

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WS968-16-AR

HC Waterworks, Inc.

Exact Legal Name of Respondent

422-W & 359-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED  
FLORIDA PUBLIC SERVICE  
COMMISSION  
2017 MAR 22 PM 12: 04  
DIVISION OF  
ACCOUNTING & FINANCE

FOR THE

YEAR ENDED DECEMBER 31, 2015

## 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: HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2016

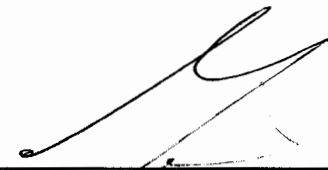
### CERTIFICATION OF ANNUAL REPORT

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

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

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

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

**YEAR OF REPORT**

December 31, 2016

HC Waterworks, Inc.

(Exact Name of Utility)

County: Highlands

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

4939 Cross Bayou Blvd.

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

AU-1914, FWS-632, AU-1915

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: 727-659-5522

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

Date of original organization of the utility:

02/25/13

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.	Gary Deremer	51%
2.	Cecil Delcher	13%
3.	David Shultz, Sr.	8%
4.	Victorira Penick	7%
5.	Joseph Gabay	7%
6.	Jeffrey Dupont	7%
7.	Aaron Voss	7%
8.		
9.		
10.		

**YEAR OF REPORT**  
December 31, 2016

[illegible]

- E-3



## 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 Leisure Lakes Utilities, Certificate #422-W and 359-S in 1984. The utility has changed ownership and names over the years, most recently owned by Aqua Utilities of Florida, Inc.

Commission Order No. PSC-14-0314-PAA-WS, was issued on June 13, 2014 making the transfer to HC Waterworks, Inc. effective March 28, 2013.

The utility provides water service in three subdivisions known as Leisure Lakes, Lake Josephine, and Sebring Lakes, and wastewater service in Leisure Lakes, all located in Highlands County, Florida.

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**

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**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).

Stockholders of  
HC Waterworks, Inc.

100%  
HC Waterworks, Inc

90.80%  
U.S. Water Services Corporation

Note: Of the seven stockholders of HC Waterworks, Inc., only five are also stockholders of U.S. Water.

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**  
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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%	\$ 12,300
Cecil Delcher	V. President	5%	0
Vickie Penick	Administrator	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)
			\$

**YEAR OF REPORT**  
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[illegible]

E-7

**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
Vickie Penick	Administrator	Stockholder	U.S. Water Services Corporation

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

## YEAR OF REPORT

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**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.

[illegible]

**HC 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 on year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6, identifying the parties, amounts, dates and product, and asset, or service involved.

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

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
  - management, legal and accounting services
  - 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

[illegible]

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

## YEAR OF REPORT

December 31, 2016

**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.

[illegible]



# **FINANCIAL**

# **SECTION**

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

**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	\$ 4,243,260	\$ 4,307,280
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,291,748	1,432,132
Net Plant			\$ 2,951,512	\$ 2,875,148
114-115	Utility Plant Acquisition adjustment (Net)	F-7	(711,828)	(635,178)
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 2,239,684	\$ 2,239,970
<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		\$ 194,784	\$ 219,977
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	123,425	131,763
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		10,494	10,438
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			\$ 328,703	\$ 362,178

\* Not Applicable for Class B Utilities

UTILITY NAME: HC Waterworks, Inc.

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**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	3,938	2,813
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 3,938	\$ 2,813
TOTAL ASSETS AND OTHER DEBITS			\$ 2,572,325	\$ 2,604,961

\* 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: HC Waterworks, Inc.

**YEAR OF REPORT**

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**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		1,301,000	1,301,000
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	51,491	127,936
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 1,352,591	\$ 1,429,036
<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	732,006	685,740
Total Long Term Debt			\$ 732,006	\$ 685,740
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		10,882	6,948
232	Notes Payable	F-18	0	0
233	Accounts Payable to Associated Companies	F-18	0	0
234	Notes Payable to Associated Companies	F-18	0	0
235	Customer Deposits		26,059	31,721
236	Accrued Taxes	W/S-3		
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	56,054	65,521
Total Current & Accrued Liabilities			\$ 92,995	\$ 104,190

\* Not Applicable for Class B Utilities

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**

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**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	0
253	Other Deferred Credits	F-21	0	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	\$ 1,176,095	\$ 1,205,305
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	781,412	(819,311)
Total Net CIAC			\$ 394,684	\$ 385,994
<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>			\$ 2,572,276	\$ 2,604,961

UTILITY NAME: HC Waterworks, Inc.

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**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 595,031	\$ 627,016
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	2,039	2,248
Net Operating Revenues			\$ 592,992	\$ 624,767
401	Operating Expenses	F-3(b)	\$ 392,277	\$ 380,421
403	Depreciation Expense:	F-3(b)	\$ 146,091	\$ 147,562
	Less: Amortization of CIAC	F-22	37,029	37,899
Net Depreciation Expense			\$ 109,062	\$ 109,663
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	(76,650)	(76,650)
407	Amortization Expense (Other than CIAC)	F-3(b)	226	402
408	Taxes Other Than Income	W/S-3	59,319	55,981
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			\$ 484,233	\$ 469,816
Net Utility Operating Income			\$ 108,759	\$ 154,951
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	2,039	2,248
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)]			\$ 110,798	\$ 157,199

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

UTILITY NAME: HC Waterworks, Inc.**COMPARATIVE OPERATING STATEMENT (Cont'd)**

<b>WATER SCHEDULE W-3 *</b> <b>(f)</b>	<b>WASTEWATER SCHEDULE S-3 *</b> <b>(g)</b>	<b>OTHER THAN REPORTING SYSTEMS (h)</b>
\$ <u>545,393</u> <u>2,248</u>	\$ <u>81,623</u> <u>0</u>	\$ _____
\$ <u>543,144</u>	\$ <u>81,623</u>	\$ <u>0</u>
\$ <u>304,028</u>	\$ <u>76,393</u>	\$ _____
<u>140,142</u> <u>31,884</u>	<u>7,420</u> <u>6,015</u>	_____
\$ <u>108,258</u>	\$ <u>1,405</u>	\$ <u>0</u>
<u>(74,935)</u> <u>340</u> <u>44,058</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	<u>(1,715)</u> <u>62</u> <u>11,923</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____ _____ _____ _____ _____ _____
\$ <u>381,749</u>	\$ <u>88,067</u>	\$ <u>0</u>
\$ <u>161,395</u>	\$ <u>(6,444)</u>	\$ <u>0</u>
<u>2,248</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____
\$ <u><u>163,643</u></u>	\$ <u><u>(6,444)</u></u>	\$ <u><u>0</u></u>

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

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**  
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**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)]			\$ 110,798	\$ 157,199
415	OTHER INCOME AND DEDUCTIONS 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
408.2	TAXES APPLICABLE TO OTHER INCOME 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
427	INTEREST EXPENSE Interest Expense	F-19	\$ 34,692	\$ 30,803
428	Amortization of Debt Discount & Expense	F-13	0	0
429	Amortization of Premium on Debt	F-13	0	0
Total Interest Expense			\$ 34,692	\$ 30,803
433	EXTRAORDINARY ITEMS Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.3	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			\$ 76,105	\$ 126,396

Explain Extraordinary Income:

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UTILITY NAME: HC Waterworks, Inc.

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**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	\$ 3,912,758	\$ 392,522
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	1,122,387	308,516
110	Accumulated Amortization	F-8	821	408
271	Contributions in Aid of Construction	F-22	883,875	321,430
252	Advances for Construction	F-20		
Subtotal			\$ 1,905,675	\$ (237,832)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	559,903	259,408
Subtotal			\$ 2,465,578	\$ 21,576
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	(809,041)	(14,994)
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	(184,631)	(4,227)
	Working Capital Allowance (3)		38,003	9,549
	Other (Specify):			
RATE BASE			\$ 1,509,909	\$ 11,905
NET UTILITY OPERATING INCOME			\$ 161,395	\$ (6,444)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			10.69%	-54.13%

**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: HC Waterworks, Inc.

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 1,429,039	67.57%	9.51%	6.43%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	685,740	32.43%	4.25%	1.38%
Customer Deposits	0	0.00%		0.00%
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%
Total	\$ 2,114,779	100.00%		7.80%

(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.

**HC Waterworks, Inc.**

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## SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 1,429,039	\$	\$	\$	\$	\$ 1,429,039
Preferred Stock						0
Long Term Debt	685,740					685,740
Customer Deposits						0
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes						0
Other (Explain)						0
						0
Total	\$ 2,114,779	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,114,779

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

UTILITY NAME: HC Waterworks, Inc.

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**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	\$ 3,912,758	\$ 392,522	\$	\$ 4,305,280
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	2,000			2,000
106	Completed Construction Not Classified				0
	Total Utility Plant	\$ 3,914,758	\$ 392,522	\$ 0	\$ 4,307,280

**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	\$ (809,041)	\$ (14,994)	\$	\$ (824,035)
					0
					0
					0
					0
	Total Plant Acquisition Adjustments	\$ (809,041)	\$ (14,994)	\$ 0	\$ (824,035)
115	Accumulated Amortization	\$ (184,631)	\$ (4,227)	\$	\$ (188,857)
					0
					0
					0
	Total Accumulated Amortization	\$ (184,631)	\$ (4,227)	\$ 0	\$ (188,857)
	Net Acquisition Adjustments	\$ (624,410)	\$ (10,767)	\$ 0	\$ (635,178)

UTILITY NAME: HC Waterworks, Inc.

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**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	\$ 986,207	\$ 304,715	\$	\$ 1,290,921
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 140,142	\$ 7,420	\$	\$ 147,562
Account 108.2 (2)				0
Account 108.3 (2)				0
Other Accounts (specify):				0
				0
				0
Salvage				0
Other Credits (Specify):				0
				0
Total Credits	\$ 140,142	\$ 7,420	\$ 0	\$ 147,562
Debits during year:				
Book cost of plant retired	3,962	3,619		7,581
Cost of Removal				0
Other Debits (specify):				0
				0
Total Debits	\$ 3,962	\$ 3,619	\$ 0	\$ 7,581
Balance end of year	\$ 1,122,387	\$ 308,516	\$ 0	\$ 1,430,903
<b>ACCUMULATED AMORTIZATION</b>				
<b>Account 110</b>				
Balance first of year	\$ 480	\$ 346	\$	\$ 826
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$ 340	\$ 62	\$	\$ 402
Other Accounts (specify):				0
				0
Total credits	\$ 340	\$ 62	\$ 0	\$ 402
Debits during year:				
Book cost of plant retired				0
Other debits (specify):				0
				0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ 821	\$ 408	\$ 0	\$ 1,229

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

UTILITY NAME: HC Waterworks, Inc.

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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)
Rate Case - Docket No. 140158-WS	\$ 4,500	0	\$ 0
Total	\$ 4,500		\$ 0

**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	\$ 0	\$ 0	\$ 0	\$ 0

**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	\$ 0
OTHER SPECIAL DEPOSITS (Account 133):	\$
Total Other Special Deposits	\$ 0

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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: HC Waterworks, Inc.

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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	\$ 86,675	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 86,675
OTHER ACCOUNTS RECEIVABLE ( Account 142):		
	\$ 50,336	
Total Other Accounts Receivable		\$ 50,336
NOTES RECEIVABLE (Account 144 ):		
	\$	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 137,011
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS ( Account 143)		
Balance first of year	\$ 0	
Add: Provision for uncollectibles for current year	\$ 5,247	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions		\$ 5,247
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off		\$ 0
Balance end of year		\$ 5,247
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 131,763



UTILITY NAME: HC Waterworks, Inc.

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

Report each account receivable from associated companies separately.

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

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

Report each note receivable from associated companies separately.

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

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

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

UTILITY NAME: HC 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: HC 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)		
<u>Deferred Rate Case Expense</u>	\$ _____	\$ <u>2,813</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ <u>0</u>	\$ <u>2,813</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ <u>0</u>	\$ <u>0</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Assets	\$ <u>0</u>	\$ <u>0</u>
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ <u>0</u>	\$ <u>2,813</u>

UTILITY NAME: HC Waterworks, Inc.

**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>			\$ _____ 0

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

UTILITY NAME: HC Waterworks, Inc.

### STATEMENT OF RETAINED EARNINGS

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 51,540
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	\$ 126,396
436	Appropriations of Retained Earnings: _____ _____	_____ _____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____ _____
438	Common Stock Dividends Declared _____ Distrubuted Dividends _____	_____ _____ 50,000
	Total Dividends Declared	\$ 50,000
215	Year end Balance	\$ 127,936
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ 127,936
Notes to Statement of Retained Earnings:		

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Report each advance separately.

Report each advance separately.	
DESCRIPTION (a)	TOTAL (b)
	\$ _____
	_____
	_____
	_____
	_____
	_____
	_____
	_____
	_____
	_____
	_____
Total	\$ <u>                    0                    </u>

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)	
BANK OF TAMPA	4.25 %	FIXED	\$ 685,740
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ <u>685,740</u>

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

UTILITY NAME: HC Waterworks, Inc.

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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):			
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ 0
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$ 0

\* 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)
	\$
Total	\$ 0

UTILITY NAME: HC Waterworks, Inc.

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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 BANK OF TAMPA	\$ 0	427	\$ 30,794	\$ 30,794	\$
Total Account 237.1	\$ 0		\$ 30,794	\$ 30,794	\$ 0
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Customer Deposits	\$	427	\$ 10	\$ 10	\$
Total Account 237.2	\$ 0		\$ 10	\$ 10	\$ 0
Total Account 237 (1)	\$ 0		\$ 30,803	\$ 30,803	\$ 0
INTEREST EXPENSED:				(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	
Total accrual Account 237		237	\$ 30,803		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			\$ 30,803		



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

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

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
241.2 · Accounting	\$
241.5 · Regulatory Assessment Fees	15,721
241.6 · Officer Salaries	49,800
Total Miscellaneous Current and Accrued Liabilities	\$ 65,521

**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
	_____		_____	_____	_____ 0
Total	\$ _____ 0		\$ _____ 0	\$ _____ 0	\$ _____ 0

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

UTILITY NAME: HC Waterworks, Inc.

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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	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

UTILITY NAME: HC Waterworks, Inc.

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**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 869,785	\$ 306,310	\$	\$ 1,176,095
Add credits during year:	\$ 14,090	\$ 15,120	\$	\$ 29,210
Less debit charged during the year	\$ 0	\$ 0	\$	\$ 0
Total Contribution In Aid of Construction	\$ 883,875	\$ 321,430	\$ 0	\$ 1,205,305

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 528,019	\$ 253,393	\$	\$ 781,412
Debits during the year:	\$ 31,884	\$ 6,015	\$	\$ 37,899
Credits during the year	\$ 0	\$ 0	\$	\$ 0
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 559,903	\$ 259,408	\$ 0	\$ 819,311

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2016
--

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

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal 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.
2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, 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)	\$ 126,396
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		\$ 126,396

Computation of tax :

**WATER  
OPERATION  
SECTION**

## 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.

[illegible]

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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)	\$ 3,912,758
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,122,387
110	Accumulated Amortization	F-8	821
271	Contributions in Aid of Construction	W-7	883,875
252	Advances for Construction	F-20	
Subtotal			\$ 1,905,675
272	Add:		
	Accumulated Amortization of		
	Contributions in Aid of Construction	W-8(a)	\$ 559,903
Subtotal			\$ 2,465,578
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		38,003
	Other (Specify):		
WATER RATE BASE			\$ 2,503,581
WATER OPERATING INCOME		W-3	\$ 161,395
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			6.45%

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:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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	\$ 545,393
469	Less: Guaranteed Revenue and AFPI	W-9	2,248
	Net Operating Revenues		\$ 543,144
401	Operating Expenses	W-10(a)	\$ 304,028
403	Depreciation Expense	W-6(a)	140,142
	Less: Amortization of CIAC	W-8(a)	31,884
	Net Depreciation Expense		\$ 108,258
406	Amortization of Utility Plant Acquisition Adjustment	F-7	(74,935)
407	Amortization Expense (Other than CIAC)	F-8	340
408.10	Taxes Other Than Income		24,544
	Utility Regulatory Assessment Fee		19,515
408.11	Property Taxes		
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 44,058
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		\$ 381,749
	Utility Operating Income		\$ 161,395
469	Add Back:		
	Guaranteed Revenue (and AFPI)	W-9	\$ 2,248
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		\$ 163,643



UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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	\$ 6,576			\$ 6,576
302	Franchises	0			0
303	Land and Land Rights	25,450			25,450
304	Structures and Improvements	1,143,226			1,143,226
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	206,346	1,607		207,953
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	66,369			66,369
310	Power Generation Equipment	126,457			126,457
311	Pumping Equipment	161,257			161,257
320	Water Treatment Equipment	861,491	52,556		914,047
330	Distribution Reservoirs and Standpipes	216,382			216,382
331	Transmission and Distribution Mains	641,670	5,214		646,884
333	Services	102,993			102,993
334	Meters and Meter Installations	251,422	5,749	4,312	252,859
335	Hydrants	17,585			17,585
336	Backflow Prevention Devices	548			548
339	Other Plant Miscellaneous Equipment	2,647			2,647
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	0			0
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	3,031			3,031
344	Laboratory Equipment	13,624			13,624
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	4,870			4,870
348	Other Tangible Plant	0			0
TOTAL WATER PLANT		\$ 3,851,944	\$ 65,125	\$ 4,312	\$ 3,912,758

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

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

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	\$ 6,576	\$ 6,576				
302	Franchises	0					
303	Land and Land Rights	25,450		25,450			
304	Structures and Improvements	1,143,226		1,143,226			
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	207,953		207,953			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	66,369		66,369			
310	Power Generation Equipment	126,457		126,457			
311	Pumping Equipment	161,257		161,257			
320	Water Treatment Equipment	914,047			914,047		
330	Distribution Reservoirs and Standpipes	216,382				216,382	
331	Transmission and Distribution Mains	646,884				646,884	
333	Services	102,993				102,993	
334	Meters and Meter Installations	252,859				252,859	
335	Hydrants	17,585				17,585	
336	Backflow Prevention Devices	548				548	
339	Other Plant Miscellaneous Equipment	2,647				2,647	
340	Office Furniture and Equipment	0					
341	Transportation Equipment	0					
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	3,031					3,031
344	Laboratory Equipment	13,624					13,624
345	Power Operated Equipment	0					
346	Communication Equipment	0					
347	Miscellaneous Equipment	4,870					4,870
348	Other Tangible Plant	0					
TOTAL WATER PLANT		\$ 3,912,758	\$ 6,576	\$ 1,730,712	\$ 914,047	\$ 1,239,898	\$ 21,525

W-4(b)  
GROUP \_\_\_\_\_

UTILITY NAME:

HC Waterworks, Inc.**YEAR OF REPORT**

December 31, 2016

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	25		4.00%
340	Office Furniture and Equipment			
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment	15		6.67%
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	15		6.67%
348	Other Tangible Plant			
Water Plant Composite Depreciation Rate *				

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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	\$ 268,060	\$ 35,726	\$	\$ 35,726
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	68,183	6,925		6,925
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	33,312	1,896		1,896
310	Power Generation Equipment	61,832	6,323		6,323
311	Pumping Equipment	69,815	8,063		8,063
320	Water Treatment Equipment	210,316	40,499		40,499
330	Distribution Reservoirs and Standpipes	52,756	5,848		5,848
331	Transmission and Distribution Mains	117,992	14,978		14,978
333	Services	15,928	2,575		2,575
334	Meters and Meter Installations	59,268	12,605		12,605
335	Hydrants	9,652	391		391
336	Backflow Prevention Devices	328	37		37
339	Other Plant Miscellaneous Equipment	1,121	106		106
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	2,223	2,223		2,223
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	1,118	1,039		1,039
344	Laboratory Equipment	8,141	908		908
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	6,163			0
348	Other Tangible Plant				0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 986,207	140,142	0	140,142

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

W-6(a)  
GROUP \_\_\_\_\_

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2016

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

**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	\$ _____ 303,785
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____ 0	_____ 0
306	Lake, River and Other Intakes	_____	_____	_____	_____ 0	_____ 0
307	Wells and Springs	_____	_____	_____	_____ 0	_____ 75,108
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____ 0	_____ 0
309	Supply Mains	_____	_____	_____	_____ 0	_____ 35,208
310	Power Generation Equipment	_____	_____	_____	_____ 0	_____ 68,154
311	Pumping Equipment	_____	_____	_____	_____ 0	_____ 77,878
320	Water Treatment Equipment	_____	_____	_____	_____ 0	_____ 250,815
330	Distribution Reservoirs and Standpipes	_____	_____	_____	_____ 0	_____ 58,604
331	Transmission and Distribution Mains	_____	_____	_____	_____ 0	_____ 132,971
333	Services	_____	_____	_____	_____ 0	_____ 18,503
334	Meters and Meter Installations	_____ 3,962	_____	_____	_____ 3,962	_____ 67,911
335	Hydrants	_____	_____	_____	_____ 0	_____ 10,043
336	Backflow Prevention Devices	_____	_____	_____	_____ 0	_____ 365
339	Other Plant Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 1,227
340	Office Furniture and Equipment	_____	_____	_____	_____ 0	_____ 0
341	Transportation Equipment	_____	_____	_____	_____ 0	_____ 4,445
342	Stores Equipment	_____	_____	_____	_____ 0	_____ 0
343	Tools, Shop and Garage Equipment	_____	_____	_____	_____ 0	_____ 2,158
344	Laboratory Equipment	_____	_____	_____	_____ 0	_____ 9,049
345	Power Operated Equipment	_____	_____	_____	_____ 0	_____ 0
346	Communication Equipment	_____	_____	_____	_____ 0	_____ 0
347	Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 6,163
348	Other Tangible Plant	_____	_____	_____	_____ 0	_____
TOTAL WATER ACCUMULATED DEPRECIATION		\$ _____ 3,962	\$ _____ 0	\$ _____ 0	\$ _____ 3,962	\$ _____ 1,122,387

**HC Waterworks, Inc.**

**SYSTEM NAME / COUNTY :**

UTILITY NAME:

HC Waterworks, Inc.**YEAR OF REPORT**

December 31, 2016

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

**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 Charge	6	\$ 210	\$ 1,260
Plant Capacity Charge	6	700	4,200
Service Installation Charge	6	1,000	6,000
Main Extension Charge	6	446	2,676
Credit of \$46 - not charged (\$400 instead of \$446)	1	(46)	(46)
			0
			0
			0
Total Credits			\$ 14,090

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 528,019
Debits during the year:	
Accruals charged to Account 272	\$ 31,884
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 31,884
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ 559,903

W-8(a)  
GROUP \_\_\_\_\_

**HC Waterworks, Inc.**

**SYSTEM NAME / COUNTY :**

**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)
		\$ _____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
Total Credits		\$ _____ 0



UTILITY NAME:

HC Waterworks, Inc.**YEAR OF REPORT**

December 31, 2016

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	952	947	480,778
461.2	Sales to Commercial Customers	8	9	49,536
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		960	956	\$ 530,313
462.1	Fire Protection Revenue: Public Fire Protection		1	
462.2	Private Fire Protection			
Total Fire Protection Revenue		0	1	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		960	957	\$ 530,313
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 2,248
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			12,831
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 15,079
Total Water Operating Revenues				\$ 545,393

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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	9,340		
604	Employee Pensions and Benefits	0		
610	Purchased Water	0		
615	Purchased Power	47,396	47,396	
616	Fuel for Power Production	0		
618	Chemicals	34,094	34,094	
620	Materials and Supplies	0		
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	(1,520)		
633	Contractual Services - Legal	654		
634	Contractual Services - Mgt. Fees	0		
635	Contractual Services - Testing	0		
636	Contractual Services - Other	202,973	4,013	20,563
641	Rental of Building/Real Property	0		
642	Rental of Equipment	0		
650	Transportation Expenses	0		
656	Insurance - Vehicle	0		
657	Insurance - General Liability	1,754		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	1,125		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	5,094		
675	Miscellaneous Expenses	3,118		
Total Water Utility Expenses		\$ 304,028	\$ 85,503	\$ 20,563

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

**WATER UTILITY EXPENSE ACCOUNT MATRIX**

<b>.3 WATER TREATMENT EXPENSES - OPERATIONS (f)</b>	<b>.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)</b>	<b>.5 TRANSMISSION &amp; DISTRIBUTION EXPENSES - OPERATIONS (h)</b>	<b>.6 TRANSMISSION &amp; DISTRIBUTION EXPENSES - MAINTENANCE (i)</b>	<b>.7 CUSTOMER ACCOUNTS EXPENSE (j)</b>	<b>.8 ADMIN. &amp; GENERAL EXPENSES (k)</b>
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	9,340
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	(1,520)
_____	_____	_____	_____	_____	654
_____	_____	_____	_____	_____	_____
46,583	_____	_____	52,623	30,484	48,708
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	1,754
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	1,125
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	5,094	_____
0	_____	302	_____	_____	2,815
\$ 46,583	\$ 0	\$ 302	\$ 52,623	\$ 35,578	\$ 62,877

UTILITY NAME:

HC Waterworks, Inc.**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Lake Josephine / Sebring Lakes**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		7,513	5,239	2,274	2,436
February		7,310	3,696	3,614	2,172
March		6,341	1,984	4,357	2,207
April		6,389	2,857	3,532	2,513
May		7,714	4,460	3,254	2,264
June		5,778	2,931	2,847	2,019
July		5,212	2,550	2,663	1,894
August		6,580	3,457	3,123	1,917
September		4,390	3,127	1,262	1,983
October		6,345	3,430	2,915	2,158
November		5,016	2,006	3,010	2,333
December		3,414	741	2,673	2,162
Total for Year	0	72,002	36,479	35,523	26,058

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
Lake Josephine - Well #1	336,000	_____	Ground
Lake Josephine - Well #2	336,000	_____	Ground
Sebring Lakes - Well #1	216,000	_____	Ground
Sebring Lakes - Well #2	216,000	_____	Ground
_____	_____	_____	_____

W-11

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Lake Josephine / Sebring Lakes

### WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>580,000</u>		
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>		
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):	<u>Chloramination - AdEdge Hydrogen Sulfide Removal Filters</u>		
<b>LIME TREATMENT</b>			
Unit rating (i.e., GPM, pounds per gallon):	<u>N/A</u>	Manufacturer:	<u>N/A</u>
<b>FILTRATION</b>			
Type and size of area:	<u>(6) AdEdge Filters - 48 f3/filter</u>	<u>3 at each wtp</u>	
Pressure (in square feet):	<u>100 psi</u>	Manufacturer:	<u>AdEdge</u>
Gravity (in GPM/square feet):	<u>8 - 15 gpm/f2</u>	Manufacturer:	<u>AdEdge</u>

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT  
December 31, 2016

SYSTEM NAME / COUNTY :

Leisure Lakes

**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		1,548	130	1,418	525
February		1,665	144	1,521	536
March		1,886	153	1,733	604
April		1,453	906	547	585
May		1,913	452	1,460	506
June		1,817	724	1,093	399
July		2,133	1,047	1,086	269
August		2,027	467	1,560	392
September		1,270	1,004	266	323
October		1,222	421	801	356
November		824	348	476	373
December		1,173	536	637	482
Total for Year	0	18,931	6,332	12,599	5,350
<p>If water is purchased for resale, indicate the following:</p> <p>Vendor _____</p> <p>Point of delivery _____</p> <p>If water is sold to other water utilities for redistribution, list names of such utilities below:</p> <p>_____</p> <p>_____</p> <p>_____</p>					

**SOURCE OF SUPPLY**

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Leisure Lakes Well #1	192,000		Ground
Leisure Lakes Well #2	48,000		Ground

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GROUP \_\_\_\_\_  
SYSTEM \_\_\_\_\_

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Leisure Lakes

### WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):

72,000

Location of measurement of capacity

(i.e. Wellhead, Storage Tank):

Wellhead

Type of treatment (reverse osmosis,  
(sedimentation, chemical, aerated, etc.):

Chloramination and AdEdge Hydrogen Sulfide Filters

#### LIME TREATMENT

Unit rating (i.e., GPM, pounds

per gallon):

N/A

Manufacturer:

N/A

#### FILTRATION

Type and size of area: (2) AdEdge Filters - 48 f3/filter

2 filters at wtp

Pressure (in square feet):

100 psi

Manufacturer:

AdEdge

Gravity (in GPM/square feet):

8 - 15 gpm/f2

Manufacturer:

AdEdge

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Lake Josephine / Sebring Lakes

### 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)
Residential and General Service		1.0		
5/8"	Displacement	1.0	641	641
3/4"	Displacement	1.5	0	
1"	Displacement	2.5	4	10
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	1	8
3"	Displacement	15.0	1	15
3"	Compound	16.0	0	
3"	Turbine	17.5	0	
4"	Displacement or Compound	25.0	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>679</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:

- 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.
- 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:

W-13

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_



UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Lake Josephine / Sebring Lakes

### 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. 690
2. Maximum number of ERCs \* which can be served. 702
3. Present system connection capacity (in ERCs \*) using existing lines. 679
4. Future connection capacity (in ERCs \*) upon service area buildout. 702
5. Estimated annual increase in ERCs \*. 3
6. Is the utility required to have fire flow capacity? Yes  
If so, how much capacity is required? 750
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:  
Addition of Forced Draft Aeration at Sebring Lakes water treatment plant in 2017.
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 # 6280162
12. Water Management District Consumptive Use Permit # 204167.003
  - 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.

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GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Leisure Lakes

### 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)
Residential and General Service		1.0		
5/8"	Displacement	1.0	307	307
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				307

### 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:

- 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.
- 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:

W-13  
 GROUP \_\_\_\_\_  
 SYSTEM \_\_\_\_\_

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

SYSTEM NAME / COUNTY :

Leisure Lakes

**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. 307
2. Maximum number of ERCs \* which can be served. 307
3. Present system connection capacity (in ERCs \*) using existing lines. 294
4. Future connection capacity (in ERCs \*) upon service area buildout. 307
5. Estimated annual increase in ERCs \*. 5
6. Is the utility required to have fire flow capacity? Yes  
If so, how much capacity is required? 500
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:  
No plans at this time. May consider aeration to address water quality.
9. When did the company last file a capacity analysis report with the DEP? Feb-15
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 # 6280064
12. Water Management District Consumptive Use Permit # 206456.004
  - 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.

W-14  
GROUP \_\_\_\_\_  
SYSTEM \_\_\_\_\_

**WASTEWATER  
OPERATION  
SECTION**

---



UTILITY NAME:

HC Waterworks, Inc.**YEAR OF REPORT**

December 31, 2016

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)	\$ 392,522
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	308,516
110	Accumulated Amortization	F-8	408
271	Contributions in Aid of Construction	S-7	321,430
252	Advances for Construction	F-20	
Subtotal			\$ (237,832)
272	Add:		
	Accumulated Amortization of		
	Contributions in Aid of Construction	S-8(a)	\$ 259,408
Subtotal			\$ 21,576
114	Plus or Minus:		
	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		9,549
	Other (Specify):		
WASTEWATER RATE BASE			\$ 31,126
WASTEWATER OPERATING INCOME		S-3	\$ (6,444)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			-20.70%

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:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

SYSTEM NAME / COUNTY :

## WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 81,623
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 81,623
401	Operating Expenses	S-10(a)	\$ 76,393
403	Depreciation Expense	S-6(a)	7,420
	Less: Amortization of CIAC	S-8(a)	6,015
Net Depreciation Expense			\$ 1,405
406	Amortization of Utility Plant Acquisition Adjustment	F-7	(1,715)
407	Amortization Expense (Other than CIAC)	F-8	62
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		3,673
408.11	Property Taxes		8,250
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 11,923
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			\$ 88,067
Utility Operating Income			\$ (6,444)
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		
Total Utility Operating Income			\$ (6,444)

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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	\$ 2,034	\$ _____	\$ _____	\$ 2,034
352	Franchises	298	_____	_____	298
353	Land and Land Rights	2,200	_____	_____	2,200
354	Structures and Improvements	4,580	_____	_____	4,580
355	Power Generation Equipment	17,947	_____	_____	17,947
360	Collection Sewers - Force	0	_____	_____	0
361	Collection Sewers - Gravity	168,388	_____	_____	168,388
362	Special Collecting Structures	0	_____	_____	0
363	Services to Customers	26,876	_____	_____	26,876
364	Flow Measuring Devices	7,695	_____	_____	7,695
365	Flow Measuring Installations	0	_____	_____	0
366	Reuse Services	0	_____	_____	0
367	Reuse Meters and Meter Installations	0	_____	_____	0
370	Receiving Wells	11,836	_____	_____	11,836
371	Pumping Equipment	29,607	4,825	3,619	30,813
374	Reuse Distribution Reservoirs	0	_____	_____	0
375	Reuse Transmission and Distribution System	0	_____	_____	0
380	Treatment and Disposal Equipment	115,811	_____	_____	115,811
381	Plant Sewers	0	_____	_____	0
382	Outfall Sewer Lines	934	_____	_____	934
389	Other Plant Miscellaneous Equipment	2,126	_____	_____	2,126
390	Office Furniture and Equipment	0	_____	_____	0
391	Transportation Equipment	0	_____	_____	0
392	Stores Equipment	0	_____	_____	0
393	Tools, Shop and Garage Equipment	984	_____	_____	984
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 Wastewater Plant		\$ 391,316	\$ 4,825	\$ 3,619	\$ 392,522

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

S-4(a)

GROUP \_\_\_\_\_



UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT  
December 31, 2016

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	\$ 2,034	\$	\$	\$	\$	\$	\$
352	Franchises	298						
353	Land and Land Rights		2,200					
354	Structures and Improvements		4,580					
355	Power Generation Equipment		17,947					
360	Collection Sewers - Force							
361	Collection Sewers - Gravity		168,388					
362	Special Collecting Structures							
363	Services to Customers		26,876					
364	Flow Measuring Devices		7,695					
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			11,836				
371	Pumping Equipment			30,813				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				115,811			
381	Plant Sewers							
382	Outfall Sewer Lines				934			
389	Other Plant Miscellaneous Equipment				2,126			
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							984
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
Total Wastewater Plant		\$ 2,332	\$ 227,686	\$ 42,649	\$ 118,871	\$ 0	\$ 0	\$ 984

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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	32		3.13%
355	Power Generation Equipment	20		5.00%
360	Collection Sewers - Force			
361	Collection Sewers - Gravity	45		2.22%
362	Special Collecting Structures			
363	Services to Customers	38		2.63%
364	Flow Measuring Devices	5		20.00%
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells	30		3.33%
371	Pumping Equipment	18		5.56%
374	Reuse Distribution Reservoirs			
375	Reuse Transmission/Distribution Sys.			
380	Treatment and Disposal Equipment	18		5.56%
381	Plant Sewers			
382	Outfall Sewer Lines	30		3.33%
389	Other Plant Miscellaneous Equipment	18		5.56%
390	Office Furniture and Equipment			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment	16		6.25%
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: HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2016

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	\$ 4,580	\$	\$	\$ 0
355	Power Generation Equipment	9,083	897		897
360	Collection Sewers - Force	0			0
361	Collection Sewers - Gravity	123,925	3,742		3,742
362	Special Collecting Structures	0			0
363	Services to Customers	11,821	707		707
364	Flow Measuring Devices	7,801			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	10,959	39		39
371	Pumping Equipment	21,366	1,701		1,701
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	113,701	122		122
381	Plant Sewers	0			0
382	Outfall Sewer Lines	44	31		31
389	Other Plant Miscellaneous Equipment	945	118		118
390	Office Furniture and Equipment	0			0
391	Transportation Equipment	0			0
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	491	61		61
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		\$ 304,715	\$ 7,420	\$ 0	\$ 7,420

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

UTILITY NAME:

HC Waterworks, Inc.**YEAR OF REPORT**

December 31, 2016

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	\$ _____	\$ _____	\$ _____	\$ _____ 0	\$ _____ 4,580
355	Power Generation Equipment	_____	_____	_____	_____ 0	_____ 9,980
360	Collection Sewers - Force	_____	_____	_____	_____ 0	_____ 0
361	Collection Sewers - Gravity	_____	_____	_____	_____ 0	_____ 127,667
362	Special Collecting Structures	_____	_____	_____	_____ 0	_____ 0
363	Services to Customers	_____	_____	_____	_____ 0	_____ 12,528
364	Flow Measuring Devices	_____	_____	_____	_____ 0	_____ 7,801
365	Flow Measuring Installations	_____	_____	_____	_____ 0	_____ 0
366	Reuse Services	_____	_____	_____	_____ 0	_____ 0
367	Reuse Meters and Meter Installations	_____	_____	_____	_____ 0	_____ 0
370	Receiving Wells	_____	_____	_____	_____ 0	_____ 10,998
371	Pumping Equipment	_____ 3,619	_____	_____	_____ 3,619	_____ 19,447
374	Reuse Distribution Reservoirs	_____	_____	_____	_____ 0	_____ 0
375	Reuse Transmission/Distribution Sys.	_____	_____	_____	_____ 0	_____ 0
380	Treatment and Disposal Equipment	_____	_____	_____	_____ 0	_____ 113,823
381	Plant Sewers	_____	_____	_____	_____ 0	_____ 0
382	Outfall Sewer Lines	_____	_____	_____	_____ 0	_____ 75
389	Other Plant Miscellaneous Equipment	_____	_____	_____	_____ 0	_____ 1,063
390	Office Furniture and Equipment	_____	_____	_____	_____ 0	_____ 0
391	Transportation Equipment	_____	_____	_____	_____ 0	_____ 0
392	Stores Equipment	_____	_____	_____	_____ 0	_____ 0
393	Tools, Shop and Garage Equipment	_____	_____	_____	_____ 0	_____ 552
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		\$ _____ 3,619	\$ _____ 0	\$ _____ 0	\$ _____ 3,619	\$ _____ 308,516

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

**YEAR OF REPORT**  
December 31, 2016

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ 306,310
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ 15,120
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	0
Total Credits		\$ 15,120
Less debits charged during the year (All debits charged during the year must be explained below)		\$
Total Contributions In Aid of Construction		\$ 321,430

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

[illegible]

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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)
Plant capacity charge	4	\$ 1,300	\$ 5,200
Service installation charge	4	2,000	8,000
Main Extension Charge	4	480	1,920
			0
			0
			0
			0
			0
Total Credits			\$ 15,120

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

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 253,393
Debits during the year:	
Accruals charged to Account 272	\$ 6,015
Other debits (specify) :	
Total debits	\$ 6,015
Credits during the year (specify) :	
	\$
Total credits	\$ 0
Balance end of year	\$ 259,408

S-8(a)

GROUP \_\_\_\_\_

**HC Waterworks, Inc.**

December 31, 2016

**Table 1** Demographic characteristics of study population

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)
		\$ _____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
		_____
Total Credits		\$ _____ 0

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

SYSTEM NAME / COUNTY :

## WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
	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	300	304	81,623
522.2	Commercial Revenues			
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	300	304	\$ 81,623
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	300	304	\$ 81,623
OTHER WASTEWATER REVENUES				
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:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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>81,623</u>

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

S-9(b)

GROUP \_\_\_\_\_

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT  
December 31, 2016

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	2,960						
704	Employee Pensions and Benefits	0						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	6,268					6,268	
715	Purchased Power	3,343					3,343	
716	Fuel for Power Production	0						
718	Chemicals	5,026					5,026	
720	Materials and Supplies	0						
731	Contractual Services-Engineering	0						
732	Contractual Services - Accounting	(480)						
733	Contractual Services - Legal	654						
734	Contractual Services - Mgt. Fees	0						
735	Contractual Services - Testing	0						
736	Contractual Services - Other	59,516		11,696			19,555	8,534
741	Rental of Building/Real Property	0						
742	Rental of Equipment	0						
750	Transportation Expenses	0						
756	Insurance - Vehicle	0						
757	Insurance - General Liability	606						
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	(1,500)						
775	Miscellaneous Expenses	0						
Total Wastewater Utility Expenses		\$ 76,393	\$ 0	\$ 11,696	\$ 0	\$ 0	\$ 34,192	\$ 8,534

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT  
December 31, 2016

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	_____	2,960	_____	_____	_____	_____
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	_____	(480)	_____	_____	_____	_____
733	Contractual Services - Legal	_____	654	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	_____	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	5,483	14,248	_____	_____	_____	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	_____	_____	_____	_____	_____
757	Insurance - General Liability	_____	606	_____	_____	_____	_____
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	(1,500)	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	_____	_____	_____	_____	_____
Total Wastewater Utility Expenses		\$ 3,983	\$ 17,988	\$ 0	\$ 0	\$ 0	\$ 0

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

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	307	307
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0		0
2"	Displacement, Compound or Turbine	8.0		0
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5		0
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				<u>307</u>

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

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

Use one of the following methods:

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

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

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

For wastewater only utilities:

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

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

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

ERC Calculation:

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

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

### WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	50,000		
Basis of Permit Capacity (1)	AADF		
Manufacturer	Defiance		
Type (2)	Ext. Aeration		
Hydraulic Capacity	.050 MGD		
Average Daily Flow	20,268		
Total Gallons of Wastewater Treated	7,398,000		
Method of Effluent Disposal	Percolation Ponds		

(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:

HC Waterworks, Inc.

**YEAR OF REPORT**

December 31, 2016

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 307
2. Maximum number of ERCs\* which can be served 307
3. Present system connection capacity (in ERCs\*) using existing lines 307
4. Future connection capacity (in ERCs\*) upon service area buildout 307
5. Estimated annual increase in ERCs\* 5 - 6
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system  
Addition of Splitter box
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? No  
 If so, when? N/A
9. Has the utility been required by the DEP or water management district to implement reuse? No  
 If so, what are the utility's plans to comply with this requirement? N/A
10. When did the company last file a capacity analysis report with the DEP? Apr-13
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? N/A
  - c. When will construction begin? N/A
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? No
12. Department of Environmental Protection ID # FLA014388

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

S-13

GROUP \_\_\_\_\_

SYSTEM \_\_\_\_\_

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

**Company: HC WATERWORKS, INC.**  
**For the Year Ended December 31, 2016**

(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)	530,313	530,313	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)	15,079	15,079	0
<b>Total Water Operating Revenue</b>	<b>545,393</b>	<b>545,393</b>	<b>0</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Water Operating Revenues</b>	<b>\$545,393</b>	<b>\$545,393</b>	<b>\$0</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: HC WATERWORKS, INC.**  
**For the Year Ended December 31, 2016**

(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)	81,623	81,623	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>	81,623	81,623	0
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Wastewater Operating Revenues</b>	\$81,623	\$81,623	\$0

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).