____		_____	_____	_____
	_____		_____	_____	_____
Total Account 237.1	\$ <u>0</u>		\$ <u>7,751</u>	\$ <u>7,751</u>	\$ <u>0</u>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Customer Deposits	\$ _____	427	\$ 367	\$ 367	\$ _____
	_____		_____	_____	_____
	_____		_____	_____	_____
Total Account 237.2	\$ <u>0</u>		\$ <u>367</u>	\$ <u>367</u>	\$ <u>0</u>
Total Account 237 (1)	\$ <u>0</u>		\$ <u>8,119</u>	\$ <u>8,119</u>	\$ <u>0</u>
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 8,119		
Less Capitalized Interest Portion of AFUDC:					
_____			_____		
_____			_____		
_____			_____		
Net Interest Expensed to Account No. 427 (2)			\$ <u>8,119</u>		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.  
  
(2) Must agree to F-3 (c), Current Year Interest Expense



UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
241.2 · Accounting Fees	\$ 1,850
241.5 · Regulatory Assessment Fees	10,013
241.6 · Accrued Salaries	65,080
241.7 · Accrued Sludge Removal Expense	4,000
Total Miscellaneous Current and Accrued Liabilities	\$ <u>80,944</u>

**ADVANCES FOR CONSTRUCTION  
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
_____	\$ _____		\$ _____	\$ _____	\$ _____
_____	_____		_____	_____	0
_____	_____		_____	_____	0
_____	_____		_____	_____	0
_____	_____		_____	_____	0
_____	_____		_____	_____	0
_____	_____		_____	_____	0
_____	_____		_____	_____	0
_____	_____		_____	_____	0
Total	\$ <u>0</u>		\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

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

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

<b>DESCRIPTION (a)</b>	<b>WATER (W-7) (b)</b>	<b>WASTEWATER (S-7) (c)</b>	<b>W &amp; WW OTHER THAN SYSTEM REPORTING (d)</b>	<b>TOTAL (e)</b>
Balance first of year	\$ <u>795,241</u>	\$ <u>0</u>	\$ _____	\$ <u>795,241</u>
Add credits during year:	\$ <u>21,835</u>	\$ <u>0</u>	\$ _____	\$ <u>21,835</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u>817,076</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>817,076</u>

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

<b>DESCRIPTION (a)</b>	<b>WATER (W-8(a)) (b)</b>	<b>WASTEWATER (S-8(a)) (c)</b>	<b>W &amp; WW OTHER THAN SYSTEM REPORTING (d)</b>	<b>TOTAL (e)</b>
Balance first of year	\$ <u>409,207</u>	\$ <u>0</u>	\$ _____	\$ <u>409,207</u>
Debits during the year:	\$ <u>19,537</u>	\$ <u>0</u>	\$ _____	\$ <u>19,537</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>428,744</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>428,744</u>

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**OTHER DEFERRED CREDITS  
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1): _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2): _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Other Deferred Liabilities	\$ _____	\$ _____
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ _____	\$ _____

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

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

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 72,655
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
_____		_____
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ 72,655

Computation of tax :

**WATER  
OPERATION  
SECTION**

UTILITY NAME: **Harbor Waterworks, Inc.**

### WATER LISTING OF SYSTEM GROUPS

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

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

The water engineering schedules (W-11 through W-14) must be filed for each system in the group.

All of the following water pages (W-2 through W-14) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Harbor Waterworks/Lake County	522-W	Not applicable

UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

**SCHEDULE OF YEAR END WATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 1,877,983
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	873,682
110	Accumulated Amortization	F-8	536
271	Contributions in Aid of Construction	W-7	817,076
252	Advances for Construction	F-20	
Subtotal			\$ 186,689
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 428,744
Subtotal			\$ 615,432
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		27,091
	Other (Specify):		
WATER RATE BASE			\$ 642,523
WATER OPERATING INCOME		W-3	\$ 63,036
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			9.81%

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:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

**WATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 347,624
469	Less: Guaranteed Revenue and AFPI	W-9	12,901
	Net Operating Revenues		\$ 334,723
401	Operating Expenses	W-10(a)	\$ 216,725
403	Depreciation Expense	W-6(a)	44,367
	Less: Amortization of CIAC	W-8(a)	19,537
	Net Depreciation Expense		\$ 24,830
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	206
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		15,542
408.11	Property Taxes		14,383
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 29,926
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 271,687
	Utility Operating Income		\$ 63,036
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 12,901
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		\$ 75,937



UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 8,244	\$		\$ 8,244
302	Franchises	0			0
303	Land and Land Rights	12,500			12,500
304	Structures and Improvements	6,771			6,771
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	175,330		4,981	170,349
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	4,565			4,565
310	Power Generation Equipment	6,037		1,232	4,805
311	Pumping Equipment	202,174			202,174
320	Water Treatment Equipment	38,690	3,517	2,638	39,569
330	Distribution Reservoirs and Standpipes	169,659	84,553	66,436	187,776
331	Transmission and Distribution Mains	834,050			834,050
333	Services	187,579	434		188,013
334	Meters and Meter Installations	39,253		865	38,388
335	Hydrants	143,295		3,066	140,229
336	Backflow Prevention Devices	14,235	12,468		26,703
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	13,847			13,847
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	0			0
344	Laboratory Equipment	0			0
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	0			0
<b>TOTAL WATER PLANT</b>		<b>\$ 1,856,229</b>	<b>\$ 100,972</b>	<b>\$ 79,218</b>	<b>\$ 1,877,983</b>

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT  
December 31, 2015

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WATER UTILITY PLANT MATRIX**

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 8,244	\$ 8,244	\$	\$	\$	\$
302	Franchises	0					
303	Land and Land Rights	12,500		12,500			
304	Structures and Improvements	6,771		6,771			
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	170,349		170,349			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	4,565		4,565			
310	Power Generation Equipment	4,805		4,805			
311	Pumping Equipment	202,174		202,174			
320	Water Treatment Equipment	39,569			39,569		
330	Distribution Reservoirs and Standpipes	187,776				187,776	
331	Transmission and Distribution Mains	834,050				834,050	
333	Services	188,013				188,013	
334	Meters and Meter Installations	38,388				38,388	
335	Hydrants	140,229				140,229	
336	Backflow Prevention Devices	26,703				26,703	
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	0					
341	Transportation Equipment	13,847					13,847
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	0					
344	Laboratory Equipment	0					
345	Power Operated Equipment	0					
346	Communication Equipment	0					
347	Miscellaneous Equipment	0					
348	Other Tangible Plant	0					
<b>TOTAL WATER PLANT</b>		<b>\$ 1,877,983</b>	<b>\$ 8,244</b>	<b>\$ 401,164</b>	<b>\$ 39,569</b>	<b>\$ 1,415,159</b>	<b>\$ 13,847</b>

UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY : \_\_\_\_\_

**BASIS FOR WATER DEPRECIATION CHARGES**

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	32		3.13%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	35		2.86%
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants	45		2.22%
336	Backflow Prevention Devices	15		6.67%
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
Water Plant Composite Depreciation Rate *				

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME:

Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
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SYSTEM NAME / COUNTY : \_\_\_\_\_

**ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 1,988	\$ 212	\$	\$ 212
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	113,116	5,747		5,747
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	3,152	130		130
310	Power Generation Equipment	1,170	266		266
311	Pumping Equipment	200,991	1,183		1,183
320	Water Treatment Equipment	30,333	1,780		1,780
330	Distribution Reservoirs and Standpipes	51,516	4,681		4,681
331	Transmission and Distribution Mains	350,407	19,397		19,397
333	Services	56,893	4,697		4,697
334	Meters and Meter Installations	23,851	1,937		1,937
335	Hydrants	51,628	3,145		3,145
336	Backflow Prevention Devices	9,643	1,191		1,191
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	13,847			0
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	0			0
344	Laboratory Equipment	0			0
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	0			0
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 908,533</b>	<b>44,367</b>	<b>0</b>	<b>44,367</b>

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

UTILITY NAME:

Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

SYSTEM NAME / COUNTY :

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
304	Structures and Improvements	\$ _____	\$ _____	\$ _____	\$ _____ 0	\$ _____ 2,199
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____ 0	_____ 0
306	Lake, River and Other Intakes	_____	_____	_____	_____ 0	_____ 0
307	Wells and Springs	_____ 4,981	_____	_____	_____ 4,981	_____ 113,882
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____ 0	_____ 0
309	Supply Mains	_____	_____	_____	_____ 0	_____ 3,283
310	Power Generation Equipment	_____ 1,232	_____	_____	_____ 1,232	_____ 203
311	Pumping Equipment	_____	_____	_____	_____ 0	_____ 202,174
320	Water Treatment Equipment	_____ 2,638	_____	_____	_____ 2,638	_____ 29,475
330	Distribution Reservoirs and Standpipes	_____ 66,436	_____	_____	_____ 66,436	_____ (10,240)
331	Transmission and Distribution Mains	_____ 0	_____	_____	_____ 0	_____ 369,803
333	Services	_____ 0	_____	_____	_____ 0	_____ 61,590
334	Meters and Meter Installations	_____ 865	_____	_____	_____ 865	_____ 24,924
335	Hydrants	_____ 3,066	_____	_____	_____ 3,066	_____ 51,707
336	Backflow Prevention Devices	_____ 0	_____	_____	_____ 0	_____ 10,834
339	Other Plant Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 0
340	Office Furniture and Equipment	_____	_____	_____	_____ 0	_____ 0
341	Transportation Equipment	_____	_____	_____	_____ 0	_____ 13,847
342	Stores Equipment	_____	_____	_____	_____ 0	_____ 0
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____ 0	_____ 0
344	Laboratory Equipment	_____	_____	_____	_____ 0	_____ 0
345	Power Operated Equipment	_____	_____	_____	_____ 0	_____ 0
346	Communication Equipment	_____	_____	_____	_____ 0	_____ 0
347	Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 0
348	Other Tangible Plant	_____	_____	_____	_____ 0	_____ 0
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		\$ _____ 79,218	\$ _____ 0	\$ _____ 0	\$ _____ 79,218	\$ _____ 873,682

UTILITY NAME:

Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

SYSTEM NAME / COUNTY :

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**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>795,241</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>21,835</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
<b>Total Credits</b>		\$ <u>21,835</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
<b>Total Contributions In Aid of Construction</b>		\$ <u>817,076</u>

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

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

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UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

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**WATER CIAC SCHEDULE "A"**

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Meter Installation	35	\$ 85	\$ 2,975
Plant Capacity charge	23	263	6,049
Service Installation	23	100	2,300
Main Extension	23	457	10,511
			0
			0
			0
			0
Total Credits			\$ 21,835

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 409,207
Debits during the year:	
Accruals charged to Account 272	\$ 19,537
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 19,537
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ 428,744

UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

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SYSTEM NAME / COUNTY :

\_\_\_\_\_

**WATER CIAC SCHEDULE "B"**

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION  
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS  
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
		\$ _____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
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		_____
		_____
		_____
		_____
		_____
		_____
		_____
Total Credits		\$ _____ 0

W-8(b)

GROUP \_\_\_\_\_



UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

**WATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	601	592	277,559
461.2	Sales to Commercial Customers	8	9	7,285
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	1	1	185
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		610	602	\$ 285,029
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue		0	0	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers	58	59	49,075
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		668	661	\$ 334,104
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 12,901
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			619
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 13,520
Total Water Operating Revenues				\$ 347,624

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

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WATER UTILITY EXPENSE ACCOUNT MATRIX**

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 0	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	25,800		
604	Employee Pensions and Benefits	0		
610	Purchased Water	0		
615	Purchased Power	43,786	43,786	
616	Fuel for Power Production	0		
618	Chemicals	5,135	5,135	
620	Materials and Supplies	0		
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	602		
633	Contractual Services - Legal	465		
634	Contractual Services - Mgt. Fees	0		
635	Contractual Services - Testing	0		
636	Contractual Services - Other	132,330	2,826	2,826
641	Rental of Building/Real Property	0		
642	Rental of Equipment	0		
650	Transportation Expenses	0		
656	Insurance - Vehicle	0		
657	Insurance - General Liability	1,332		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	2,000		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	3,618		
675	Miscellaneous Expenses	1,656		
Total Water Utility Expenses		\$ 216,725	\$ 51,747	\$ 2,826

UTILITY NAME:

Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WATER UTILITY EXPENSE ACCOUNT MATRIX**

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
					25,800
					602
					465
36,362		30,050	1,867	22,953	35,447
					1,332
					2,000
				3,618	104
\$ <u>36,362</u>	\$ <u>1,420</u>	\$ <u>30,181</u>	\$ <u>1,867</u>	\$ <u>26,572</u>	\$ <u>65,751</u>

UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

**PUMPING AND PURCHASED WATER STATISTICS**

MONTH (a)	WATER PURCHASED FOR RESALE ( Omit 000's ) (b)	FINISHED WATER PUMPED FROM WELLS ( Omit 000's ) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED ( Omit 000's ) [ (b)+(c)-(d) ] (e)	WATER SOLD TO CUSTOMERS ( Omit 000's ) (f)
January	0	17,274	869	16,405	12,789
February	0	13,697	690	13,007	11,296
March	0	17,994	905	17,089	12,951
April	0	19,460	978	18,482	15,917
May	0	27,157	1,363	25,794	20,185
June	0	24,728	1,241	23,487	22,312
July	0	21,262	1,068	20,194	21,141
August	0	18,318	921	17,397	14,304
September	0	18,882	949	17,933	15,192
October	0	24,717	1,241	23,476	21,307
November	0	23,480	1,179	22,301	19,384
December	0	22,899	1,150	21,749	16,749
Total for Year	0	249,867	12,553	237,314	203,527

If water is purchased for resale, indicate the following:

Vendor \_\_\_\_\_

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

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

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

**SOURCE OF SUPPLY**

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
WELL #1	1,250 GPM	1,200,000 GPD	DEEP WELL
WELL #2	1,250 GPM	1,200,000 GPD	DEEP WELL
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>2,100,000</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>WELL HEAD</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>CHLORINATION</u>
<b>LIME TREATMENT</b>	
Unit rating (i.e., GPM, pounds per gallon): _____	Manufacturer: _____
<b>FILTRATION</b>	
Type and size of area:	
Pressure (in square feet): _____	Manufacturer: _____
Gravity (in GPM/square feet): _____	Manufacturer: _____

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : \_\_\_\_\_

**CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS**

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	633	633
3/4"	Displacement	1.5	11	17
1"	Displacement	2.5	9	23
1 1/2"	Displacement or Turbine	5.0	3	15
2"	Displacement, Compound or Turbine	8.0	3	24
3"	Displacement	15.0	2	30
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				<u>741</u>

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

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

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:  
 $ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$

ERC Calculation:

UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

**OTHER WATER SYSTEM INFORMATION**

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

1. Present ERCs \* the system can efficiently serve. 675

2. Maximum number of ERCs \* which can be served. 799

3. Present system connection capacity (in ERCs \*) using existing lines. 675

4. Future connection capacity (in ERCs \*) upon service area buildout. 799

5. Estimated annual increase in ERCs \*. \_\_\_\_\_

6. Is the utility required to have fire flow capacity? YES

If so, how much capacity is required? 500GPM,RES

7. Attach a description of the fire fighting facilities.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:

Harbor is initiating a meter replacement program in 2016 to replace meters with more than 1 million gallons registered.

Estimated cost \$40,000.

9. When did the company last file a capacity analysis report with the DEP? \_\_\_\_\_

10. If the present system **does not** meet the requirements of DEP rules:

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? \_\_\_\_\_

c. When will construction begin? \_\_\_\_\_

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? \_\_\_\_\_

11. Department of Environmental Protection ID # 3354781

12. Water Management District Consumptive Use Permit # 279-9

a. Is the system in compliance with the requirements of the CUP? YES

b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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

**WASTEWATER  
OPERATION  
SECTION**

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UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

SYSTEM NAME / COUNTY : \_\_\_\_\_

**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 56,148
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	5,408
110	Accumulated Amortization	F-8	10
271	Contributions in Aid of Construction	S-7	0
252	Advances for Construction	F-20	
Subtotal			\$ 50,731
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 0
Subtotal			\$ 50,731
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		4,750
	Other (Specify):		
WASTEWATER RATE BASE			\$ 55,481
WASTEWATER OPERATING INCOME		S-3	\$ 4,837
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			8.72%

- 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: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
<b>UTILITY OPERATING INCOME</b>			
400	Operating Revenues	S-9(a)	\$ 47,816
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
			<u>\$ 47,816</u>
401	Operating Expenses	S-10(a)	\$ 37,999
403	Depreciation Expense	S-6(a)	2,767
	Less: Amortization of CIAC	S-8(a)	0
			<u>\$ 2,767</u>
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	6
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		2,152
408.11	Property Taxes		56
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 2,207
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
			<u>\$ 42,979</u>
			<u>\$ 4,837</u>
530	Add Back: Guaranteed Revenue (and AFPI)	S-9(a)	\$ 0
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
			<u>\$ 4,837</u>

UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2015

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WASTEWATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 234	\$	\$	\$ 234
352	Franchises	0			0
353	Land and Land Rights	0			0
354	Structures and Improvements	1,965	2,041	1,531	2,475
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	30,615			30,615
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	0			0
364	Flow Measuring Devices	0			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	0			0
371	Pumping Equipment	8,437		1,007	7,430
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission and Distribution System	0			0
380	Treatment and Disposal Equipment	15,394			15,394
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	0			0
390	Office Furniture and Equipment	0			0
391	Transportation Equipment	0			0
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	0			0
394	Laboratory Equipment	0			0
395	Power Operated Equipment	0			0
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
<b>Total Wastewater Plant</b>		<b>\$ 56,645</b>	<b>\$ 2,041</b>	<b>\$ 2,538</b>	<b>\$ 56,148</b>

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

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : \_\_\_\_\_

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
351	Organization	\$ 234	\$	\$	\$	\$	\$	\$
352	Franchises							
353	Land and Land Rights							
354	Structures and Improvements				2,475			
355	Power Generation Equipment							
360	Collection Sewers - Force		30,615					
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment			7,430				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				15,394			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment							
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
Total Wastewater Plant		\$ 234	\$ 30,615	\$ 7,430	\$ 17,869	\$ 0	\$ 0	\$

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

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT

December 31, 2015

SYSTEM NAME / COUNTY :

**BASIS FOR WASTEWATER DEPRECIATION CHARGES**

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements	27		3.70%
355	Power Generation Equipment			
360	Collection Sewers - Force	27		3.70%
361	Collection Sewers - Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells			
371	Pumping Equipment	15		6.67%
374	Reuse Distribution Reservoirs			
375	Reuse Transmission/Distribution Sys.			
380	Treatment and Disposal Equipment	15		6.67%
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment			
390	Office Furniture and Equipment			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			
394	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *				

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 153	\$ 84	\$	\$ 84
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	2,714	1,134		1,134
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	0			0
364	Flow Measuring Devices	0			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	0			0
371	Pumping Equipment	772	523		523
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	1,539	1,026		1,026
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	0			0
390	Office Furniture and Equipment	0			0
391	Transportation Equipment	0			0
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	0			0
394	Laboratory Equipment	0			0
395	Power Operated Equipment	0			0
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 5,178	\$ 2,767	\$ 0	\$ 2,767

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

UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2015

SYSTEM NAME / COUNTY : \_\_\_\_\_

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
354	Structures and Improvements	\$ 1,531	\$	\$	\$ 1,531	\$ (1,294)
355	Power Generation Equipment				0	0
360	Collection Sewers - Force				0	3,847
361	Collection Sewers - Gravity				0	0
362	Special Collecting Structures				0	0
363	Services to Customers				0	0
364	Flow Measuring Devices				0	0
365	Flow Measuring Installations				0	0
366	Reuse Services				0	0
367	Reuse Meters and Meter Installations				0	0
370	Receiving Wells				0	0
371	Pumping Equipment	1,007			1,007	289
374	Reuse Distribution Reservoirs				0	0
375	Reuse Transmission/Distribution Sys.				0	0
380	Treatment and Disposal Equipment				0	2,566
381	Plant Sewers				0	0
382	Outfall Sewer Lines				0	0
389	Other Plant Miscellaneous Equipment				0	0
390	Office Furniture and Equipment				0	0
391	Transportation Equipment				0	0
392	Stores Equipment				0	0
393	Tools, Shop and Garage Equipment				0	0
394	Laboratory Equipment				0	0
395	Power Operated Equipment				0	0
396	Communication Equipment				0	0
397	Miscellaneous Equipment				0	0
398	Other Tangible Plant				0	0
Total Depreciable Wastewater Plant in Service		\$ 2,538	\$ 0	\$ 0	\$ 2,538	\$ 5,408

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



UTILITY NAME:

Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

SYSTEM NAME / COUNTY : \_\_\_\_\_

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ _____ 0
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ _____ 0
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	_____ 0
<b>Total Credits</b>		<b>\$ _____ 0</b>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
<b>Total Contributions In Aid of Construction</b>		<b>\$ _____ 0</b>

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

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UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

\_\_\_\_\_

**WASTEWATER CIAC SCHEDULE "A"**

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
_____	_____	\$ _____	\$ _____ 0
_____	_____	_____	_____ 0
_____	_____	_____	_____ 0
_____	_____	_____	_____ 0
_____	_____	_____	_____ 0
_____	_____	_____	_____ 0
_____	_____	_____	_____ 0
_____	_____	_____	_____ 0
_____	_____	_____	_____ 0
Total Credits			\$ _____ 0

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ _____
Debits during the year:	
Accruals charged to Account 272	\$ _____
Other debits (specify):	_____
_____	_____
_____	_____
Total debits	\$ _____ 0
Credits during the year (specify):	
_____	\$ _____
_____	_____
Total credits	\$ _____ 0
Balance end of year	\$ _____ 0

**UTILITY NAME:**

Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

**SYSTEM NAME / COUNTY :** \_\_\_\_\_

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Total Credits</b>		<b>\$ _____ 0</b>

UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2015

SYSTEM NAME / COUNTY :

\_\_\_\_\_

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
Flat Rate Revenues:				
521.1	Residential Revenues	_____	_____	\$ _____
521.2	Commercial Revenues	_____	_____	_____
521.3	Industrial Revenues	_____	_____	_____
521.4	Revenues From Public Authorities	_____	_____	_____
521.5	Multiple Family Dwelling Revenues	_____	_____	_____
521.6	Other Revenues	_____	_____	_____
521	Total Flat Rate Revenues	0	0	\$ 0
Measured Revenues:				
522.1	Residential Revenues	59	52	30,977
522.2	Commercial Revenues	2	2	16,110
522.3	Industrial Revenues	_____	_____	_____
522.4	Revenues From Public Authorities	1	1	730
522.5	Multiple Family Dwelling Revenues	_____	_____	_____
522	Total Measured Revenues	62	55	\$ 47,816
523	Revenues From Public Authorities	_____	_____	_____
524	Revenues From Other Systems	_____	_____	_____
525	Interdepartmental Revenues	_____	_____	_____
Total Wastewater Sales		<u>62</u>	<u>55</u>	\$ <u>47,816</u>
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)	_____	_____	\$ _____
531	Sale of Sludge	_____	_____	_____
532	Forfeited Discounts	_____	_____	_____
534	Rents From Wastewater Property	_____	_____	_____
535	Interdepartmental Rents	_____	_____	_____
536	Other Wastewater Revenues	_____	_____	_____
Total Other Wastewater Revenues				\$ 0

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

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	0	0	\$ _____ 0
541.1	Measured Reuse Revenues: Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	0	0	\$ _____ 0
544	Reuse Revenues From Other Systems	_____	_____	_____
Total Reclaimed Water Sales				\$ _____ 0
Total Wastewater Operating Revenues				\$ <u>47,816</u>

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

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX**

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 0	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders	4,200						
704	Employee Pensions and Benefits	0						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	3,315					3,315	
715	Purchased Power	6,691					6,691	
716	Fuel for Power Production	0						
718	Chemicals	566					566	
720	Materials and Supplies	0						
731	Contractual Services-Engineering	0						
732	Contractual Services - Accounting	98						
733	Contractual Services - Legal	465						
734	Contractual Services - Mgt. Fees	0						
735	Contractual Services - Testing	0						
736	Contractual Services - Other	22,074		3,194	752		8,343	4,973
741	Rental of Building/Real Property	0						
742	Rental of Equipment	0						
750	Transportation Expenses	0						
756	Insurance - Vehicle	0						
757	Insurance - General Liability	217						
758	Insurance - Workman's Comp.	0						
759	Insurance - Other	0						
760	Advertising Expense	0						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	0						
767	Regulatory Commission Exp.-Other	0						
770	Bad Debt Expense	372						
775	Miscellaneous Expenses	0						
<b>Total Wastewater Utility Expenses</b>		<b>\$ 37,999</b>	<b>\$ 0</b>	<b>\$ 3,194</b>	<b>\$ 752</b>	<b>\$ 0</b>	<b>\$ 18,915</b>	<b>\$ 4,973</b>

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT  
December 31, 2015

SYSTEM NAME / COUNTY : \_\_\_\_\_

**WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX**

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
703	Salaries and Wages - Officers, Directors and Majority Stockholders	_____	4,200	_____	_____	_____	_____
704	Employee Pensions and Benefits	_____	_____	_____	_____	_____	_____
710	Purchased Sewage Treatment	_____	_____	_____	_____	_____	_____
711	Sludge Removal Expense	_____	_____	_____	_____	_____	_____
715	Purchased Power	_____	_____	_____	_____	_____	_____
716	Fuel for Power Purchased	_____	_____	_____	_____	_____	_____
718	Chemicals	_____	_____	_____	_____	_____	_____
720	Materials and Supplies	_____	_____	_____	_____	_____	_____
731	Contractual Services-Engineering	_____	_____	_____	_____	_____	_____
732	Contractual Services - Accounting	_____	98	_____	_____	_____	_____
733	Contractual Services - Legal	_____	465	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	_____	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	1,123	3,690	_____	_____	_____	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	_____	_____	_____	_____	_____
757	Insurance - General Liability	_____	217	_____	_____	_____	_____
758	Insurance - Workman's Comp.	_____	_____	_____	_____	_____	_____
759	Insurance - Other	_____	_____	_____	_____	_____	_____
760	Advertising Expense	_____	_____	_____	_____	_____	_____
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	_____	_____	_____	_____	_____	_____
767	Regulatory Commission Exp.-Other	_____	_____	_____	_____	_____	_____
770	Bad Debt Expense	372	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	0	_____	_____	_____	_____
<b>Total Wastewater Utility Expenses</b>		<b>\$ 1,495</b>	<b>\$ 8,670</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

UTILITY NAME: Harbor Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2015
--

SYSTEM NAME / COUNTY : \_\_\_\_\_

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		0
5/8"	Displacement	1.0	53	53
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0		0
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5	1	18
4"	Displacement or Compound	25.0		0
4"	Turbine	30.0		0
6"	Displacement or Compound	50.0		0
6"	Turbine	62.5		0
8"	Compound	80.0		0
8"	Turbine	90.0		0
10"	Compound	115.0		0
10"	Turbine	145.0		0
12"	Turbine	215.0		0
Total Wastewater System Meter Equivalents				76

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

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

Use one of the following methods:

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

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

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

For wastewater only utilities:

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

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

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

ERC Calculation:
------------------



UTILITY NAME:

Harbor Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2015

SYSTEM NAME / COUNTY :

\_\_\_\_\_

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	40,000 gpd	_____	_____
Basis of Permit Capacity (1)	DEP	_____	_____
Manufacturer	Unknown	_____	_____
Type (2)	Ext. Aeration	_____	_____
Hydraulic Capacity	40,000 GPD	_____	_____
Average Daily Flow	0.21 MGD	_____	_____
Total Gallons of Wastewater Treated	7.665 MG	_____	_____
Method of Effluent Disposal	Rapid Infiltration (2)	_____	_____

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit  
(i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME: Harbor Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2015

SYSTEM NAME / COUNTY : \_\_\_\_\_

**OTHER WASTEWATER SYSTEM INFORMATION**

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

1. Present number of ERCs\* now being served \_\_\_\_\_ 73 \_\_\_\_\_

2. Maximum number of ERCs\* which can be served \_\_\_\_\_ 143 \_\_\_\_\_

3. Present system connection capacity (in ERCs\*) using existing lines \_\_\_\_\_ 73 \_\_\_\_\_

4. Future connection capacity (in ERCs\*) upon service area buildout \_\_\_\_\_ 99 \_\_\_\_\_

5. Estimated annual increase in ERCs\* \_\_\_\_\_ 0 \_\_\_\_\_

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
N/A - none

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. \_\_\_\_\_

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? \_\_\_\_\_ N/A no reuse  
If so, when? \_\_\_\_\_

9. Has the utility been required by the DEP or water management district to implement reuse? \_\_\_\_\_  
If so, what are the utility's plans to comply with this requirement? \_\_\_\_\_

10. When did the company last file a capacity analysis report with the DEP? \_\_\_\_\_

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

12. Department of Environmental Protection ID # \_\_\_\_\_ FLA010608 \_\_\_\_\_

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

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

**Company: HARBOR WATERWORKS, INC.  
For the Year Ended December 31, 2015**

(a)	(b)	(c)	(d)
<b>Accounts</b>	<b>Gross Water Revenues Per Sch. W-9</b>	<b>Gross Water Revenues Per RAF Return</b>	<b>Difference (b) - (c)</b>
Gross Revenue:			
Unmetered Water Revenues (460)	\$ _____	\$ _____	\$ _____
Total Metered Sales (461.1 - 461.5)	334,104	334,104	0
Total Fire Protection Revenue (462.1 - 462.2)	_____	_____	_____
Other Sales to Public Authorities (464)	_____	_____	_____
Sales to Irrigation Customers (465)	_____	_____	_____
Sales for Resale (466)	_____	_____	_____
Interdepartmental Sales (467)	_____	_____	_____
Total Other Water Revenues (469 - 474)	13,520	13,519	-1
<b>Total Water Operating Revenue</b>	<b>347,624</b>	<b>347,624</b>	<b>-1</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Water Operating Revenues</b>	<b>\$347,624</b>	<b>\$347,624</b>	<b>-\$1</b>

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

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

**Company: HARBOR WATERWORKS, INC.  
For the Year Ended December 31, 2015**

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. S-9	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate Revenues (521.1 - 521.6)	\$ _____	\$ _____	_____
Total Measured Revenues (522.1 - 522.5)	47,816	47,816	0
Revenues from Public Authorities (523)	_____	_____	_____
Revenues from Other Systems (524)	_____	_____	_____
Interdepartmental Revenues (525)	_____	_____	_____
Total Other Wastewater Revenues (530 - 536)	_____	_____	_____
Reclaimed Water Sales (540.1 - 544)	_____	_____	_____
<b>Total Wastewater Operating Revenue</b>	<b>47,816</b>	<b>47,816</b>	<b>0</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Wastewater Operating Revenues</b>	<b>\$47,816</b>	<b>\$47,816</b>	<b>\$0</b>

Explanations:

Instructions:

For the current year, reconcile the gross wastewater revenues reported on Schedule S-9 with the gross wastewater revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).