

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of Less Than \$200,000 Each)

OFFICIAL COPY
Public Service Commission
Do Not Remove From This Office

ANNUAL REPORT

OF

Sunrise Utilities LLC (Sunrise Water LLC)

Exact Legal Name of Respondant

WU985-18-AR

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

FLORIDA PUBLIC SERVICE COMMISSION
2019 MAR 27 AM 10:51
ACCOUNTING & FINANCE

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2018

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA). Commission Rules and the definitions on next page.
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.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
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 in the report. Additional pages 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 statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.

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

11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Economic Regulation, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

TABLE OF CONTENTS

FINANCIAL SECTION	PAGE
Identification	F-2
Income Statement	F-3
Balance Sheet	F-4
Net Utility Plant	F-5
Accumulated Depreciation and Amortization of Utility Plant	F-5
Capital Stock	F-6
Retained Earnings	F-6
Proprietary Capital	F-6
Long Term Debt	F-6
Taxes Accrued	F-7
Payment for Services Rendered by Other Than Employees	F-7
Contributions in Aid of Construction	F-8
Cost of Capital Used for AFUDC Calculation	F-9
AFUDC Capital Structure Adjustments	F-10
WATER OPERATING SECTION	PAGE
Water Utility Plant Accounts	W-1
Analysis of Accumulated Depreciation by Primary Account - Water	W-2
Water Operation and Maintenance Expense	W-3
Water Customers	W-3
Pumping and Purchased Water Statistics and Mains	W-4
Wells and Well Pumps, Reservoirs, and High Service Pumping	W-5
Sources of Supply and Water Treatment Facilities	W-6
General Water System Information	W-7
WASTEWATER OPERATING SECTION	PAGE
Wastewater Utility Plant Accounts	S-1
Analysis of Accumulated Depreciation by Primary Account - Wastewater	S-2
Wastewater Operation and Maintenance Expense	S-3
Wastewater Customers	S-3
Pumping Equipment, Collecting and Force Mains and Manholes	S-4
Treatment Plant, Pumps and Pumping Wastewater Statistics	S-5
General Wastewater System Information	S-6
VERIFICATION SECTION	PAGE
Verification	V-1

FINANCIAL SECTION

REPORT OF

Sunrise Utilities LLC (Sunrise Water LLC)

5911 Trouble Creek Rd
 New Port Richey, FL 34652
 Mailing Address

2589 Sunrise Terrace
 Auburndale, FL 33823 Polk
 Street Address County

Telephone Number 727-937-6275

Date Utility First Organized _____

Fax Number n/a

E-mail Address accounting@fus1llc.com

Sunshine State One-Call of Florida, Inc. Member No. FU2272

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

Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and phone where records are located: 5911 Trouble Creek Rd
New Port Richey, FL 34652

Name of subdivisions where services are provided: Sun Acres

CONTACTS:

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>Michael Smallridge</u>	<u>Managing Member</u>	<u>5911 Trouble Creek Rd</u> <u>New Port Richey, FL 34652</u>	6,251
Person who prepared this report: <u>Marianne McDonald</u>	<u>CFO</u>	<u>5911 Trouble Creek Rd</u> <u>New Port Richey, FL 34652</u>	2,185
Officers and Managers: <u>Michael Smallridge</u>	<u>Managing Member</u>	<u>5911 Trouble Creek Rd</u> <u>New Port Richey, FL 34652</u>	\$ 6,251
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principal Business Address	Salary Charged Utility
<u>Michael Smallridge</u>	<u>100%</u>	<u>5911 Trouble Creek Rd</u> <u>New Port Richey, FL 34652</u>	\$ 6,251
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: Sunrise Utilities LLC (Sunrise Water LLC)

Revised 5/9/19

YEAR OF REPORT DECEMBER 31, 2018

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_-----		\$ 67,513	\$ _____	\$ _____	\$ 67,513
Commercial_-----		111	_____	_____	111
Industrial_-----		_____	_____	_____	_____
Multiple Family_-----		_____	_____	_____	_____
Guaranteed Revenues_		_____	_____	_____	_____
Other (Specify) Late Fees +		1,912	_____	_____	1,912
<u>Total Gross Revenue_--</u>		<u>\$ 69,535</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 69,535</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 80,417	\$ _____	\$ _____	\$ 80,417
Depreciation Expense_---	F-5	4,408	_____	_____	4,408
CIAC Amortization Expense_	F-8	_____	_____	_____	_____
Taxes Other Than Income_--	F-7	4,590	_____	_____	4,590
Income Taxes_-----	F-7	_____	_____	_____	_____
<u>Total Operating Expense</u>		<u>\$ 89,414</u>	<u>_____</u>	<u>_____</u>	<u>\$ 89,414</u>
Net Operating Income (Loss)		\$ (19,879)	\$ _____	\$ _____	\$ (19,879)
Other Income:					
Nonutility Income		\$ _____	\$ _____	\$ _____	\$ _____
Interest Income		2	_____	_____	2
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense		1,636	_____	_____	1,636
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
<u>Net Income (Loss)</u>		<u>\$ (21,513)</u>	<u>\$ _____</u> #	<u>\$ _____</u>	<u>\$ (21,513)</u>

UTILITY NAME: Sunrise Utilities LLC (Sunrise Water LLC)

Revised 5/9/19

YEAR OF REPORT DECEMBER 31, 2018

COMPARATIVE BALANCE SHEET

ANNUAL REPORT

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 111,131	\$ 97,024 a
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>87,397</u>	<u>71,344 a</u>
Net Utility Plant -----		\$ 23,734	\$ 30,882 a
Cash -----		5,836	986 a
Customer Accounts Receivable (141) -----		6,658	-
Other Assets (Specify): Deferred Expense -----		-	-
Due from Parent Company -----		3,783	-
UP Acquisition Adjustments -----		24,860	-
Deferred Costs -----		5,262	-
Total Assets -----		\$ <u>70,133</u>	\$ <u>31,868 a</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	-	-
Preferred Stock Issued (204) -----	F-6	-	-
Other Paid in Capital (211) -----		8,790	117,122 a
Retained Earnings (215) -----	F-6	<u>(21,513)</u>	<u>(94,454) a</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	-	-
Total Capital -----		\$ (12,723)	\$ 22,668 a
Long Term Debt (224) -----	F-6	\$ 51,424	\$ -
Accounts Payable (231) -----		21,260	9,200 a
Customer Deposits (235) -----		6,673	-
Polk County Tax Payable (236) -----		(8)	-
Accrued RAF Payable (236) -----		3,171	-
Accrued Property Tax -----		335	-
Advances for Construction -----		-	-
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>0</u>	<u>-</u>
Total Liabilities and Capital -----		\$ <u>70,133</u>	\$ <u>31,868 a</u>

a From sellers 2017 Annual Report. Buyer does not verify their accuracy.

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ <u>111,131</u>	\$ _____	\$ _____	\$ <u>111,131</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
PSC Audit Adjustments	-	_____	_____	-
Total Utility Plant _____	\$ <u><u>111,131</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>111,131</u></u>

ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ <u>84,194</u>	\$ _____	\$ _____	\$ <u>84,194</u>
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ <u>2,152</u>	\$ _____	\$ _____	\$ <u>2,152</u>
Salvage _____	_____	_____	_____	-
Other Credits (specify) _____	_____	_____	_____	-
Accruals Seller	2,256	_____	_____	2,256
Total Credits _____	\$ <u><u>4,408</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>4,408</u></u>
Deduct Debits During Year:				
Book cost of plant retired _____	\$ <u>1,204</u>	\$ _____	\$ _____	\$ <u>1,204</u>
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ <u><u>1,204</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>1,204</u></u>
Balance End of Year _____	\$ <u><u>87,397</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>87,397</u></u>

UTILITY NAME: Sunrise Utilities LLC (Sunrise Water LLC)

Revised 5/9/19

<p>YEAR OF REPORT DECEMBER 31, 2018</p>

CAPITAL STOCK (201 - 204)

	Common Stock	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 _____	_____	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ 94,464
Changes during the year (Specify): Reverse sellers equity balance		(94,464)
Buyers Equity at Aquisition _____		0
Current Year Net Income (Loss) _____		(21,513)
_____		_____
Balance end of year _____	\$ _____	\$ (21,513)

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify): _____	_____	_____
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
Mortgage 1 Clint Smallridge (\$30,864, Issue Date 6/15/18, Matures 5/15/28)	6.00%	120	\$ 29,720
Mortgage 2 Leslie Szabo (\$25,669, Issue date 6/15/18, Matures 5/15/21)	6.00%	36	21,704
_____			_____
Total _____			\$ 51,424

UTILITY NAME: Sunrise Utilities LLC (Sunrise Water LLC)

YEAR OF REPORT DECEMBER 31, 2018

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
Payroll Tax _____	727	_____	_____	727
Regulatory Assessment Fee _____	3,171	_____	_____	3,171
Polk County Property Tax _____	692	_____	_____	692
_____	_____	_____	_____	-
_____	_____	_____	_____	-
Total Tax Expense _____	\$ <u>4,590</u>	\$ _____	\$ _____	\$ <u>4,590</u>

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similiar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.			
Name of Recipient	Water Amount	Wastewater Amount	Description of Service
Consta Flow _____	\$ <u>9,393</u>	\$ _____	Contract Operations
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ 12393	\$ _____	\$ 12393
2) Add credits during year_____	\$ 0	\$ _____	\$ _____
3) Total_____	12393	_____	12393
4) Deduct charges during the year_____	0	_____	0
5) Balance end of year_____	12393	_____	12393
6) Less Accumulated Amortization_____	12393	_____	12393
7) Net CIAC_____	\$ 0	\$ 0	\$ 0

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year.		Indicate "Cash" or "Property"	Water	Wastewater
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Sub-total_____	_____	_____	\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ _____	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year_____	\$ 12293	\$ _____	\$ 12293
Add Debits During Year:_____	_____	_____	_____
Deduct Credits During Year:_____	_____	_____	0
Balance End of Year (Must agree with line #6 above.)	\$ 12293	\$ _____	\$ 12293

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME Sunrise Water LLC

YEAR OF REPORT DECEMBER 31, 2018

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	100.00 %		_____ %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	_____ %
Commission Order Number approving AFUDC rate:	_____

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME Sunrise Water LLC

YEAR OF REPORT DECEMBER 31, 2018

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

Class of Capital (a)	Per Book Balance (b)	Non-utility Adjustments (c)	Non-juris. Adjustments (d)	Other (1) Adjustments (e)	Capital Structure Used for AFUDC Calculation (f)
Common Equity	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Preferred Stock	_____	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____	_____
Tax Credits-Zero Cost	_____	_____	_____	_____	_____
Tax Credits-Weighted	_____	_____	_____	_____	_____
Cost of Capital	_____	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

(1) Explain below all adjustments made in Column (e):

WATER
OPERATING
SECTION

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year		Additions (d)	Retirements (e)	Current Year (f)
		Seller's 2017 AR	Buyer's Acquisition (c)			
301	Organization_____	\$ 2,559	750	\$ _____	\$ _____	\$ 750
302	Franchises_____					
303	Land and Land Rights_____	6,330	553			553
304	Structures and Improvements_____		5,412			5,412
305	Collecting and Impounding Reservoirs_____					
306	Lake, River and Other Intakes_____					
307	Wells and Springs_____	16,080	16,972			16,972
308	Infiltration Galleries and Tunnels_____					
309	Supply Mains_____		649			649
310	Power Generation Equipment_____	15,051	15,070			15,070
311	Pumping Equipment_____	16,507	17,377			17,377
320	Water Treatment Equipment_____	3,873	4,055	593	444	4,203
330	Distribution Reservoirs and Standpipes_____	22,166	21,485			21,485
331	Transmission and Distribution Lines_____	12,625	12,393			12,393
333	Services_____					
334	Meters and Meter Installations_____	14,210	12,257	1,013	760	12,510
335	Hydrants_____					
336	Backflow Prevention Devices_____					
339	Other Plant and Miscellaneous Equipment_____		-	875		875
340	Office Furniture and Equipment_____	250	494			494
341	Transportation Equipment_____					
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_____		2,388			2,388
	Total Water Plant_____	<u>109,651</u>	<u>109,855</u>	<u>\$ 2,481</u>	<u>\$ 1,204</u>	<u>\$ 111,131</u>

Buyers acquisition balance includes adjustments to PIS from Order No. PSC-2016-0126-PAA-WU. Sellers balance from their 2017 Annual Report. Buyer does not verify their accuracy.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balances Previous Year Seller's 2017 AR (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
301	Organizational Cost	27	%	3.70 %	\$ 4,188	\$	9	360
304	Structures and Improvements				4,109		100	4,209
305	Collecting and Impounding Reservoirs	40	%	2.50 %				
306	Lake, River and Other Intakes	40	%	2.50 %				
307	Wells and Springs	27	%	3.70 %	14,992		99	16,972
308	Infiltration Galleries & Tunnels	40	%	2.50 %				
309	Supply Mains	32	%	3.13 %			10	(192)
310	Power Generating Equipment	17	%	5.88 %	6,803		443	10,646
311	Pumping Equipment	17	%	5.88 %	3,995		511	8,426
320	Water Treatment Equipment	17	%	5.88 %	5,396	444	121	3,742
330	Distribution Reservoirs & Standpipes				18,179		326	18,505
331	Trans. & Dist. Mains	33	%	3.03 %	16,068		163	9,556
333	Services	38	%	2.63 %				
334	Meter & Meter Installations	35	%	2.86 %	8,322			
335	Hydrants	17	%	5.88 %	10,657	760	342	12,510
336	Backflow Prevention Devices	40	%	2.50 %				
339	Other Plant and Miscellaneous Equipment	10	%	10.00 %				
340	Office Furniture and Equipment	20	%	5.00 %	157		11	2,409
341	Transportation Equipment	15	%	6.67 %			16	255
342	Stores Equipment	6	%	16.67 %				
343	Tools, Shop and Garage Equipment	18	%	5.56 %				
344	Laboratory Equipment	15	%	6.67 %				
345	Power Operated Equipment	15	%	6.67 %				
346	Communication Equipment	10	%	10.00 %				
347	Miscellaneous Equipment	10	%	10.00 %				
348	Other Tangible Plant	15	%	6.67 %	3,081			
	Totals	10	%	10.00 %	73,674	1,204	2,152	87,397 *
			unknown difference		15			

* This amount should tie to Sheet F-5.

Sellers balance from their 2017 Annual Report. Buyer does not verify their accuracy.

Buyers acquisition balance includes adjustments to Depreciation Expense and AD from Order No. PSC-2016-0126-PAA-V
 WV-2

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees.....	\$ 13,026
603	Salaries and Wages - Officers.....	6,251
604	Employee Benefits.....	238
610	Purchased Water.....	-
615	Purchased Power.....	3,254
616	Fuel for Power Production.....	-
618	Chemicals.....	1,476
620	Materials and Supplies.....	3,975
631	Contractual Services: Professional.....	6,925
635	Contractual Services: Testing.....	10,893
636	Contractual Services: Other.....	18,531
640	Rents.....	839
650	Transportation.....	2,270
655	Insurance.....	2,519
665	Regulatory Commission Expense.....	-
670	Bad Debt Expense.....	1,640
675	Miscellaneous Expenses.....	8,580
Total Water Operation And Maintenance Expense_____		\$ 80,417 *

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	254	251	
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
General Service					
5/8"	D	1.0	1	1	
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers Other (Specify)					
Total			<u>255</u>	<u>252</u>	<u>0</u>

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: Sunrise Utilities LLC (Sunrise Water LLC)

YEAR OF REPORT DECEMBER 31, 2018

PUMPING AND PURCHASED WATER STATISTICS

***2018 billing info incomplete

(a)	(b)	(c)	(d)	(e)	(f)
	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	Water Sold To Customers (Omit 000's)
January_____	_____	1,181	192	_____	989
February_____	_____	999	181	_____	818
March_____	_____	1,280	219	_____	1,061
April_____	_____	1,261	213	_____	1,048
May_____	_____	967	220	_____	747
June_____	_____	910	218	_____	692
July_____	_____	1,425	663	_____	762
August_____	_____	1,456	599	_____	857
September_____	_____	1,606	778	_____	828
October_____	_____	2,090	1,298	_____	792
November_____	_____	1,726	965	_____	761
December_____	_____	1,762	679	_____	1,083
Total for Year_____	_____	16,663	6,225	_____	10,438

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:

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME:

Sunrise Utilities LLC (Sunrise Water LLC)

YEAR OF REPORT DECEMBER 31, 2018

WELLS AND WELL PUMPS

(a)	(1)	(2)		
Year Constructed_____	_____	_____	_____	_____
Types of Well Construction and Casing_____	Steel	Steel	_____	_____
_____	_____	_____	_____	_____
Depth of Wells_____	_____	_____	_____	_____
Diameters of Wells_____	4	4	_____	_____
Pump - GPM_____	350	100	_____	_____
Motor - HP_____	25	_____	_____	_____
Motor Type *_____	Submersible	Submersible	_____	_____
Yields of Wells in GPD_____	_____	_____	_____	_____
Auxiliary Power_____	Yes	Ys	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel	_____	_____	_____
Capacity of Tank_____	6,000	_____	_____	_____
Ground or Elevated_____	Elevate	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer_____	_____	_____	_____	_____
Type_____	_____	_____	_____	_____
Rated Horsepower_____	_____	_____	_____	_____
<u>Pumps</u>				
Manufacturer_____	_____	_____	_____	_____
Type_____	_____	_____	_____	_____
Capacity in GPM_____	_____	_____	_____	_____
Average Number of Hours Operated Per Day_____	_____	_____	_____	_____
Auxiliary Power_____	_____	_____	_____	_____

UTILITY NAME:

Sunrise Utilities LLC (Sunrise Water LLC)

YEAR OF REPORT
DECEMBER 31, 2018

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_ _ _	_____	_____	_____
Type of Source_ _ _ _ _	Ground _____	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_ _ _ _ _	Well	_____	_____
Make_ _ _ _ _	_____	_____	_____
Permitted Capacity (GPD)	_____	_____	_____
High service pumping	_____	_____	_____
Gallons per minute_ _ _	_____	_____	_____
Reverse Osmosis_ _ _ _ _	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_ _ _ _ _	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._ _ _ _ _	_____	_____	_____
Gravity GPD/Sq.Ft._ _ _ _ _	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator_ _ _ _ _	17 GPD	_____	_____
Ozone_ _ _ _ _	_____	_____	_____
Other_ _ _ _ _	_____	_____	_____
Auxiliary Power_ _ _ _ _	Yes	_____	_____

GENERAL WATER SYSTEM INFORMATION

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

- 1. Present ERC's * the system can efficiently serve. _____
- 2. Maximum number of ERCs * which can be served. _____
- 3. Present system connection capacity (in ERCs *) using existing lines. _____
- 4. Future connection capacity (in ERCs *) upon service area buildout. _____
- 5. Estimated annual increase in ERCs *. _____
- 6. Is the utility required to have fire flow capacity? _____
If so, how much capacity is required? _____ No
- 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.

- 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, submit the following:
 - 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? _____ No
- 11. Department of Environmental Protection ID # _____
- 12. Water Management District Consumptive Use Permit # _____ N/A
 - a. Is the system in compliance with the requirements of the CUP? _____
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on 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 residents (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 = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).

WASTEWATER
OPERATING
SECTION

N/A

CERTIFICATION OF ANNUAL REPORT

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

- | | | |
|--|--------------------------------|---|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified

- | | | | |
|---|---|---|---|
| 1.
<input checked="" type="checkbox"/> | 2.
<input checked="" type="checkbox"/> | 3.
<input checked="" type="checkbox"/> | 4.
<input checked="" type="checkbox"/> |
|---|---|---|---|

 *
 (signature of chief executive officer of the utility)

Date: 3-28-19

- | | | | |
|---|---|---|---|
| 1.
<input checked="" type="checkbox"/> | 2.
<input checked="" type="checkbox"/> | 3.
<input checked="" type="checkbox"/> | 4.
<input checked="" type="checkbox"/> |
|---|---|---|---|

 *
 (signature of chief financial officer of the utility)

Date: 3-26-19

* 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.

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class C

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION

2019 MAY 14 AM 11:16

STATE OF FLORIDA
TALLAHASSEE

Company: **Sunrise Utilities LLC (Sunrise Water LLC) (WU985)**
For the Year Ended, December 31, 2018

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue			
Residential	\$ 67,512.74	\$ 68,448.74	\$ (936.00)
Commercial	110.67	110.67	
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	1,911.74	1,911.74	-
Total Water Operating Revenue	\$ 69,535.15	\$ 70,471.15	\$ (936.00)
LESS: Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenues	\$ 69,535.15	\$ 70,471.15	\$ (936.00)

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any difference reported in column (d).