

CLASS "C"

OFFICIAL COPY
Public Service Commission
Do Not Remove From This Office

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WU974-17-AR

Black Bear Waterworks, Inc.
Exact Legal Name of Respondent

654-W
Certificate Number(s)

Submitted To The
STATE OF FLORIDA

2018 MAR - 8 PM 1:46
FLORIDA PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2017

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

BLACK BEAR WATERWORKS, INC.

(EXACT NAME OF UTILITY)

4939 CROSS BAYOU BLVD. NEW PORT RICHEY, FL 34652	24525 CR 44A Eustis, Florida 32736	Lake
Mailing Address	Street Address	County

Telephone Number 727-848-8292 Date Utility First Organized 14-Apr-15

Fax Number 727-848-7701 E-mail Address trendell@uswatercorp.net

Sunshine State One-Call of Florida, Inc. Member No. HU-1292

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: 4939 Cross Bayou Blvd, New Port Richey, FL 34652
(727) 848-8292

Name of subdivisions where services are provided: Black Bear Reserve

CONTACTS:

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>Troy Rendell</u>	<u>Vice President - Investor Owned Utilities</u>	<u>Same as mailing address above</u>	\$ <u>0</u>
Person who prepared this report: <u>Troy Rendell</u> See Accountant's Compilation Report	<u>Vice President - Investor Owned Utilities</u>	<u>Same as mailing address above</u>	
Officers and Managers: <u>Gary Deremer</u>	<u>President</u>	<u>Same as mailing add.</u>	\$ <u>7,500</u>
<u>Cecil Delcher</u>	<u>V. President</u>	<u>Same as mailing add.</u>	\$ <u>0</u>
<u>Joseph Gabay</u>	<u>Accounting Manager</u>	<u>Same as mailing add.</u>	\$ <u>0</u>

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>Gary Deremer</u>	<u>51%</u>	<u>Same as mailing add.</u>	\$ <u>7,500</u>
<u>Cecil Delcher</u>	<u>15%</u>	<u>Same as mailing add.</u>	\$ <u>0</u>
<u>Vickie Penick</u>	<u>10%</u>	<u>Same as mailing add.</u>	\$ <u>0</u>
<u>Lee Penick</u>	<u>8%</u>	<u>Same as mailing add.</u>	\$ <u>0</u>
<u>Joe Gabay</u>	<u>8%</u>	<u>Same as mailing add.</u>	\$ <u>0</u>

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential_____		\$ 139,969	\$ _____	\$ _____	\$ 139,969
Commercial_____		3,870	_____	_____	3,870
Industrial_____		_____	_____	_____	_____
Multiple Family_____		_____	_____	_____	_____
Guaranteed Revenues_____		_____	_____	_____	_____
Other (Misc. Service Revenue)		5,143	_____	_____	5,143
Total Gross Revenue_____		\$ 148,981	\$ _____	\$ _____	\$ 148,981
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 91,512	\$ _____	\$ _____	\$ 91,512
Depreciation Expense_____	F-5	34,343	_____	_____	34,343
CIAC Amortization Expense_____	F-8	(17,153)	_____	_____	(17,153)
Taxes Other Than Income_____	F-7	9,321	_____	_____	9,321
Income Taxes_____	F-7	_____	_____	_____	_____
Total Operating Expense_____		\$ 118,023	\$ _____	\$ _____	\$ 118,023
Net Operating Income (Loss)		\$ 30,958	\$ _____	\$ _____	\$ 30,958
Other Income:					
Nonutility Income_____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses_____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense_____		6,831	_____	_____	6,831
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ 24,127	\$ _____	\$ _____	\$ 24,127

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ <u>1,261,470</u>	\$ <u>1,225,574</u>
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>639,468</u>	<u>607,007</u>
Net Utility Plant -----		\$ <u>622,002</u>	\$ <u>618,567</u>
Cash -----		<u>31,571</u>	<u>43,506</u>
Customer Accounts Receivable (141) -----		<u>20,684</u>	<u>21,807</u>
Other Assets (Specify): -----			
Utility Deposits -----		<u>4,240</u>	<u>4,240</u>
Prepaid Insurance -----		<u>1,263</u>	<u>1,189</u>
186 · Misc Deferred -----		<u>638</u>	<u>638</u>
Total Assets -----		\$ <u>680,398</u>	\$ <u>689,947</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	<u>65,180</u>	<u>65,180</u>
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----		<u>53,623</u>	<u>53,623</u>
Retained Earnings (215) -----	F-6	<u>51,431</u>	<u>46,234</u>
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ <u>170,233</u>	\$ <u>165,036</u>
Long Term Debt (224) -----	F-6	\$ <u>153,478</u>	\$ <u>162,788</u>
Accounts Payable (231) -----		<u>-</u>	<u>65</u>
Notes Payable (232) -----			
Customer Deposits (235) -----		<u>4,422</u>	<u>5,622</u>
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			
236.1 · Property Tax -----		<u>630</u>	<u>315</u>
241.5 · Regulatory Assessment Fees -----		<u>6,704</u>	<u>6,396</u>
241.6 · Officer Salaries -----		<u>18,120</u>	<u>10,620</u>
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>326,810</u>	<u>339,105</u>
Total Liabilities and Capital -----		\$ <u>680,398</u>	\$ <u>689,947</u>

UTILITY NAME Black Bear Waterworks, Inc.

YEAR OF REPORT
December 31, 2017

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ <u>1,261,470</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,261,470</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>1,261,470</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,261,470</u>

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

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ <u>607,007</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>607,007</u>
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ <u>34,343</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>34,343</u>
Salvage _____	_____	_____	_____	_____
Other Credits -Retirement Adjusting Entry - Expense' _____	<u>(1,882)</u>	_____	_____	<u>(1,882)</u>
Total Credits _____	\$ <u>32,461</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>32,461</u>
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ <u>639,468</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>639,468</u>

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$1	
Shares authorized _____	0	
Shares issued and outstanding _____	0	
Total par value of stock issued _____	65,180	
Dividends declared per share for year _____	0	

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year _____	\$ -	\$ 46,234
Changes during the year (Specify):		
Net income (Loss) for the year _____		24,127
Shareholder Distributions _____		(18,930)
Balance end of year _____	\$ -	\$ 51,431

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify):		
Additional Capital for Purchase Assets Valued by PSC _____		1,623
Add'l Cap Contrib _____		52,000
Balance end of year _____	\$ _____	\$ 53,623

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
Bank of Tampa _____	4.25%		\$ 153,478

Total _____			\$ 153,478

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	2,616	-	-	2,616
Regulatory assessment fee _____	6,704	-	-	6,704
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ 9,321	\$ -	\$ -	\$ 9,321

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
<u>U.S. Water Services Corporation</u>	\$ 71,474	\$ _____	Utility Mgt / Operations / Repair / Billing / Cust Service
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ 612,871	\$ -	\$ 612,871
2) Add credits during year_____			
	\$ 4,858	\$ -	\$ 4,858
3) Total_____	617,729	-	617,729
4) Deduct charges during the year_____			
5) Balance end of year_____	617,729	-	617,729
6) Less Accumulated Amortization_____	290,919	-	290,919
7) Net CIAC_____	\$ 326,810	\$ -	\$ 326,810

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	
Meter Installation	2	\$ 420	\$ 840
Tap In Charge	2	320	640
Main Extension	2	1,689	3,378
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ 4,858

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year_____	\$ 273,766	\$ -	\$ 273,766
Add Debits During Year:_____	17,153	-	17,153
Deduct Credits During Year:_____			
Balance End of Year (Must agree with line #6 above.)	\$ 290,919	\$ -	\$ 290,919

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

UTILITY NAME Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

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	_____	_____ %	_____ %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other - Purchase Note (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____ -	_____ %		_____ %

(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:	_____

**WATER
OPERATING
SECTION**

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ -	\$ -	\$ -	\$ -
302	Franchises	-	-	-	-
303	Land and Land Rights	5,000	-	-	5,000
304	Structures and Improvements	99,511	-	-	99,511
305	Collecting and Impounding Reservoirs	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-
307	Wells and Springs	177,312	6,117	(1,849)	181,580
308	Infiltration Galleries and Tunnels	-	-	-	-
309	Supply Mains	17,197	-	-	17,197
310	Power Generation Equipment	45,252	-	-	45,252
311	Pumping Equipment	17,819	-	-	17,819
320	Water Treatment Equipment	41,838	31,618	-	73,456
330	Distribution Reservoirs and Standpipes	54,619	-	-	54,619
331	Transmission and Distribution Lines	560,038	-	-	560,038
333	Services	47,555	-	-	47,555
334	Meters and Meter Installations	54,022	44	(33)	54,033
335	Hydrants	85,618	-	-	85,618
336	Backflow Prevention Devices	-	-	-	-
339	Other Plant and Miscellaneous Equipment	5,084	-	-	5,084
340	Office Furniture and Equipment	11,110	-	-	11,110
341	Transportation Equipment	3,598	-	-	3,598
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	-	-	-	-
	Total Water Plant	\$ 1,225,574 *	\$ 37,778	\$ -	\$ 1,261,470

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT December 31, 2017

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 Balance Previous Year (f) *	Debits (g)	Credits (h) ***	Accum. Depr. Balance End of Year (f-g+h=i) (i)
301	Organization	40	%	2.50 %	\$ -	\$	\$	\$ -
304	Structures and Improvements	32	%	3.13 %	\$ 22,425	\$	3,110	\$ 25,534
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs	30	%	3.33 %	93,120	(1,849)	6,003	97,273
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains	35	%	2.86 %	4,521		491	5,012
310	Power Generating Equipment	20	%	5.00 %	45,252		-	45,252
311	Pumping Equipment	20	%	5.00 %	15,886		891	16,777
320	Water Treatment Equipment	22	%	4.55 %	31,753		2,560	34,313
330	Distribution Reservoirs & Standpipes	37	%	2.70 %	28,272		1,476	29,749
331	Trans. & Dist. Mains	43	%	2.33 %	247,766		13,024	260,790
333	Services	40	%	2.50 %	21,308		1,189	22,497
334	Meter & Meter Installations	20	%	5.00 %	43,228	(33)	2,701	45,896
335	Hydrants	45	%	2.22 %	37,169		1,903	39,072
336	Backflow Prevention Devices		%	%				
339	Other Plant and Miscellaneous Equipment	25	%	4.00 %	2,339		203	2,542
340	Office Furniture and Equipment	15	%	6.67 %	10,370		741	11,111
341	Transportation Equipment		%	16.67 %	3,598		50	3,648
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
301	Intangible Plant		%	%	-			-
	Totals				\$ 607,007 **	\$	\$ 34,343	\$ 639,468 *

* This amount should tie to Sheet F-5.

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT
DECEMBER 31, 2017

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	7,500
604	Employee Pensions and Benefits	
610	Purchased Water	
615	Purchased Power	2,960
616	Fuel for Power Production	
618	Chemicals	3,587
620	Materials and Supplies	
630	Contractual Services:	
632	Accounting	350
636	Professional	71,474
633	Legal	530
631	Other (Eng)	1,390
640	Rents	
650	Transportation Expense	
655	Insurance Expense	1,384
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	1,317
675	Miscellaneous Expenses	1,020
	Total Water Operation And Maintenance Expense	\$ 91,512 *

* 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	304	312	312
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	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)					
** D = Displacement C = Compound T = Turbine					
Total			305	313	313

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

SYSTEM NAME: Black Bear

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	(f) Water Sold To Customers (Omit 000's)
January	-	1,755	200	1,555	1,391
February	-	1,344	125	1,219	1,214
March	-	1,432	134	1,298	1,968
April	-	1,539	151	1,388	1,733
May	-	1,432	143	1,290	876
June	-	1,595	130	1,466	1,297
July	-	1,712	134	1,578	1,395
August	-	1,718	138	1,580	1,423
September	-	2,187	134	2,053	1,562
October	-	1,803	130	1,674	1,499
November	-	1,759	134	1,625	1,442
December	-	1,763	134	1,629	1,428
Total for Year	-	20,040	1,686	18,354	17,228

If water is purchased for resale, indicate the following: N/A

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
PVC	2", 4", 6", 8"	59,180	-	-	59,180
_____	_____	_____	_____	_____	-
_____	_____	_____	_____	_____	-
_____	_____	_____	_____	_____	-
_____	_____	_____	_____	_____	-
_____	_____	_____	_____	_____	-
_____	_____	_____	_____	_____	-
_____	_____	_____	_____	_____	-
_____	_____	_____	_____	_____	-
_____	_____	_____	_____	_____	-

UTILITY NAME: Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

SYSTEM NAME: Black Bear

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed_____	<u>1998</u>	<u>1998</u>	_____	_____
Types of Well Construction and Casing_____	<u>Black Steel</u>	<u>Black Steel</u>	_____	_____
_____	_____	_____	_____	_____
Depth of Wells_____	<u>Unknown</u>	<u>400'</u>	_____	_____
Diameters of Wells_____	<u>4"</u>	<u>8"</u>	_____	_____
Pump - GPM_____	<u>7.5</u>	<u>500</u>	_____	_____
Motor - HP_____	<u>70</u>	<u>50</u>	_____	_____
Motor Type *_____	<u>Submersible</u>	<u>Vertical Turbine</u>	_____	_____
Yields of Wells in GPD_____	_____	_____	_____	_____
Auxiliary Power_____	<u>Yes - 150kW</u>	_____	_____	_____
* Submersible, centrifugal, etc.				

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>Steel Hydro</u>	<u>Steel Hydro</u>	<u>Steel Hydro</u>	_____
Capacity of Tank_____	<u>15,000</u>	<u>6,000</u>	<u>15,000</u>	_____
Ground or Elevated_____	<u>Ground</u>	<u>Ground</u>	<u>Ground</u>	_____

HIGH SERVICE PUMPING N/A

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

UTILITY NAME: _____

Black Bear Waterworks, Inc.

YEAR OF REPORT DECEMBER 31, 2017

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	133,507	WMD Permit	_____
Type of Source_____	Ground	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	Community System	_____	_____
Make_____	Regal	_____	_____
Permitted Capacity (GPD)_____	_____	_____	_____
High service pumping Gallons per minute_____	_____	_____	_____
Reverse Osmosis_____	N/A	_____	_____
Lime Treatment Unit Rating_____	N/A	_____	_____
Filtration Pressure Sq. Ft._____	N/A	_____	_____
Gravity GPD/Sq.Ft._____	N/A	_____	_____
Disinfection Chlorinator____	Sodium Hypochlorite	_____	_____
Ozone_____	_____	_____	_____
Other_____	_____	_____	_____
Auxiliary Power_____	Yes - 150kW	_____	_____

UTILITY NAME: Black Bear Reserve Water Corp.

YEAR OF REPORT DECEMBER 31, 2017

SYSTEM NAME: Black Bear

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. _____ 381
2. Maximum number of ERCs * which can be served. _____ 381
3. Present system connection capacity (in ERCs *) using existing lines. _____ 305
4. Future connection capacity (in ERCs *) upon service area buildout. _____ 76
5. Estimated annual increase in ERCs *. _____ Less than 25
6. Is the utility required to have fire flow capacity? _____ Yes
If so, how much capacity is required? _____ 500 gpm
7. Attach a description of the fire fighting facilities. _____ 44 Fire Hydrants
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
Rehab and Paiting Hydro-Tanks - \$45,000 - First Quarter 2017

9. When did the company last file a capacity analysis report with the DEP? _____ N/A
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. _____ N/A
 - b. Have these plans been approved by DEP? _____ N/A
 - c. When will construction begin? _____ N/A
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____ N/A
11. Department of Environmental Protection ID # _____ PWS3354938
12. Water Management District Consumptive Use Permit # _____ 2959
 - 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 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 WATER UTILITY ONLY

PAGES S-1 THROUGH S-6 HAVE BEEN OMITTED

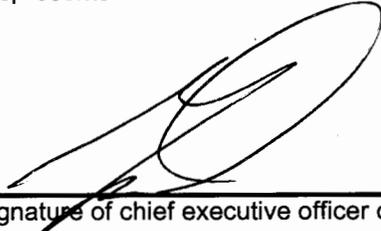
CERTIFICATION OF ANNUAL REPORT

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: 3-5-18

- | | | | |
|---|---|---|---|
| 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: _____

* 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**

Company: BLACK BEAR WATERWORKS, INC.

For the Year Ended December 31, 2017

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. F-3	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	139,969	139,969	-
Commercial	3,870	3,870	-
Industrial			
Multiple Family			
Guaranteed Revenues			
Other	5,143	5,143	-
Total Water Operating Revenue	148,981	148,981	-
LESS: Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenues	148,981	148,981	-

Explanations:

Misc. Service Revenues

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 differences reported in column (d).