

CLASS "A" OR "B"

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

ANNUAL REPORT

OF
WU956-16-AR
SU957-16-AR

Harbor Waterworks, Inc.

Exact Legal Name of Respondent

OFFICIAL COPY
Public Service Commission
Do Not Remove From This Office

522-W & 565-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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT
December 31, 2016

CERTIFICATION OF ANNUAL REPORT

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

YES NO

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.

YES NO

4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the 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



(Signature of Chief Executive Officer of the utility) *

1.	2.	3.	4.

(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

Harbor Waterworks, Inc.
(Exact Name of Utility)

County: Lake

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

4939 Cross Bayou Blvc.
New Port Richey, Fl 34652

Telephone: 727-848-8292

E Mail Address: trendell@uswatercorp.net

WEB Site: www.mywaterservice.com

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

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

Troy Rendell
Manager of Regulated Utilities

Telephone: 727-848-8292

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

4939 Cross Bayou Blvd.
New Port Richey, Fl 34652

Telephone: 727-848-8292

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

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

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

Individual Partnership Sub S Corporation 1120 Corporation

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

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT
December 31, 2016

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

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

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

UTILITY NAME: Harbor Waterworks, Inc.

COMPANY PROFILE

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

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

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

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

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

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

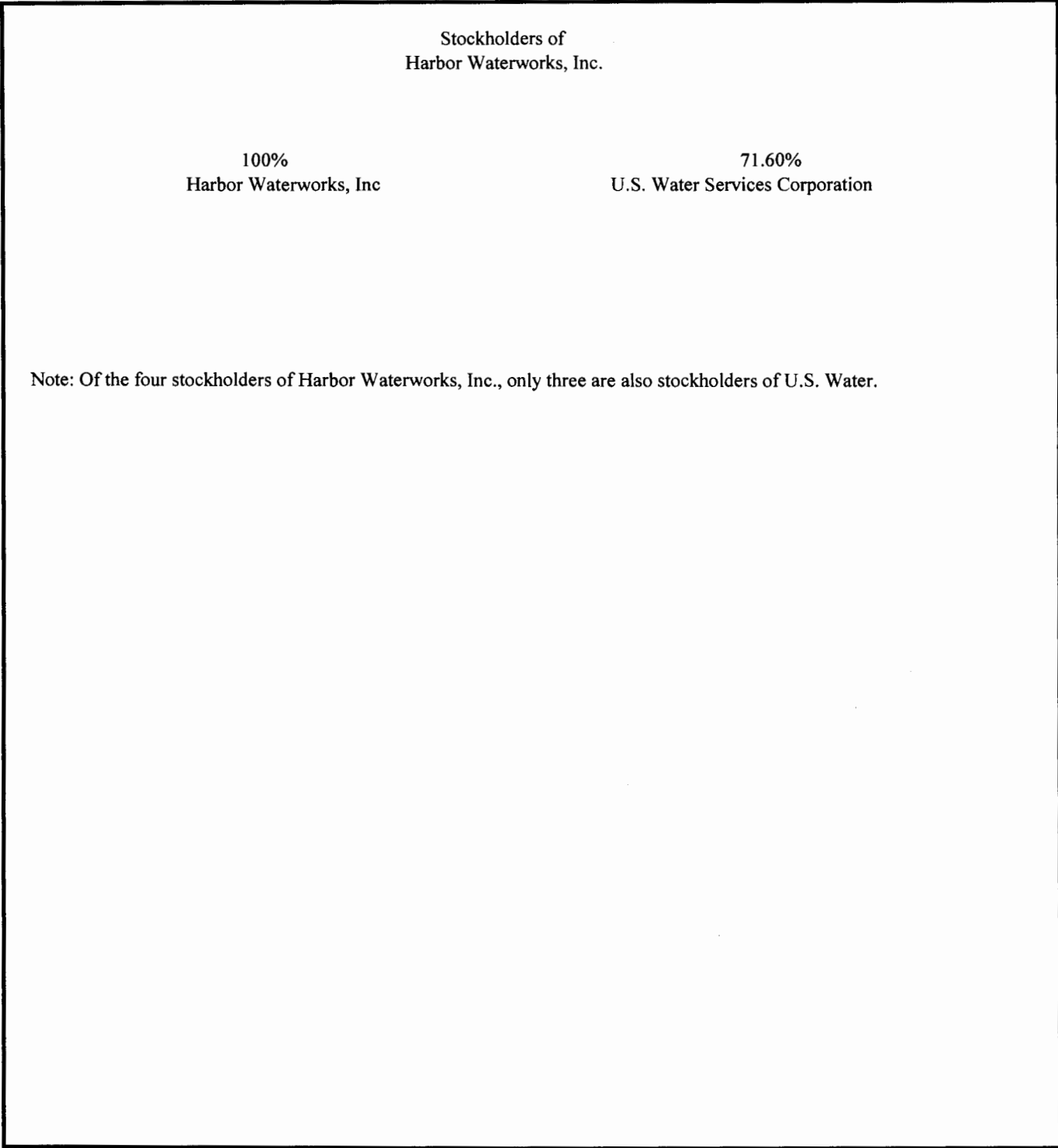
UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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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).



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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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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	7%	\$ 30,375
Cecil Delcher	V. President	2%	0
Vickie Penick	Secretary	2%	0

COMPENSATION OF DIRECTORS

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

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

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

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

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

AFFILIATION OF OFFICERS AND DIRECTORS

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

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

UTILITY NAME: Harbor 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.

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

UTILITY NAME: Harbor Waterworks, Inc.

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:

<ul style="list-style-type: none"> -management, legal and accounting services -computer services -engineering & construction services -repairing and servicing of equipment 	<ul style="list-style-type: none"> -material and supplies furnished -leasing of structures, land, and equipment -rental transactions -sale, purchase or transfer of various products
---	--

NAME OF COMPANY OR RELATED PARTY <small>(a)</small>	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT <small>(b)</small>	CONTRACT OR AGREEMENT EFFECTIVE DATES <small>(c)</small>	ANNUAL CHARGES	
			(P)urchased (S)old <small>(d)</small>	AMOUNT <small>(e)</small>
				\$ _____
U.S. Water Services Corporation	Contracted Services	Monthly	P	155,105

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

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

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

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

FINANCIAL

SECTION

UTILITY NAME: Harbor Waterworks, Inc.

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 1,934,131	\$ 1,961,666
108-110	Less: Accumulated Depreciation and Amortization	F-8	879,636	888,497
Net Plant			\$ 1,054,495	\$ 1,073,169
114-115	Utility Plant Acquisition adjustment (Net)	F-7	0	0
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 1,054,495	\$ 1,073,169
OTHER PROPERTY AND INVESTMENTS				
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
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 135,719	\$ 267,791
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	43,181	71,166
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		8,891	8,861
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			\$ 187,791	\$ 347,818

* Not Applicable for Class B Utilities

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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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	0	0
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 0	\$ 0
TOTAL ASSETS AND OTHER DEBITS			\$ 1,242,286	\$ 1,420,987

* Not Applicable for Class B Utilities

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT
December 31, 2016

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
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		357,383	357,383
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	163,366	328,550
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 520,848	\$ 686,033
LONG TERM DEBT				
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	173,489	161,419
Total Long Term Debt			\$ 173,489	\$ 161,419
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		5,451	5,255
232	Notes Payable	F-18	68,250	68,250
233	Accounts Payable to Associated Companies	F-18	0	0
234	Notes Payable to Associated Companies	F-18	0	0
235	Customer Deposits		4,971	5,686
236	Accrued Taxes	W/S-3	0	0
237	Accrued Interest	F-19	0	0
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	80,944	112,762
Total Current & Accrued Liabilities			\$ 159,615	\$ 191,954

* Not Applicable for Class B Utilities

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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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)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ 0	\$ 0
252	Advances For Construction	F-20	_____	0
253	Other Deferred Credits	F-21	_____	0
255	Accumulated Deferred Investment Tax Credits		_____	_____
Total Deferred Credits			\$ <u>0</u>	\$ <u>0</u>
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ <u>0</u>	\$ <u>0</u>
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 817,076	\$ 829,861
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	428,744	(448,281)
Total Net CIAC			\$ <u>388,332</u>	\$ <u>381,580</u>
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		_____	_____
Total Accumulated Deferred Income Tax			\$ <u>0</u>	\$ <u>0</u>
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>1,242,285</u>	\$ <u>1,420,986</u>

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT
December 31, 2016

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 395,440	\$ 490,781
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	12,901	7,292
Net Operating Revenues			\$ 382,539	\$ 483,489
401	Operating Expenses	F-3(b)	\$ 254,724	\$ 251,235
403	Depreciation Expense:	F-3(b)	\$ 47,134	\$ 48,893
	Less: Amortization of CIAC	F-22	19,537	19,537
Net Depreciation Expense			\$ 27,597	\$ 29,356
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	0	0
407	Amortization Expense (Other than CIAC)	F-3(b)	212	212
408	Taxes Other Than Income	W/S-3	32,133	37,062
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			\$ 314,666	\$ 317,865
Net Utility Operating Income			\$ 67,873	\$ 165,624
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	12,901	7,292
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)]			\$ 80,774	\$ 172,916

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

YEAR OF REPORT

UTILITY NAME: Harbor Waterworks, Inc.

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>446,117</u> 7,292	\$ <u>44,664</u> 0	\$ _____
\$ <u>438,825</u>	\$ <u>44,664</u>	\$ <u>0</u>
\$ 216,580	\$ 34,655	\$ _____
<u>44,596</u> 19,537	<u>4,297</u> 0	_____
\$ <u>25,059</u>	\$ <u>4,297</u>	\$ <u>0</u>
<u>0</u> 206 <u>34,998</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> 6 <u>2,064</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____ _____ _____ _____ _____ _____
\$ <u>276,843</u>	\$ <u>41,022</u>	\$ <u>0</u>
\$ <u>161,982</u>	\$ <u>3,643</u>	\$ <u>0</u>
<u>7,292</u> <u>0</u> <u>0</u> <u>0</u>	<u>0</u> <u>0</u> <u>0</u> <u>0</u>	_____ _____ _____ _____
\$ <u><u>169,274</u></u>	\$ <u><u>3,643</u></u>	\$ <u><u>0</u></u>

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

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)]			\$ 80,774	\$ 172,916
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		_____	_____
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 0	\$ 0
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$ _____	\$ _____
409.2	Income Taxes		_____	_____
410.2	Provision for Deferred Income Taxes		_____	_____
411.2	Provision for Deferred Income Taxes - Credit		_____	_____
412.2	Investment Tax Credits - Net		_____	_____
412.3	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 8,119	\$ 7,733
428	Amortization of Debt Discount & Expense	F-13	0	0
429	Amortization of Premium on Debt	F-13	0	0
Total Interest Expense			\$ 8,119	\$ 7,733
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			<u>\$ 72,655</u>	<u>\$ 165,183</u>

Explain Extraordinary Income:

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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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	\$ 1,899,818	\$ 61,848
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	<u>878,506</u>	<u>9,233</u>
110	Accumulated Amortization	F-8	<u>743</u>	<u>16</u>
271	Contributions in Aid of Construction	F-22	<u>829,861</u>	<u>0</u>
252	Advances for Construction	F-20		
Subtotal			\$ <u>190,709</u>	\$ <u>52,599</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	448,281	0
Subtotal			\$ <u>638,990</u>	\$ <u>52,599</u>
114	Plus or Minus: Acquisition Adjustments (2)	F-7	<u>0</u>	<u>0</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>0</u>	<u>0</u>
	Working Capital Allowance (3)		<u>27,072</u>	<u>4,332</u>
	Other (Specify): _____ _____ _____			
RATE BASE			\$ <u>666,062</u>	\$ <u>56,931</u>
NET UTILITY OPERATING INCOME			\$ <u>161,982</u>	\$ <u>3,643</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>24.32%</u>	<u>6.40%</u>

NOTES :

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

**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	\$ 686,094	80.41%	9.13%	7.34%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	161,419	18.92%	4.25%	0.80%
Customer Deposits	5,686	0.67%	2.00%	0.01%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	0	0.00%		0.00%
Other (Explain)	0	0.00%		0.00%
	0	0.00%		0.00%
Total	\$ 853,199	100.00%		8.16%

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	_____
Commission order approving Return on Equity:	_____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

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

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT

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

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	\$ 686,094	\$	\$	\$	\$	\$ 686,094
Preferred Stock						0
Long Term Debt	161,419					161,419
Customer Deposits	5,686					5,686
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes						0
Other (Explain)						0
						0
Total	\$ 853,199	\$ 0	\$ 0	\$ 0	\$ 0	\$ 853,199

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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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	\$ 1,899,818	\$ 61,848	\$	\$ 1,961,666
102	Utility Plant Leased to Other				0
103	Property Held for Future Use				0
104	Utility Plant Purchased or Sold				0
105	Construction Work in Progress				0
106	Completed Construction Not Classified				0
	Total Utility Plant	\$ 1,899,818	\$ 61,848	\$ 0	\$ 1,961,666

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

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

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

UTILITY NAME: Harbor Waterworks, Inc.

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 873,682	\$ 5,408	\$	\$ 879,090
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 44,596	\$ 4,297	\$	\$ 48,893
Account 108.2 (2)	_____	_____	_____	0
Account 108.3 (2)	_____	_____	_____	0
Other Accounts (specify):	_____	_____	_____	0
Account 301 Organization	_____	_____	_____	0
_____	_____	_____	_____	0
Salvage	_____	_____	_____	0
Other Credits (Specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total Credits	\$ 44,596	\$ 4,297	\$ 0	\$ 48,893
Debits during year:				
Book cost of plant retired	39,773	471	_____	40,244
Cost of Removal	_____	_____	_____	0
Other Debits (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total Debits	\$ 39,773	\$ 471	\$ 0	\$ 40,244
Balance end of year	\$ <u>878,506</u>	\$ <u>9,233</u>	\$ <u>0</u>	\$ <u>887,739</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 536	\$ 10	\$	\$ 546
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$ 206	\$ 6	\$	\$ 212
Other Accounts (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total credits	\$ 206	\$ 6	\$ 0	\$ 212
Debits during year:				
Book cost of plant retired	_____	_____	_____	0
Other debits (specify):	_____	_____	_____	0
_____	_____	_____	_____	0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>743</u>	\$ <u>16</u>	\$ <u>0</u>	\$ <u>758</u>

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

UTILITY NAME: Harbor Waterworks, Inc.

REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)

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

NONUTILITY PROPERTY (ACCOUNT 121)

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

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

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

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

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

UTILITY NAME: Harbor Waterworks, Inc.

INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127

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

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

UTILITY NAME: Harbor Waterworks, Inc.

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	\$ 53,489	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 53,489
OTHER ACCOUNTS RECEIVABLE (Account 142):		
	\$ 17,857	
Total Other Accounts Receivable		\$ 17,857
NOTES RECEIVABLE (Account 144):		
	\$	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 71,346
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ 0	
Add: Provision for uncollectibles for current year	\$ 180	
Collection of accounts previously written off		
Utility Accounts		
Others		
Total Additions	\$ 180	
Deduct accounts written off during year:		
Utility Accounts		
Others		
Total accounts written off	\$ 0	
Balance end of year		\$ 180
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 71,166

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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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: Harbor Waterworks, Inc.

YEAR OF REPORT

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

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

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

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

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

UTILITY NAME: Harbor Waterworks, Inc.

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1) _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
Total Deferred Rate Case Expense	\$ <u>0</u>	\$ <u>0</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>0</u>

UTILITY NAME: Harbor Waterworks, Inc.

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

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

* 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)	
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 0

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

UTILITY NAME: Harbor 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	\$ 263,367
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	\$ 165,183
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____ Disbursement to Shareholders _____	_____
	Total Dividends Declared	\$ 100,000
215	Year end Balance	\$ 328,550
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ <u>328,550</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
TD BANK - UTILITY PURCHASE	4.25 %	Variable (Prime + 1%)	\$ 161,419
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
Total			\$ <u>161,419</u>

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

UTILITY NAME: Harbor 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): Notes to Shareholders	%		\$ 68,250
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ 68,250
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: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt TD BANK	\$ _____		\$ 7,677	\$ 7,677	\$ _____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
Total Account 237.1	\$ <u>0</u>		\$ <u>7,677</u>	\$ <u>7,677</u>	\$ <u>0</u>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Customer Deposits	\$ _____	427	\$ 55	\$ 55	\$ _____
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
Total Account 237.2	\$ <u>0</u>		\$ <u>55</u>	\$ <u>55</u>	\$ <u>0</u>
Total Account 237 (1)	\$ <u>0</u>		\$ <u>7,733</u>	\$ <u>7,733</u>	\$ <u>0</u>
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 7,733		
Less Capitalized Interest Portion of AFUDC:			_____		
_____			_____		
_____			_____		
Net Interest Expensed to Account No. 427 (2)			\$ <u>7,733</u>		

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
--

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
241.2 · Accounting Fees	\$ _____
241.5 · Regulatory Assessment Fees	13,307
241.6 · Accrued Salaries	95,455
241.7 · Accrued Sludge Removal Expense	4,000
Total Miscellaneous Current and Accrued Liabilities	\$ <u>112,762</u>

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

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

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
--

**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: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
--

**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	\$ <u>817,076</u>	\$ <u>0</u>	\$ _____	\$ <u>817,076</u>
Add credits during year:	\$ <u>12,785</u>	\$ <u>0</u>	\$ _____	\$ <u>12,785</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>829,861</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>829,861</u></u>

**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	\$ <u>428,744</u>	\$ <u>0</u>	\$ _____	\$ <u>428,744</u>
Debits during the year:	\$ <u>19,537</u>	\$ <u>0</u>	\$ _____	\$ <u>19,537</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>448,281</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>448,281</u></u>

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
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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)	\$ <u>165,183</u>
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		\$ <u><u>165,183</u></u>

Computation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
--

WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.
 The water financial schedules (W-2 through W-10) should be filed for the group in total.
 The water engineering schedules (W-11 through W-14) must be filed for each system in the group.
 All of the following water pages (W-2 through W-14) should be completed for each group and arranged by group number.

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT

December 31, 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)	\$ 1,899,818
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	878,450
110	Accumulated Amortization	F-8	743
271	Contributions in Aid of Construction	W-7	829,861
252	Advances for Construction	F-20	
Subtotal			\$ 190,765
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 448,342
Subtotal			\$ 639,107
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		27,072
	Other (Specify):		
WATER RATE BASE			\$ 666,180
WATER OPERATING INCOME		W-3	\$ 162,043
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>24.32%</u>

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME:

Harbor Waterworks, Inc.

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	\$ 446,117
469	Less: Guaranteed Revenue and AFPI	W-9	7,292
	Net Operating Revenues		\$ 438,825
401	Operating Expenses	W-10(a)	\$ 216,580
403	Depreciation Expense	W-6(a)	44,596
	Less: Amortization of CIAC	W-8(a)	19,599
	Net Depreciation Expense		\$ 24,998
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	206
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		20,176
408.11	Property Taxes		14,822
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 34,998
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		\$ 276,782
	Utility Operating Income		\$ 162,043
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 7,292
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		\$ 169,335

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 8,244	\$		\$ 8,244
302	Franchises	0			0
303	Land and Land Rights	12,500			12,500
304	Structures and Improvements	6,771	3,228		9,999
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	170,349			170,349
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	4,565			4,565
310	Power Generation Equipment	4,805			4,805
311	Pumping Equipment	202,174			202,174
320	Water Treatment Equipment	39,569	15,621	9,242	45,948
330	Distribution Reservoirs and Standpipes	187,776	1,023		188,799
331	Transmission and Distribution Mains	834,050			834,050
333	Services	188,013	4,403	2,531	189,885
334	Meters and Meter Installations	38,388	37,333	27,999	47,721
335	Hydrants	140,229			140,229
336	Backflow Prevention Devices	26,703			26,703
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	13,847			13,847
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	0			0
344	Laboratory Equipment	0			0
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	0			0
TOTAL WATER PLANT		\$ 1,877,983	\$ 61,608	\$ 39,773	\$ 1,899,818

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

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT
December 31, 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	\$ 8,244	\$ 8,244				
302	Franchises	0					
303	Land and Land Rights	12,500		12,500			
304	Structures and Improvements	9,999		9,999			
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	170,349		170,349			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	4,565		4,565			
310	Power Generation Equipment	4,805		4,805			
311	Pumping Equipment	202,174		202,174			
320	Water Treatment Equipment	45,948			45,948		
330	Distribution Reservoirs and Standpipes	188,799				188,799	
331	Transmission and Distribution Mains	834,050				834,050	
333	Services	189,885				189,885	
334	Meters and Meter Installations	47,721				47,721	
335	Hydrants	140,229				140,229	
336	Backflow Prevention Devices	26,703				26,703	
339	Other Plant Miscellaneous Equipment	0					
340	Office Furniture and Equipment	0					
341	Transportation Equipment	13,847					13,847
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	0					
344	Laboratory Equipment	0					
345	Power Operated Equipment	0					
346	Communication Equipment	0					
347	Miscellaneous Equipment	0					
348	Other Tangible Plant	0					
TOTAL WATER PLANT		\$ 1,899,818	\$ 8,244	\$ 404,392	\$ 45,948	\$ 1,427,387	\$ 13,847

UTILITY NAME:

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

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

UTILITY NAME:

Harbor Waterworks, Inc.

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	\$ 2,199	\$ 283	\$	\$ 283
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	113,882	5,678		5,678
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	3,283	130		130
310	Power Generation Equipment	203	240		240
311	Pumping Equipment	202,174	0		0
320	Water Treatment Equipment	29,475	1,895		1,895
330	Distribution Reservoirs and Standpipes	(10,240)	5,095		5,095
331	Transmission and Distribution Mains	369,803	19,397		19,397
333	Services	61,590	4,713		4,713
334	Meters and Meter Installations	24,924	2,269		2,269
335	Hydrants	51,707	3,116		3,116
336	Backflow Prevention Devices	10,834	1,780		1,780
339	Other Plant Miscellaneous Equipment	0			0
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	13,847			0
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	0			0
344	Laboratory Equipment	0			0
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	0			0
348	Other Tangible Plant	0			0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 873,682	44,596	0	44,596

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

W-6(a)
GROUP _____

UTILITY NAME:

Harbor 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	\$ 2,482
305	Collecting and Impounding Reservoirs	_____	_____	_____	0	0
306	Lake, River and Other Intakes	_____	_____	_____	0	0
307	Wells and Springs	_____	_____	_____	0	119,561
308	Infiltration Galleries and Tunnels	_____	_____	_____	0	0
309	Supply Mains	_____	_____	_____	0	3,413
310	Power Generation Equipment	_____	_____	_____	0	444
311	Pumping Equipment	_____	_____	_____	0	202,174
320	Water Treatment Equipment	9,242	_____	_____	9,242	22,128
330	Distribution Reservoirs and Standpipes	_____	_____	_____	0	(5,145)
331	Transmission and Distribution Mains	_____	_____	_____	0	389,200
333	Services	2,531	_____	_____	2,531	63,771
334	Meters and Meter Installations	28,056	_____	_____	28,056	(863)
335	Hydrants	_____	_____	_____	0	54,823
336	Backflow Prevention Devices	_____	_____	_____	0	12,615
339	Other Plant Miscellaneous Equipment	_____	_____	_____	0	0
340	Office Furniture and Equipment	_____	_____	_____	0	0
341	Transportation Equipment	_____	_____	_____	0	13,847
342	Stores Equipment	_____	_____	_____	0	0
343	Tools, Shop and Garage Equipment	_____	_____	_____	0	0
344	Laboratory Equipment	_____	_____	_____	0	0
345	Power Operated Equipment	_____	_____	_____	0	0
346	Communication Equipment	_____	_____	_____	0	0
347	Miscellaneous Equipment	_____	_____	_____	0	0
348	Other Tangible Plant	_____	_____	_____	0	0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ <u>39,829</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>39,829</u>	\$ <u>878,450</u>

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

SYSTEM NAME / COUNTY :

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>817,076</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>12,785</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
Total Credits		\$ <u>12,785</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>829,861</u>

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

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

UTILITY NAME:

Harbor 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	25	\$ 85	\$ 2,125
Plant Capacity charge	13	263	3,419
Service Installation	13	100	1,300
Main Extension	13	457	5,941
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
Total Credits			\$ <u>12,785</u>

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 428,744
Debits during the year:	
Accruals charged to Account 272	\$ 19,599
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 19,599
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>448,342</u>

UTILITY NAME: Harbor Waterworks, Inc.

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	626	682	377,502
461.2	Sales to Commercial Customers	12	10	4,742
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	1	1	112
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		639	693	\$ 382,357
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue		0	0	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers	82	102	52,343
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		721	795	\$ 434,699
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 7,292
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			4,126
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 11,418
Total Water Operating Revenues				\$ 446,117

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

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 0	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	26,600		
604	Employee Pensions and Benefits	0		
610	Purchased Water	0		
615	Purchased Power	47,051	47,051	
616	Fuel for Power Production	0		
618	Chemicals	5,084	5,084	
620	Materials and Supplies	0		
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	(1,591)		
633	Contractual Services - Legal	264		
634	Contractual Services - Mgt. Fees	0		
635	Contractual Services - Testing	0		
636	Contractual Services - Other	132,931	2,839	2,839
641	Rental of Building/Real Property	0		
642	Rental of Equipment	0		
650	Transportation Expenses	0		
656	Insurance - Vehicle	0		
657	Insurance - General Liability	1,203		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	2,000		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	281		
675	Miscellaneous Expenses	2,758		
Total Water Utility Expenses		\$ 216,580	\$ 54,974	\$ 2,839

UTILITY NAME:

Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY :

WATER UTILITY EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	26,600
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	(1,591)
_____	_____	_____	_____	_____	264
_____	_____	_____	_____	_____	_____
36,527	_____	30,186	1,875	23,058	35,608
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	1,203
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	2,000
_____	_____	_____	_____	281	_____
_____	1,485	222	_____	_____	1,051
\$ <u>36,527</u>	\$ <u>1,485</u>	\$ <u>30,408</u>	\$ <u>1,875</u>	\$ <u>23,338</u>	\$ <u>65,134</u>

UTILITY NAME:

Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	0	16,791	842	15,949	13,897
February	0	16,757	840	15,917	13,394
March	0	24,825	1,244	23,581	12,287
April	0	29,099	1,457	27,642	33,197
May	0	31,660	1,586	30,075	27,959
June	0	27,848	558	27,290	24,288
July	0	28,677	577	28,100	26,678
August	0	29,529	594	28,935	29,310
September	0	23,390	471	22,919	18,127
October	0	24,752	498	24,254	19,411
November	0	28,045	564	27,481	22,177
December	0	26,570	531	26,039	31,064
Total for Year	0	307,943	9,761	298,182	271,789

If water is purchased for resale, indicate the following:

Vendor _____

Point of delivery _____

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

SOURCE OF SUPPLY

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

W-11

GROUP _____

SYSTEM _____

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

SYSTEM NAME / COUNTY : _____

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

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

W-12

GROUP _____

SYSTEM _____

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
--

SYSTEM NAME / COUNTY : _____

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	762	762
3/4"	Displacement	1.5	8	12
1"	Displacement	2.5	11	28
1 1/2"	Displacement or Turbine	5.0	6	30
2"	Displacement, Compound or Turbine	8.0	7	56
3"	Displacement	15.0	2	30
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				<u>918</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

ERC Calculation:

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

OTHER WATER SYSTEM INFORMATION

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

1. Present ERCs * the system can efficiently serve. 796

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

3. Present system connection capacity (in ERCs *) using existing lines. 796

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

5. Estimated annual increase in ERCs *. 15

6. Is the utility required to have fire flow capacity? YES
 If so, how much capacity is required? 500GPM,RES

7. Attach a description of the fire fighting facilities.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:
None at this time.

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

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

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

b. Have these plans been approved by DEP? _____

c. When will construction begin? _____

d. Attach plans for funding the required upgrading.

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

11. Department of Environmental Protection ID # 3354781

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

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

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

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

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

WASTEWATER 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 wastewater financial schedules (S-2 through S-10) should be filed for the group in total.

The wastewater engineering schedules (S-11 through S-13) must be filed for each system in the group.

All of the following wastewater pages (S-2 through S-13) should be completed for each group and arranged by group number.

<u>SYSTEM NAME / COUNTY</u>	<u>CERTIFICATE NUMBER</u>	<u>GROUP NUMBER</u>
Harbor Waterworks/Lake County	565-S	

UTILITY NAME:

Harbor 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)	\$ 61,848
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	9,233
110	Accumulated Amortization	F-8	16
271	Contributions in Aid of Construction	S-7	0
252	Advances for Construction	F-20	
Subtotal			\$ 52,599
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 0
Subtotal			\$ 52,599
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		4,332
	Other (Specify):		
WASTEWATER RATE BASE			\$ 56,931
WASTEWATER OPERATING INCOME		S-3	\$ 3,643
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			6.40%

NOTES : (1) Estimate based on the methodology used in the last rate proceeding.

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 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)	\$ 44,664
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 44,664
401	Operating Expenses	S-10(a)	\$ 34,655
403	Depreciation Expense	S-6(a)	4,297
	Less: Amortization of CIAC	S-8(a)	0
Net Depreciation Expense			\$ 4,297
406	Amortization of Utility Plant Acquisition Adjustment	F-7	_____
407	Amortization Expense (Other than CIAC)	F-8	6
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		2,010
408.11	Property Taxes		54
408.12	Payroll Taxes		_____
408.13	Other Taxes and Licenses		_____
408	Total Taxes Other Than Income		\$ 2,064
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			\$ 41,022
Utility Operating Income			\$ 3,643
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			\$ 3,643

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 234	\$	\$	\$ 234
352	Franchises	0			0
353	Land and Land Rights	0			0
354	Structures and Improvements	2,475			2,475
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	30,615			30,615
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	0			0
364	Flow Measuring Devices	0			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	0			0
371	Pumping Equipment	7,430	6,171	471	13,130
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission and Distribution System	0			0
380	Treatment and Disposal Equipment	15,394			15,394
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	0			0
390	Office Furniture and Equipment	0			0
391	Transportation Equipment	0			0
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	0			0
394	Laboratory Equipment	0			0
395	Power Operated Equipment	0			0
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Wastewater Plant		\$ 56,148	\$ 6,171	\$ 471	\$ 61,848

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

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
351	Organization	\$ 234						
352	Franchises							
353	Land and Land Rights							
354	Structures and Improvements				2,475			
355	Power Generation Equipment							
360	Collection Sewers - Force		30,615					
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment			13,130				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				15,394			
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment							
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
Total Wastewater Plant		\$ 234	\$ 30,615	\$ 13,130	\$ 17,869	\$ 0	\$ 0	\$

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 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	27		3.70%
355	Power Generation Equipment			
360	Collection Sewers - Force	27		3.70%
361	Collection Sewers - Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells			
371	Pumping Equipment	15		6.67%
374	Reuse Distribution Reservoirs			
375	Reuse Transmission/Distribution Sys.			
380	Treatment and Disposal Equipment	15		6.67%
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment			
390	Office Furniture and Equipment			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			
394	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *				

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

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT

December 31, 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	\$ (1,294)	\$ 1,371	\$	\$ 1,371
355	Power Generation Equipment	0			0
360	Collection Sewers - Force	3,847	1,134		1,134
361	Collection Sewers - Gravity	0			0
362	Special Collecting Structures	0			0
363	Services to Customers	0			0
364	Flow Measuring Devices	0			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	0			0
371	Pumping Equipment	289	766		766
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	2,566	1,026		1,026
381	Plant Sewers	0			0
382	Outfall Sewer Lines	0			0
389	Other Plant Miscellaneous Equipment	0			0
390	Office Furniture and Equipment	0			0
391	Transportation Equipment	0			0
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	0			0
394	Laboratory Equipment	0			0
395	Power Operated Equipment	0			0
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 5,408	\$ 4,297	\$ 0	\$ 4,297

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

UTILITY NAME: Harbor 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	\$ 76
355	Power Generation Equipment	_____	_____	_____	0	0
360	Collection Sewers - Force	_____	_____	_____	0	4,981
361	Collection Sewers - Gravity	_____	_____	_____	0	0
362	Special Collecting Structures	_____	_____	_____	0	0
363	Services to Customers	_____	_____	_____	0	0
364	Flow Measuring Devices	_____	_____	_____	0	0
365	Flow Measuring Installations	_____	_____	_____	0	0
366	Reuse Services	_____	_____	_____	0	0
367	Reuse Meters and Meter Installations	_____	_____	_____	0	0
370	Receiving Wells	_____	_____	_____	0	0
371	Pumping Equipment	471	_____	_____	471	584
374	Reuse Distribution Reservoirs	_____	_____	_____	0	0
375	Reuse Transmission/Distribution Sys.	_____	_____	_____	0	0
380	Treatment and Disposal Equipment	_____	_____	_____	0	3,592
381	Plant Sewers	_____	_____	_____	0	0
382	Outfall Sewer Lines	_____	_____	_____	0	0
389	Other Plant Miscellaneous Equipment	_____	_____	_____	0	0
390	Office Furniture and Equipment	_____	_____	_____	0	0
391	Transportation Equipment	_____	_____	_____	0	0
392	Stores Equipment	_____	_____	_____	0	0
393	Tools, Shop and Garage Equipment	_____	_____	_____	0	0
394	Laboratory Equipment	_____	_____	_____	0	0
395	Power Operated Equipment	_____	_____	_____	0	0
396	Communication Equipment	_____	_____	_____	0	0
397	Miscellaneous Equipment	_____	_____	_____	0	0
398	Other Tangible Plant	_____	_____	_____	0	0
Total Depreciable Wastewater Plant in Service		\$ 471	\$ 0	\$ 0	\$ 471	\$ 9,233

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

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

SYSTEM NAME / COUNTY :

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

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

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

UTILITY NAME:

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

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

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

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT

December 31, 2016

SYSTEM NAME / COUNTY :

WASTEWATER CIAC SCHEDULE "B"

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

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

UTILITY NAME:

Harbor 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	52	59	35,328
522.2	Commercial Revenues	2	2	8,944
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities	1	1	392
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	55	62	\$ 44,664
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		<u>55</u>	<u>62</u>	\$ <u>44,664</u>
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: Harbor 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>44,664</u>

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

UTILITY NAME: Harbor Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1	.2	.3	.4	.5	.6
			COLLECTION EXPENSES- OPERATIONS (d)	COLLECTION EXPENSES- MAINTENANCE (e)	PUMPING EXPENSES - OPERATIONS (f)	PUMPING EXPENSES - MAINTENANCE (g)	TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 0	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders	3,775						
704	Employee Pensions and Benefits	0						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	2,145					2,145	
715	Purchased Power	6,137					6,137	
716	Fuel for Power Production	0						
718	Chemicals	204					204	
720	Materials and Supplies	0						
731	Contractual Services-Engineering	0						
732	Contractual Services - Accounting	(259)						
733	Contractual Services - Legal	264						
734	Contractual Services - Mgt. Fees	0						
735	Contractual Services - Testing	0						
736	Contractual Services - Other	22,174		3,209	755		8,381	4,996
741	Rental of Building/Real Property	0						
742	Rental of Equipment	0						
750	Transportation Expenses	0						
756	Insurance - Vehicle	0						
757	Insurance - General Liability	196						
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	19						
775	Miscellaneous Expenses	0						
Total Wastewater Utility Expenses		\$ 34,655	\$ 0	\$ 3,209	\$ 755	\$ 0	\$ 16,867	\$ 4,996

UTILITY NAME:

Harbor 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	_____	3,775	_____	_____	_____	_____
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	_____	(259)	_____	_____	_____	_____
733	Contractual Services - Legal	_____	264	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	_____	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	1,128	3,707	_____	_____	_____	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	_____	_____	_____	_____	_____
757	Insurance - General Liability	_____	196	_____	_____	_____	_____
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	19	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	0	_____	_____	_____	_____
Total Wastewater Utility Expenses		\$ <u>1,147</u>	\$ <u>7,682</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

UTILITY NAME: Harbor 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	60	60
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0		0
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5	1	18
4"	Displacement or Compound	25.0		0
4"	Turbine	30.0		0
6"	Displacement or Compound	50.0		0
6"	Turbine	62.5		0
8"	Compound	80.0		0
8"	Turbine	90.0		0
10"	Compound	115.0		0
10"	Turbine	145.0		0
12"	Turbine	215.0		0
Total Wastewater System Meter Equivalents				83

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

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

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

For wastewater only utilities:

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

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

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

ERC Calculation:

UTILITY NAME: Harbor Waterworks, Inc.

YEAR OF REPORT December 31, 2016
--

SYSTEM NAME / COUNTY : _____

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	40,000 gpd	_____	_____
Basis of Permit Capacity (1)	DEP	_____	_____
Manufacturer	Unknown	_____	_____
Type (2)	Ext. Aeration	_____	_____
Hydraulic Capacity	40,000 GPD	_____	_____
Average Daily Flow	14,604	_____	_____
Total Gallons of Wastewater Treated	5,330,300	_____	_____
Method of Effluent Disposal	Rapid Infiltration (2)	_____	_____

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

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME:

Harbor Waterworks, Inc.

YEAR OF REPORT
December 31, 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 _____ 83 _____
- 2. Maximum number of ERCs* which can be served _____ 143 _____
- 3. Present system connection capacity (in ERCs*) using existing lines _____ 83 _____
- 4. Future connection capacity (in ERCs*) upon service area buildout _____ 99 _____
- 5. Estimated annual increase in ERCs* _____ 0 _____
- 6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
N/A - none

- 7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. _____
- 8. If the utility does not engage in reuse, has a reuse feasibility study been completed? _____ N/A no reuse

If so, when? _____
- 9. Has the utility been required by the DEP or water management district to implement reuse? _____

If so, what are the utility's plans to comply with this requirement? _____

- 10. When did the company last file a capacity analysis report with the DEP? _____
- 11. If the present system does not meet the requirements of DEP rules:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules. _____
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading. _____
 - e. Is this system under any Consent Order with DEP? _____
- 12. Department of Environmental Protection ID # _____ FLA010608 _____

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

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

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

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ _____	\$ _____	\$ _____
Total Metered Sales (461.1 - 461.5)	434,699	434,699	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)	11,418	11,418	0
Total Water Operating Revenue	446,117	446,117	0
LESS: Expense for Purchased Water from FPSC-Regulated Utility	_____	_____	_____
Net Water Operating Revenues	\$446,117	\$446,117	\$0

Explanations:

Instructions:

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

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

**Company: HARBOR WATERWORKS, INC.
For the Year Ended December 31, 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)	44,664	44,664	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)	_____	_____	_____
Total Wastewater Operating Revenue	44,664	44,664	0
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	_____	_____	_____
Net Wastewater Operating Revenues	\$44,664	\$44,664	\$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).