#### CLASS "A" OR "B"

#### WATER AND/OR WASTEWATER UTILITIES

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

#### **ANNUAL REPORT**

OF

WS968-18-AR

Not Remove From This Office

HC Waterworks, Inc.

Exact Legal Name of Respondent

422-W & 359-S Certificate Number(s)

Submitted To The

STATE OF FLORIDA



FOR THE

YEAR ENDED DECEMBER 31, 2018

DOODA

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BOLVER IS OF JEWE AURULA HORSEMMOO

#### **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.
- 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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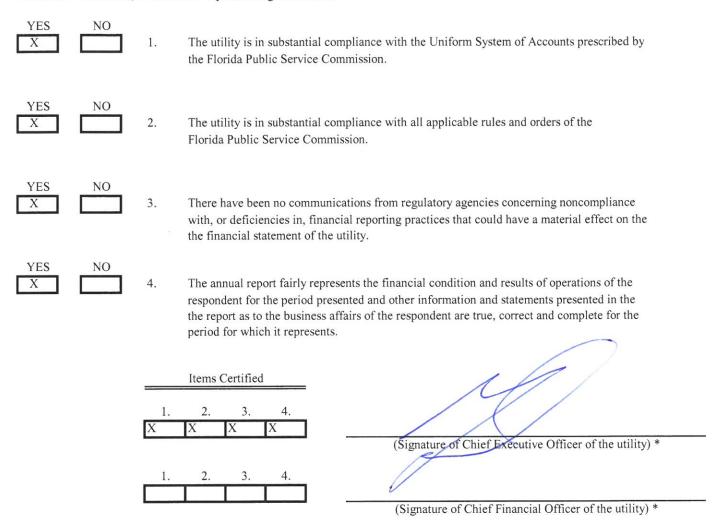
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# **EXECUTIVE SUMMARY**

#### CERTIFICATION OF ANNUAL REPORT

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



\* 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, 2018

<b>HC Waterworks</b>	, Inc.	County:	Highlands
	(Exact Name of Utility)		
List below the exa	act mailing address of the utility for which norma	al correspondence should be sent:	
4939 Cross Bayou	22.11.11.11.11.11.11.11.11.11.11.11.11.1		
New Port Richey,	Fl 34652		
Telephone:	727 848 8202		
relephone.	727-848-8292	<del></del>	
E Mail Address:	trendell@uswatercorp.net		
E Man Address.	trendent@uswatereorp.net		
WEB Site:	www.mywaterservice.com		
Sunshine State Or	ne-Call of Florida, Inc. Member Number	AU-1914, FWS-632, AU-1915	
Name and address	s of person to whom correspondence concerning to	this report should be addressed:	
Troy Rendell			
Vice President, In	vestor Owned Utilities		
m			
Telephone: 727-8	348-8292		
T int bullers the second			
	lress of where the utility's books and records are l	located:	
4939 Cross Bayou New Port Richey,	FI 34652		
TYCW I OIT RICHEY,	11 34032		
Telephone: 727-6	59-5522		
rerephone. 727 0	J		
List below any gro	oups auditing or reviewing the records and operat.	ions:	
, 8		10115.	
Date of original or	ganization of the utility: 02/25/13		
Check the appropri	iate business entity of the utility as filed with the	Internal Revenue Service	
Indivi	1	1120 Corporation	
	X		
List below every co	orporation or person owning or holding directly of	or indirectly 5% or more of the voting second	urities
of the utility:			
	N.		Percent
1	Name Name		Ownership
1. 2.	Gary Deleber		51%
3.	Cecil Delcher		13%
3. 4.	David Shultz, Sr. Victoria Penick		8%
5.	Joseph Gabay		7%
5. 6.	Jeffrey Dupont		7%
7.	Aaron Voss		7%
8.	Tratoll voss		7%
9.			
10.			

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

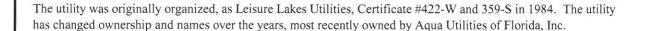
NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Gary Deremer	President	Administration	General Business
Cecil Delcher	V. President	Administration	General Business
Troy Rendell	Vice President Investor Owned Utilities	Administration/ Operations	PSC Regulation/Filings/ Operations
Joseph Gabay	Accounting Manager	Accounting	Accounting Issues
Sharon Purviance	Utility Manager	Operations	Operations/Cust Service

- (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.

#### **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.



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

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

December 31, 2018

#### PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/18

Stockholders of HC Waterworks, Inc.			
100% HC Waterworks, Inc	76.30% U.S. Water Services Corporation		
ote: Of the seven stockholders of HC Waterworks, Inc.,	only two are also stockholders of U.S. Water as of 12/31/18.		
,			

#### **COMPENSATION OF OFFICERS**

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Gary Deremer	President	5%	\$13,20
Cecil Delcher	V. President	5%	

#### COMPENSATION OF DIRECTORS

received as a director from the respond		NUMBER OF	
		DIRECTORS'	
NAME	TITLE	MEETINGS ATTENDED	DIRECTORS' COMPENSATION
(a)	(b)	(c)	(d)
		(4)	
			\$
•			
10-86			

#### 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	IDENTIFICATION		NAME AND
OFFICER, DIRECTOR	OF SERVICE		ADDRESS OF
OR AFFILIATE	OR PRODUCT	AMOUNT	AFFILIATED ENTITY
(a)	(b)	(c)	(d)
	Contracted		U.S. Water Services
Gary Deremer	Services	\$ See E10(a)	Corporation
	Contracted		U.S. Water Services
Cecil Delcher	Services	See E10(a)	Corporation
	Contracted		U.S. Water Services
Vickie Penick	Services	See E10(a)	Corporation
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<sup>\*</sup> 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	Administrator	Stockholder	U.S. Water Services Corporation
10 7 7 7 7			

YEAR OF REPORT

December 31, 2018

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

HC Waterworks, Inc.

UTILITY NAME:

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 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, 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. revenue and expenses segregated out as nonutility also.

EXPENSES	S ACCOUNT D NUMBER (g)							
EX	EXPENSES INCURRED (f)	8						
ES	ACCOUNT NUMBER (e)							
REVENUES	REVENUES GENERATED (d)	€						
	ACCOUNT NUMBER (c)							
ASSETS	BOOK COST OF ASSETS (b)	€-						
	BUSINESS OR SERVICE CONDUCTED (a)	None						

#### BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

- -material and supplies furnished
- -leasing of structures, land, and equipment
- -rental transactions
- -sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT	CONTRACT OR AGREEMENT EFFECTIVE DATES	ANNU (P)urchased (S)old	JAL CHARGES  AMOUNT
(a)	(b)	(c)	(d)	(e)
		1		1000
TIC W. C.		ļ		\$
U.S. Water Services Corporation	Contracted Services	Monthly	P	308,189
Corporation	Contracted Services	ivioniniy	Р	308,189
<del></del>			-	- X-1-2
*				
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				9

YEAR OF REPORT December 31, 2018

HC Waterworks, Inc.

UTILITY NAME:

# BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

		S". ) ipplemental	FAIR MARKET VALUE (f)	8
		old or transferred.  ase with "P" and sale with "  cd. (column (c) - column (d)  ed. In space below or in a su  ir market value.	GAIN OR LOSS (e)	
d Transfer of Assets	ns follow:	Enter name of related party or company.  Describe briefly the type of assets purchased, sold or transferred.  Enter the total received or paid. Indicate purchase with "P" and sale with "S".  Enter the net book value for each item reported.  Enter the net profit or loss for each item reported. (column (c) - column (d))  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.	NET BOOK VALUE (d)	₩
Part II. Specific Instructions: Sale, Purchase and Transfer of Assets	The columnar instructions follow:	<ul> <li>(a) Enter name of relate</li> <li>(b) Describe briefly the</li> <li>(c) Enter the total recei</li> <li>(d) Enter the net book</li> <li>(e) Enter the fair marke</li> <li>(f) Enter the fair marke</li> </ul>	SALE OR PURCHASE PRICE (c)	
Part II. Specific Instruc	1g 3.	ransactions to include: ipment d and structures urities ock dividends	DESCRIPTION OF ITEMS (b)	
	1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.	2 Below are examples of some types of transactions to include: -purchase, sale or transfer of equipment -purchase, sale or transfer of land and structures -purchase, sale or transfer of securities -noncash transfers of assets -noncash dividends other than stock dividends -write-off of bad debts or loans	NAME OF COMPANY OR RELATED PARTY (a)	None

# COMPARATIVE BALANCE SHEET ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)		PREVIOUS YEAR (d)		CURRENT YEAR (e)
(-)	UTILITY PLANT		$\vdash$		+-	
101-106	Utility Plant	F-7	\$	4,861,919	\$	5,279,29
108-110	Less: Accumulated Depreciation and Amortization	F-8		1,566,804		1,670,88
	Net Plant		\$	3,295,115	\$_	3,608,40
114-115	Utility Plant Acquisition adjustment (Net)	F-7	$\vdash$	(558,528)	+-	(481,87
116 *	Other Utility Plant Adjustments		1 -	(000,000)	-	(,
	Total Net Utility Plant		\$	2,736,587	\$	3,126,52
	OTHER PROPERTY AND INVESTMENTS	T			$\vdash$	
121	Nonutility Property	F-9	\$	0	\$	
122	Less: Accumulated Depreciation and Amortization					
	Net Nonutility Property		\$	0	\$	
123	Investment in Associated Companies	F-10	Ψ	0	Ψ	
124	Utility Investments	F-10	-	0	-	
125	Other Investments	F-10	-	0	-	
126-127	Special Funds	F-10	-	0	-	
	Total Other Property & Investments  CURRENT AND ACCRUED ASSETS		\$_	0	\$	
131	Cash		\$	299,717	\$	454,23
132	Special Deposits	F-9		0		
133	Other Special Deposits	F-9		0		
134	Working Funds					
135	Temporary Cash Investments			-		***
141-144	Accounts and Notes Receivable, Less Accumulated					
	Provision for Uncollectible Accounts	F-11		108,323		99,72
145	Accounts Receivable from Associated Companies	F-12		0		
146	Notes Receivable from Associated Companies	F-12		0		
151-153	Material and Supplies					
161	Stores Expense					
162	Prepayments			11,896		11,92
171	Accrued Interest and Dividends Receivable				_	
172 *	Rents Receivable					
173 *	Accrued Utility Revenues					
174	Miscellaneous Current and Accrued Assets	F-12		0		
	Total Current and Accrued Assets		\$	419,936	\$	565,88

<sup>\*</sup> Not Applicable for Class B Utilities

# COMPARATIVE BALANCE SHEET ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
181 182 183 184 185 * 186 187 * 190	DEFERRED DEBITS Unamortized Debt Discount & Expense Extraordinary Property Losses Preliminary Survey & Investigation Charges Clearing Accounts Temporary Facilities Miscellaneous Deferred Debits Research & Development Expenditures Accumulated Deferred Income Taxes	F-13 F-13	\$ 0 0 	\$ <u>0</u> 0 <u>0</u> 563
	Total Deferred Debits		\$1,688	\$563
	TOTAL ASSETS AND OTHER DEBITS		\$3,158,210	\$3,692,979

<sup>\*</sup> Not Applicable for Class B Utilities

# NOTES TO THE BALANCE SHEET The space below is provided for important notes regarding the balance sheet

# COMPARATIVE BALANCE SHEET EQUITY CAPITAL AND LIABILITIES

ACCT.		REF.	П	PREVIOUS		CURRENT
NO.	ACCOUNT NAME	PAGE		YEAR		YEAR
(a)	(b)	(c)		(d)		(e)
	EQUITY CAPITAL	T				,
201	Common Stock Issued	F-15	\$	571,093	\$	571,093
204	Preferred Stock Issued	F-15		0	l	0
202,205 *	Capital Stock Subscribed			2 3		
203,206 *	Capital Stock Liability for Conversion					
207 *	Premium on Capital Stock					
209 *	Reduction in Par or Stated Value of Capital Stock					
210 *	Gain on Resale or Cancellation of Reacquired					
	Capital Stock					
211	Other Paid - In Capital		1	730,007	-	730,007
212	Discount On Capital Stock		1 _			
213	Capital Stock Expense		1 -			
214-215	Retained Earnings	F-16	1	207,313		271,741
216	Reacquired Capital Stock		1 -			
218	Proprietary Capital		1 -			
SASSES CALLED	(Proprietorship and Partnership Only)					
	Total Equity Capital		\$	1,508,413	\$	1,572,841
	LONG TERM DEBT					
221	Bonds	F-15	_	0		0
222 *	Reacquired Bonds					
223	Advances from Associated Companies	F-17	_	0	l	0
224	Other Long Term Debt	F-17		1,148,410		1,097,815
	Total Long Term Debt		\$	1,148,410	\$	1,097,815
	CURRENT AND ACCRUED LIABILITIES					
231	Accounts Payable			6,685		514,576
232	Notes Payable	F-18		0		0
233	Accounts Payable to Associated Companies	F-18	_	0		0
234	Notes Payable to Associated Companies	F-18	_	0	_	0
235	Customer Deposits			31,204		36,985
236	Accrued Taxes	W/S-3				7,072
237	Accrued Interest	F-19		0		0
238	Accrued Dividends					
239	Matured Long Term Debt			2 moss		
240	Matured Interest					
241	Miscellaneous Current & Accrued Liabilities	F-20	_	79,202		92,242
	Total Current & Accrued Liabilities		\$	117,091	\$	650,875

<sup>\*</sup> Not Applicable for Class B Utilities

# 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	0
253	Other Deferred Credits	F-21	0	0
255	Accumulated Deferred Investment Tax Credits			
	Total Deferred Credits		\$0	\$0
	OPERATING RESERVES			
261	Property Insurance Reserve		\$	S
262	Injuries & Damages Reserve		· <del></del>	
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
	Total Operating Reserves		\$0	\$0
	CONTRIBUTIONS IN AID OF CONSTRUCTION			
271	Contributions in Aid of Construction	F-22	\$ 1,242,121	\$ 1,267,597
272	Accumulated Amortization of Contributions			
	in Aid of Construction	F-22	857,824	(896,181)
	Total Net CIAC		\$384,297	\$ 371,417
	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		\$0	\$0
	TOTAL EQUITY CAPITAL AND LIABILITIES		\$3,158,211	\$

December 31, 2018

#### COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
400	UTILITY OPERATING INCOME Operating Revenues	F-3(b)	\$652,648	\$644,804
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	627	3,059
	Net Operating Revenues	11	\$652,021	\$641,745
401	Operating Expenses	F-3(b)	\$ 394,318	\$ 420,732
403	Depreciation Expense: Less: Amortization of CIAC	F-3(b) F-22	\$ <u>151,220</u> 38,510	\$ <u>161,263</u> 38,357
	Net Depreciation Expense		\$112,710	\$122,906
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	(76,650)	(76,650)
407	Amortization Expense (Other than CIAC)	F-3(b)	402	226
408	Taxes Other Than Income	W/S-3	54,554	65,557
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		\$\$	\$532,772
	Net Utility Operating Income		\$166,687	\$108,972_
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	627	3,059
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)]		\$ 167,314	\$ 112,031

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

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

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>557,728</u> 3,059	\$	\$
\$554,669_	\$87,075	\$0
\$ 347,799	\$ 72,933	\$
153,821 31,611	7,442 6,746	
\$122,211_	\$695	\$0
(74,935) 164 50,461 0 0 0 0 0 0	(1,715) 62 15,096 0 0 0 0 0	
\$445,701_	\$87,071	\$0
\$108,968_	\$4_	\$0
3,059 0 0 0	0 0 0 0	
\$112,027	\$4	\$0

<sup>\*</sup> 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)	P	REVIOUS YEAR (d)	(	CURRENT YEAR (e)
Total Utility	Operating Income [from page F-3(a)]		\$	167,314	\$	112,031
415	OTHER INCOME AND DEDUCTIONS Revenues-Merchandising, Jobbing, and Contract Deductions		\$		\$	
416	Costs & Expenses of Merchandising Jobbing, and Contract Work					
419	Interest and Dividend Income		1			
421	Nonutility Income		1 —			
426	Miscellaneous Nonutility Expenses					
	Total Other Income and Deductions		\$	0	\$	0
	TAXES APPLICABLE TO OTHER INCOME				T	
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 Incom	e	\$	0	\$	0
	INTEREST EXPENSE					
427	Interest Expense	F-19	\$	30,294	\$	47,604
428	Amortization of Debt Discount & Expense	F-13		0		0
429	Amortization of Premium on Debt	F-13		0		0
	Total Interest Expense		\$	30,294	\$	47,604
	EXTRAORDINARY ITEMS					
433	Extraordinary Income		\$		\$	
434	Extraordinary Deductions					
409.3	Income Taxes, Extraordinary Items					
	Total Extraordinary Items		\$	0	\$	0
	NET INCOME		\$	137,019	\$	64,428

Explain Extraordinary Income:			
	***		

**UTILITY NAME:** 

#### SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)		WATER UTILITY (d)	100000000000	STEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$	4,456,414	\$	396,483
	Less:					
100	Nonused and Useful Plant (1)	F-8	_	1,346,804		322,225
108	Accumulated Depreciation Accumulated Amortization	F-8		1,325		532
110	Contributions in Aid of Construction	F-22	_	912,147		355,450
271 252	Advances for Construction	F-22	_	912,147		333,430
252	Advances for Construction	1-20				
	Subtotal		\$_	2,196,137	\$	(281,724)
	Add:					
272	Accumulated Amortization of	F 22		(22 (12	l	272.560
	Contributions in Aid of Construction	F-22	<u> </u>	623,612		272,569
	Subtotal		\$_	2,819,749	\$	(9,155)
	Plus or Minus:	F 7		(800.041)		(14.004)
114	Acquisition Adjustments (2)	F-7	l —	(809,041)	-	(14,994)
115	Accumulated Amortization of	F 7		(224 500)		(7,657)
	Acquisition Adjustments (2)	F-7		(334,500) 43,475		9,117
	Working Capital Allowance (3)	-	_	43,473		9,117
	Other (Specify):		l			
		-	_		<b> </b>	
		-	-			
	RATE BASE		\$_	1,719,683	\$	(22,690)
	NET UTILITY OPERATING INCOME		\$	108,968	\$	4
ACI	HIEVED RATE OF RETURN (Operating Income / Rate Bas	se)	_	6.34%		-0.02%

#### 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.

December 31, 2018

# 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 Preferred Stock Long Term Debt Customer Deposits Tax Credits - Zero Cost Tax Credits - Weighted Cost Deferred Income Taxes Other (Explain)	\$\frac{1,572,841}{0}\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	58.09% 0.00% 40.55% 1.37% 0.00% 0.00% 0.00% 0.00%	9.90% 4.25% 2.00%	5.75% 0.00% 1.72% 0.03% 0.00% 0.00% 0.00% 0.00% 0.00%
Total	\$	100.00%		7.50%

(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: 9.52%
Commission order approving Return on Equity: PSC-15-0282-PAA-WS

#### APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	
••	
Commission order approving AFUDC rate:	
Commission order approving 111 OBC 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.

YEAR OF REPORT December 31, 2018

HC Waterworks, Inc.

UTILITY NAME:

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

	The second secon		_
	CAPITAL STRUCTURE (g)	\$ 1,572,841 0 1,097,815 36,985 0 0 0 0 0	\$ 2,707,641
CEEDING	OTHER (1) ADJUSTMENTS PRO RATA (f)	8	0 \$
CONSTRUCTION OF THE WELLINGTON OF THE LAST NATE PROCEEDING	OTHER (1) ADJUSTMENTS SPECIFIC (e)	69	8
OLUGI USED IN II	NON- JURISDICTIONAL ADJUSTMENTS (d)		0
	NON-UTILITY ADJUSTMENTS (c)	eq.	0
A TANK CANADA	PER BOOK BALANCE (b)	\$ 1,572,841	\$ 2,707,641
	CLASS OF CAPITAL (a)	Common Equity Preferred Stock Long Term Debt Customer Deposits Tax Credits - Zero Cost Tax Credits - Weighted Cost Deferred Inc. Taxes Other (Explain)	Total

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

**UTILITY NAME:** 

HC Waterworks, Inc.

#### UTILITY PLANT ACCOUNTS 101 - 106

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101 102	Plant Accounts: Utility Plant In Service Utility Plant Leased to Other	\$4,456,414_	\$396,483_	\$	\$4,852,8970
103	Property Held for Future Use				0
104	Utility Plant Purchased or Sold				0
105	Construction Work in Progress	426,396			426,396
106	Completed Construction Not Classified				0
	Total Utility Plant	\$4,882,810_	\$ 396,483	\$0	\$ 5,279,293

# 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)	W	ASTEWATER (d)		OTHER THAN REPORTING SYSTEMS (e)		TOTAL (f)
114	Acquisition Adjustment	\$ (809,041)	\$	(14,994)	\$_ 		\$_ 	(824,035) 0 0 0
Total Pl	lant Acquisition Adjustments	\$ (809,041)	\$	(14,994)	\$_	0	\$_	(824,035)
115	Accumulated Amortization	\$ (334,500)	\$ 	(7,657)	\$		\$ 	(342,157) 0 0 0
Total A	ccumulated Amortization	\$ (334,500)	\$	(7,657)	\$_	0	\$	(342,157)
Net Acquisition Adjustments		\$ (474,541)	\$	(7,337)	\$=	0	\$ <u></u>	(481,878)

**UTILITY NAME:** 

HC Waterworks, Inc.

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

DESCRIPTION (a)		WATER (b)		ASTEWATER (c)	OTH RE	IER THAN PORTING YSTEMS (d)		TOTAL (e)
ACCUMULATED DEPRECIATION Account 108 Balance first of year	\$	1,250,389	\$	314,784	\$		\$	1,565,173
Credit during year: Accruals charged to: Account 108.1 (1) Account 108.2 (2) Account 108.3 (2) Other Accounts (specify):	\$	153,821	\$	7,442	\$		\$	161,263 0 0 0 0
Salvage Other Credits (Specify):			_				=	0 0
Total Credits  Debits during year:  Book cost of plant retired  Cost of Removal  Other Debits (specify):	\$	153,821 57,406	\$	7,442	\$	0	\$	57,406 0 0
Total Debits	\$	57,406	\$	0	\$	0	\$	57,406
Balance end of year	\$	1,346,804	\$	322,225	\$	0	\$ <u></u>	1,669,030
ACCUMULATED AMORTIZATION Account 110 Balance first of year Credit during year:	\$	1,161	\$	470	\$		\$	1,631
Account 110.2 (3) Other Accounts (specify):	\$	164	\$	62	\$		\$	226 0 0 0
Total credits  Debits during year:	\$	164	\$	62	\$	0	\$	226
Book cost of plant retired Other debits (specify):	_		_				_	0 0 0
Total Debits	\$	0	\$	0	\$	0	\$	0
Balance end of year	\$	1,325	\$	532	\$	0	<b>\$</b>	1,857

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

December 31, 2018

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

	EXPENSE	CHARGED OFF DURING YEAR			
DESCRIPTION OF CASE (DOCKET NO.) (a)	INCURRED DURING YEAR (b)	ACCT.	AMOUNT (e)		
Rate Case - Docket No. 140158-WS	\$4,500	0	\$0		
Total	\$4,500_		\$0		

#### **NONUTILITY PROPERTY (ACCOUNT 121)**

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.

Other Items may be grouped by classes of property.

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

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

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

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

#### 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		\$0
UTILITY INVESTMENTS (Account 124):	\$	\$
Total Utility Investment		\$0
OTHER INVESTMENTS (Account 125):	\$	\$
Total Other Investment	\$0	
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities:	\$	
Total Special Funds	\$0	

# 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  Wastewater  Other	\$	52,743	
Total Customer Accounts Receivable		\$	52,743
OTHER ACCOUNTS RECEIVABLE ( Account 142):  Unbilled Revenue	\$	49,633	
Total Other Accounts Receivable NOTES RECEIVABLE (Account 144 ):		\$	49,633
	\$		
Total Notes Receivable		\$	0
Total Accounts and Notes Receivable		\$	102,376
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143) Balance first of year  Add: Provision for uncollectibles for current year Collection of accounts previously written off Utility Accounts Others	\$ \$	2,650	
Total Additions  Deduct accounts written off during year:  Utility Accounts  Others	\$	2,650	
Total accounts written off	\$	0	
Balance end of year		\$	2,650
TOTAL ACCOUNTS AND NOTES RECEIVABLE	LE - NET	\$	99,726

December 31, 2018

# ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	s
	-
Total	\$ 0

# NOTES RECEIVABLE FROM ASSOCIATED COMPANIES ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
Total		\$0

# MISCELLANEOUS CURRENT AND ACCRUED ASSETS ACCOUNT 174

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

YEAR O	F RE	PO	RT
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UTILITY NAME:

HC Waterworks, Inc.

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

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

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

#### EXTRAORDINARY PROPERTY LOSSES

#### **ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
	\$
Total Extraordinary Property Losses	\$0

# 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)		
Deferred Rate Case Expense	\$	\$563_
Total Deferred Rate Case Expense	\$0	\$563_
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$	\$
Total Other Deferred Debits	\$0	\$0
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$	\$
Total Regulatory Assets	\$0	\$0
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$0	\$563_

#### CAPITAL STOCK ACCOUNTS 201 AND 204\*

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON 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	% %	100 100 \$ 571,093
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	% %	\$

<sup>\*</sup> Account 204 not applicable for Class B utilities.

#### BONDS ACCOUNT 221

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

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

#### 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)	A	MOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$	207,313
439	Changes to Account:  Adjustments to Retained Earnings ( requires Commission approval prior to use):  Credits:	\$	207,313
	Total Credits:  Debits:	\$ \$	0
	Total Debits:	\$	0
435	Balance Transferred from Income	\$	64,428
436	Appropriations of Retained Earnings:		
	Total Appropriations of Retained Earnings	\$	0
437	Dividends Declared:  Preferred Stock Dividends Declared	_   _	
438	Common Stock Dividends Declared Distrubuted Dividends		
	Total Dividends Declared	\$	0
215	Year end Balance	\$	271,741
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):		
214	Total Appropriated Retained Earnings	\$	0
Total Ret	ained Earnings	\$	271,741
Notes to	Statement of Retained Earnings:		

UTILITY NAME: HC Waterworks, Inc.

### ADVANCES FROM ASSOCIATED COMPANIES ACCOUNT 223

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
	\$
Total	\$0

### OTHER LONG-TERM DEBT ACCOUNT 224

	IN	TEREST	PRINCIPAL
DESCRIPTION OF OBLIGATION	ANNUAL	FIXED OR	AMOUNT PER
(INCLUDING DATE OF ISSUE AND DATE OF MATURITY)	RATE	VARIABLE *	BALANCE SHEET
(a)	(b)	(c)	(d)
BANK OF TAMPA	4.25 %	FIXED	\$ 586,675
U.S. WATER SERVICES CORPORATION	4.00 %	FIXED	511,139
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	<u>%</u>		
	·%		
		L	
Total			\$ 1,097,815

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

UTILITY NAME: HC Waterworks, Inc.

### NOTES PAYABLE ACCOUNTS 232 AND 234

	IN	TEREST	PRINCIPAL
DESCRIPTION OF OBLIGATION	ANNUAL	FIXED OR	AMOUNT PER
(INCLUDING DATE OF ISSUE AND DATE OF MATURITY)	RATE	VARIABLE *	BALANCE SHEET
(a)	(b)	(c)	(d)
NOTES PAYABLE ( Account 232):			\$
Total Account 232  NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):	%		\$0 \$
	% % % % % % % % % % % % % % % % % % %		
Total Account 234	1		\$0

 $<sup>\</sup>ast\,$  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

YEAR OF REPORT December 31, 2018

UTILITY NAME: HC Waterworks, Inc.

# ACCRUED INTEREST AND EXPENSE ACCOUNTS 237 AND 427

		INTE	INTEREST ACCRUED		
	BALANCE	D	DURING YEAR	INTEREST	
DESCRIPTION OF DEBIT	BEGINNING OF YEAR	ACCT. DEBIT	AMOUNT	PAID DURING YEAR	BALANCE END OF YEAR
(a)	(p)	(c)	(p)	(e)	(j)
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt BANK OF TAMPA / USWSC	0 \$	427	\$ 46,910	\$ 46,910	8
Total Account 237.1	\$		\$ 46,910	\$ 46,910	0 \$
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities  Customer Deposits	€	427	\$	\$	€9
Total Account 237.2	8		\$ 694	\$ 694	0
Total Account 237 (1)	8 0		\$ 47,604	\$ 47,604	0
INTEREST EXPENSED: Total accrual Account 237		237	\$ 47,604	(1) Must agree to F-	(1) Must agree to F-2 (a), Beginning and
Less Capitalized Interest Portion of AFUDC:				Ending Balance	Ending Balance of Accrued Interest.
				(2) Must agree to F-3 (c), Current Year Interest Expense	-3 (c), Current pense
Net Interest Expensed to Account No. 427 (2)			\$ 47,604		

YEAR OF REPORT December 31, 2018

UTILITY NAME: HC Waterworks, Inc.

# MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES

### **ACCOUNT 241**

	BALANCE END
DESCRIPTION - Provide itemized listing	OF YEAR
(a)	(p)
241 2 . Accounting	
241.2 Axecomment Executions	
241.7 Neguratory Assessment rees	16,042
241.6 · Officer Salaries	76,200
Total Miscellaneous Current and Accrued Liabilities	\$ 92,242

# ADVANCES FOR CONSTRUCTION

### ACCOUNT 252

		BALANCE END		(d) (e) (f)			0	0	0 9
	DEBITS	ACCT.		(c)	\$				€9
ACCOUNT 232	BALANCE		OF YEAR	(p)	\$				0
			NAME OF PAYOR *	(a)					Total

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

### 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	\$	\$

### 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	\$898,011	\$\$	\$	\$1,242,121_
Add credits during year:	\$14,136_	\$11,340_	\$	\$ 25,476
Less debit charged during the year	\$0	\$0	\$	\$0
Total Contribution In Aid of Construction	\$912,147	\$355,450	\$0	\$1,267,597_

### 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	\$592,001_	\$ 265,822	\$	\$857,824_
Debits during the year:	\$31,611_	\$6,746_	\$	\$38,357_
Credits during the year	\$0	\$0	\$	\$0_
Total Accumulated Amortization of Contributions In Aid of Construction	\$623,612	\$ 272,569	\$0	\$896,181_

HC Waterworks, Inc.

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

The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year.
The reconciliation shall be submitted even though there is no taxable income for the year.
Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.

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)	\$64,428
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		\$64,428
Computation of tax:		

# WATER OPERATION SECTION

December 31, 2018

### 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
HC Waterworks/Highlands County	422-W	
Lake Josephine/Highlands County	422-W	N/A
Sebring Lakes/Highlands County	422-W	N/A
Leisure Lakes/Highlands County	422-W	N/A

**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)	\$ 4,456,414
	Less: Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,346,804
110	Accumulated Amortization	F-8	1,325
271	Contributions in Aid of Construction	W-7	912,147
252	Advances for Construction	F-20	
	Subtotal		\$
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 620,929
	Subtotal		\$
114 115	Plus or Minus: Acquisition Adjustments (2) Accumulated Amortization of Acquisition Adjustments (2) Working Capital Allowance (3) Other (Specify):	F-7 F-7	43,475
	WATER RATE BASE		\$\$2,860,541
WA	TER OPERATING INCOME	W-3	\$106,286
	ACHIEVED RATE OF RETURN (Water Operating Income / Water Ra	ate Base)	3.72%

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

- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.

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

HC Waterworks, Inc.

Decem	ber	31.	201	8

SYSTEM NAME / COUNTY:

### WATER OPERATING STATEMENT

ACCT. NO.	ACCOUNT NAME	REFERENCE PAGE		CURRENT YEAR
(a)	(b) UTILITY OPERATING INCOME	(c)	+	(d)
400		W-9	\$	557 730
469	Operating Revenues  Less: Guaranteed Revenue and AFPI	W-9 W-9	<b>-</b>	557,728 3,059
409	Less. Guaranteed Revenue and ATTT	VV - 9	+	3,039
	Net Operating Revenues		\$	554,669
401	Operating Expenses	W-10(a)	\$	347,799
AND DESCRIPTION OF THE PROPERTY OF THE PROPERT				
403	Depreciation Expense	W-6(a)		153,821
	Less: Amortization of CIAC	W-8(a)	1 —	28,928
		The second secon		
	Net Depreciation Expense		\$	124,893
406	Amortization of Utility Plant Acquisition Adjustment	F-7		(74,935)
407	Amortization Expense (Other than CIAC)	F-8	1	164
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee			25,098
408.11	Property Taxes		1	25,364
408.12	Payroll Taxes		1	
408.13	Other Taxes and Licenses		1 —	
408	Total Taxes Other Than Income		\$	50,461
409.1	Income Taxes			
410.10	Deferred Federal Income Taxes			T0000001
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		\$	448,384
	Utility Operating Income		\$	106,286
	Add Back:	7	1	
469	Guaranteed Revenue (and AFPI)	W-9	\$	3,059
413	Income From Utility Plant Leased to Others		1	
414	Gains (losses) From Disposition of Utility Property		1	
420	Allowance for Funds Used During Construction		1 -	
	Total Utility Operating Income	-	\$	109,345

YEAR OF REPORT

December 31, 2018

SYSTEM NAME / COUNTY:

UTILITY NAME:

HC Waterworks, Inc.

	CURRENT	YEAR	(f)	\$ 6,576	0	25,450	1,146,701	0	0	211,259	0	66,369	134,567	166,814	939,836	216,382	1,137,837	106,325	255,993	17,585	548	2,647	0	0	0	3,031	13,624	0	0	4,870	0	\$ 4,456,414	
		RETIREMENTS	(e)							446			0	0	1,142	0	51,161	0	4,657													\$ 57,406	
T ACCOUNTS		ADDITIONS	(p)							2,100			8,110	3,491	18,721	0	3,847	3,332	6,210													\$ 45,812	
WATER UTILITY PLANT ACCOUNTS	PREVIOUS	YEAR	(c)	\$ 6,576	0	25,450	1,146,701	0	0	209,605	0	69,369	126,457	163,322	922,257	216,382	1,185,151	102,993	254,440	17,585	548	2,647	0	0	0	3,031	13,624	0	0	4,870	0	\$ 4,468,008	
WAT		ACCOUNT NAME	(b)	Organization	Franchises	Land and Land Rights	Structures and Improvements	Collecting and Impounding Reservoirs	Lake, River and Other Intakes	Wells and Springs	Infiltration Galleries and Tunnels	Supply Mains	Power Generation Equipment	Pumping Equipment	Water Treatment Equipment	Distribution Reservoirs and Standpipes	Transmission and Distribution Mains	Services	Meters and Meter Installations	Hydrants	Backflow Prevention Devices	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	TOTAL WATER PLANT	
	ACCT.	NO.	(a)	301	302	303	304	305	306	307	308	309	310	311	320	330	331	333	334	335	336	339	340	341	342	343	344	345	346	347	348		

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

W-4(a) GROUP

YEAR OF REPORT December 31, 2018

HC Waterworks, Inc.

SYSTEM NAME / COUNTY:

UTILITY NAME:

ratel works, life.

WATER UTILITY PLANT MATRIX

.5 GENERAL PLANT (h)	3,031	\$ 21,525
.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	216,382 1,137,837 1,137,837 106,325 255,993 17,585 548 548	\$ 1,737,317
.3 WATER TREATMENT PLANT (f)	939,836	\$ 939,836
.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	25,450 1,146,701 1,146,701 1,146,701 1,146,701 1,146,701 1,146,701	\$ 1,751,159
.1 INTANGIBLE PLANT (d)	\$	\$ 6,576
CURRENT YEAR (c)	\$ 6,576 25,450 1,146,701 0 0 0 0 0 66,369 134,567 16,814 939,836 216,382 1,137,837 1,137,837 1,137,837 1,137,882 255,993 17,585 255,993 17,585 17,585 17,585 17,585 17,585 17,587 10,325 17,587 10,325 17,587 10,325 11,137,87 10,325 11,137,87 10,325 11,137,87 10,325 10,325 11,137,887 11,137,887 11,137,887 10,477 10,477 10,477 10,477 10,487 11,68	\$ 4,456,414
ACCOUNT NAME (b)	Pranchises Land and Land Rights Structures and Improvements Collecting and Impounding Reservoirs Lake, River and Other Intakes Wells and Springs Infiltration Galleries and Tunnels Supply Mains Power Generation Equipment Pumping Equipment Pumping Equipment Water Treatment Equipment Distribution Reservoirs and Standpipes Transmission and Distribution Mains Services Meters and Meter Installations Hydrants Backflow Prevention Devices Other Plant Miscellaneous Equipment Transportation Equipment Stores Equipment Tools, Shop and Garage Equipment Laboratory Equipment Power Operated Equipment Communication Equipment Miscellaneous Equipment Dower Operated Equipment Communication Equipment Miscellaneous Equipment Office Tangible Plant	TOTAL WATER PLANT
ACCT. NO. (a)	301 302 303 304 304 306 306 308 309 310 311 310 311 311 311 312 313 314 314 314 314 314 316 316 317 317 318 318 318 318 318 318 318 318 318 318	

W-4(b) GROUP

VE	AR	OF	RE	PO	RT

HC Waterworks, Inc.

December 31, 2018

**SYSTEM NAME / COUNTY:** 

### BASIS FOR WATER DEPRECIATION CHARGES

ACCT.		AVERAGE SERVICE LIFE IN	AVERAGE NET SALVAGE IN	DEPRECIATION RATE APPLIED IN PERCENT
NO.	ACCOUNT NAME	YEARS	PERCENT	(100% - d) / c
(a)	(b)	(c)	(d)	(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	3.2.2	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	N	2.22%
336	Backflow Prevention Devices	15		6.67%
339	Other Plant Miscellaneous Equipment	25		4.00%
340	Office Furniture and Equipment			
341	Transportation Equipment	6		16.67%
342	Stores Equipment		8	
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment	15		6.67%
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	15	· · · · · · · · · · · · · · · · · · ·	6.67%
348	Other Tangible Plant			
Water P	lant Composite Depreciation Rate *			

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

YEAR OF REPORT December 31, 2018

SYSTEM NAME / COUNTY:

UTILITY NAME:

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

17000	CREDITS	(d+e)	(f)	\$ 35,834	0	0	7,014	0	1,896	6,421	8,211	42,389	5.848	26.715	2,594	12,769	391	37	106	0	1.945	0	744	806	0	0	0	0	153,821
KECIATION	OTHER	CREDITS *	(e)	€9																									0
RATANCE IN WATER ACCOMOLATED DEPRECIATION		ACCRUALS	(p)	\$ 35,834			7,014	0	1,896	6,421	8,211	42,389	5,848	26,715	2,594	12,769	391	37	106		1,945	0	744	806					153,821
ES IIN WALER ACC	AT BEGINNING	OF YEAR	(c)	\$ 338,615	0	0	78,461	0	37,104	74,477	81,587	290,540	64,452	150,072	21,078	75,865	10,434	401	1,332	0	899'9	0	3,181	9,957	0	0	6,163		\$ 1,250,389
ANALISIS OF ENTIN		ACCOUNT NAME	(b)	Structures and Improvements	Collecting and Impounding Reservoirs	Lake, River and Other Intakes	Wells and Springs	Infiltration Galleries and Tunnels	Supply Mains	Power Generation Equipment	Pumping Equipment	Water Treatment Equipment	Distribution Reservoirs and Standpipes	Transmission and Distribution Mains	Services	Meters and Meter Installations	Hydrants	Backflow Prevention Devices	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	TOTAL WATER ACCUMULATED DEPRECIATION
	ACCT.	NO.	(a)	304	305	306	307	308	309	310	311	320	330	331	333	334	335	336	339	340	341	342	343	344	345	346	347	348	TOTAL WA

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

W-6(a) GROUP

YEAR OF REPORT December 31, 2018

HC Waterworks, Inc.

SYSTEM NAME / COUNTY:

UTILITY NAME:

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

			The second secon		
			COST OF		
			REMOVAL	TOTAL	BALANCE AT
	PLANT	SALVAGE AND	AND OTHER	CHARGES	END OF YEAR
ACCOUNT NAME	RETIRED	INSURANCE	CHARGES	(g-h+i)	(c+f-j)
(b)	(g)	(h)	(i)	(j)	(k)
Structures and Improvements	\$	\$	\$	0 \$	\$ 374,450
Collecting and Impounding Reservoirs				0	0
Lake, River and Other Intakes				0	0
Wells and Springs	446			446	85,029
Infiltration Galleries and Tunnels				0	0
Supply Mains				0	39,000
Power Generation Equipment				0	80,898
Pumping Equipment				0	86,798
Water Treatment Equipment	1,142			1,142	331,787
Distribution Reservoirs and Standpipes				0	70,300
Transmission and Distribution Mains	51,161			51,161	125,626
Services				0	23,672
Meters and Meter Installations	4,657			4,657	83,976
Hydrants				0	10,825
Backflow Prevention Devices				0	438
Other Plant Miscellaneous Equipment				0	1,438
Office Furniture and Equipment				0	0
Transportation Equipment				0	8,613
Stores Equipment				0	0
Tools, Shop and Garage Equipment				0	3,925
Laboratory Equipment				0	10,865
Power Operated Equipment				0	0
Communication Equipment				0	0
Miscellaneous Equipment				0	6,163
Other Tangible Plant				0	
TOTAL WATER ACCUMULATED DEPRECIATION	\$ 57,406	0	0	\$ 57,406	\$ 1,346,804

W-6(b) GROUP

YEAR	OF	REPORT

HC Waterworks, Inc.

SYSTEM NAME / COUNTY	:	

December 31, 2018

### CONTRIBUTIONS IN AID OF CONSTRUCTION **ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$898,011_
Add credits during year:  Contributions received from Capacity,  Main Extension and Customer Connection Charges  Contributions received from Developer or  Contractor Agreements in cash or property	W-8(a) W-8(b)	\$14,136
Total Credits		\$14,136_
Less debits charged during the year (All debits charged during the year must be explained below)		\$
Total Contributions In Aid of Construction		\$912,147_

if any prepara CIAC has been concered, provide a supporting schedule showing now the amount is determined.
Explain all debits charged to Account 271 during the year below:

YEAR	OF	REPORT

UTII	ITV	NA	ME	

SYSTEM NAME / COUNTY:	

December 31, 2018

### WATER CIAC SCHEDULE "A"

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Meter Installation Charge Plant Capacity Charge Service Installation Charge Main Extension Charge	6 6 6	\$ 210 700 1,000 446	\$\frac{1,260}{4,200} \\ \frac{6,000}{2,676} \\ \frac{0}{0} \\ \fra
Total Credits			\$14,136_

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

DESCRIPTION (a)	WATER (b)	
Balance first of year	\$	592,001
Debits during the year: Accruals charged to Account 272 Other debits (specify):	\$	28,928
Total debits	\$	28,928
Credits during the year (specify):	s	
Total credits	\$	0_
Balance end of year	\$	620,929

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

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HC Waterworks, Inc.

December 31, 2018

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### WATER CIAC SCHEDULE "B"

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
	1	\$
Total Credits		\$ 0

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SYSTEM NAME / COUNTY:	

December 31, 2018

### 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			\$
400	Metered Water Revenue:			Φ
461.1	Sales to Residential Customers	960	929	477,068
461.2	Sales to Commercial Customers	11	10	67,384
461.3	Sales to Industrial Customers	· · · · · · · · · · · · · · · · · · ·		
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			1
	, , , , , , , , , , , , , , , , , , , ,			
	Total Metered Sales	971	939	\$ 544,452
	Fire Protection Revenue:			
462.1	Public Fire Protection	1	1	
462.2	Private Fire Protection			
	Total Fire Protection Revenue	1	1	\$0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers		1	
466	Sales For Resale			
467	Interdepartmental Sales			
	Total Water Sales	972	940	\$ 544,452
	Other Water Revenues:			
469	Guaranteed Revenues (Including Allowan	ce for Funds Prudently Inv	ested or AFPI)	\$ 3,059
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			10,217
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$13,276_
	Total Water Operating Revenues			\$557,728

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

SYSTEM NAME / COUNTY:

HC Waterworks, Inc.

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	\$	s
603	Salaries and Wages - Employees  Salaries and Wages - Officers,	<b>3</b> 0	\$	Φ
003	Directors and Majority Stockholders	10,000		
604	Employee Pensions and Benefits	0		
610	Purchased Water	0		
615	Purchased Power	39,436	39,436	
616	Fuel for Power Production	0		
618	Chemicals	31,410	31,410	
620	Materials and Supplies	0		
631	Contractual Services-Engineering	5,179		
632	Contractual Services - Accounting	0		
633	Contractual Services - Legal	283		
634	Contractual Services - Mgt. Fees	0		
635	Contractual Services - Testing	31	31	
636	Contractual Services - Other	245,081	4,842	24,809
641	Rental of Building/Real Property	0		
642	Rental of Equipment	0		
650	Transportation Expenses	0		
656	Insurance - Vehicle	0		
657	Insurance - General Liability	1,784		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses			
	- Amortization of Rate Case Expense	1,125		
667	Regulatory Commission ExpOther	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	6,229		
675	Miscellaneous Expenses	7,241		
Total Water U	ftility Expenses	\$347,799	\$	\$24,809

HC	Watery	vorks.	Inc.

December 31, 2018

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)
\$	\$	\$	\$	\$	\$
					10,000
					5,179
				***************************************	283
56,203			63,491	36,780	58,956
					1,784
					1,125
0	212	294		6,229	6,735
\$56,203	\$	\$	\$ 63,491	\$43,009	\$ 84,061

HC Waterworks, Inc.

SYSTEM NAME / COUNTY:

Lake Josephine / Sebring Lakes

### PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE ( Omit 000's ) (b)	FINISHED WATER PUMPED FROM WELLS ( Omit 000's ) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED ( Omit 000's ) [ (b)+(c)-(d) ] (e)	WATER SOLE TO CUSTOMERS ( Omit 000's ) (f)
January		4,103	1,626	2,477	2,110
February		3,825	1,731	2,094	2,766
March		3,741	1,220	2,521	2,393
April		3,433	1,241	2,192	2,543
May		3,526	956	2,570	2,260
June		3,428	675	2,753	2,266
July		3,422	691	2,731	2,097
August		3,955	595	3,360	1,728
September		4,682	2,256	2,427	2,178
October		4,546	1,079	3,467	2,039
November		3,856	1,142	2,714	2,239
December		3,947	1,203	2,744	2,374
Total for Year	0	46,463	14,415	32,048	26,993
Vendor Point of delivery					
If water is sold to o	ther water utilities for re	distribution, list nan	nes of such utilities be	low:	

### SOURCE OF SUPPLY

List for each source of supply:	OF WELL	FROM SOURCE	SOURCE
Lake Josephine - Well #1	336,000		Ground
Lake Josephine - Well #2	336,000		Ground
Sebring Lakes - Well #1	216,000		Ground
Sebring Lakes - Well #2	216,000		Ground

W-11	
GROUP	
SYSTEM	

HC Waterworks, Inc.

SYSTEM NAME / COUNTY:

Lake Josephine / Sebring Lakes

### WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of	f Plant (GPD):	1	580,000				
Location of measuren (i.e. Wellhead, Storage	100 Sept. 100 Se	e e	Wellhead				
Type of treatment (reverse osmosis, Lake Josephine - Forced Draft Aeration, Chlormination (sedimentation, chemical, aerated, etc.): SebringLlakes: Chloramination - AdEdge Hydrogen Sulfide Removal Filters							
	LIME TREATMENT						
Unit rating (i.e., GPM, per gallon):	pounds	N/A	Manufacturer:	N/A			
FILTRATION Sebring Lakes:  Type and size of area: (6) AdEdge Filters - 48 f3/filter 3 at each wtp							
Pressure (in square feet	):	100 psi	Manufacturer:	AdEdge			
Gravity (in GPM/square	e feet):	8 - 15 gpm/f2	Manufacturer:	AdEdge			

SYSTEM NAME / COUNTY:

Leisure Lakes

### PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)  January February March April May June July August September October November	WATER PURCHASED FOR RESALE ( Omit 000's ) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)  1,432 668 585 512 651 497 528 575 687 569	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)  768 160 70 67 168 65 385 356 277 184	TOTAL WATER PUMPED AND PURCHASED ( Omit 000's ) [ (b)+(c)-(d) ] (e)  663 508 515 445 483 431 143 219 411 385	WATER SOLI TO CUSTOMERS ( Omit 000's ) (f) 509 547 528 668 441 351 347 436 339 340 405
December  Total for Year	0	7,908	2,723	5,185	5,411
Vendor Point of delivery	I for resale, indicate the		es of such utilities belo	ow:	

### SOURCE OF SUPPLY

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

W-11	
GROUP	
SYSTEM	

HC Waterworks, Inc.

YEAR OF REPORT December 31, 2018

SYSTEM NAME / COUNTY:

Leisure Lakes

### WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):		72,000	_
Location of measurement of capacity (i.e. Wellhead, Storage Tank):		Wellhead	
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.	):	Chloramination and AdE	Edge Hydogen Sulfide Filters
	LIME TH	REATMENT	
Unit rating (i.e., GPM, pounds per gallon):	N/A	Manufacturer:	N/A
FILTRATION  Type and size of area: (2) AdEdge Filte	rs - 48 f3/filter	2 filters at wtp	
Pressure (in square feet):	100 psi	Manufacturer:	AdEdge
Gravity (in GPM/square feet):	8 - 15 gpm/f2	Manufacturer:	AdEdge

YEAR OF REPORT December 31, 2018

UTILITY NAME:

HC Waterworks, Inc.

SYSTEM NAME / COUNTY:

Lake Josephine / Sebring Lakes

### CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBE OF METER EQUIVALENT (c x d) (e)
Residential and Ge	eneral Service	1.0		
5/8"	Displacement	1.0	628	628
3/4"	Displacement	1.5	0	
1"	Displacement	2.5	4	10
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	1	8
3"	Displacement	15.0	1	15
3"	Compound	16.0	0	
3"	Turbine	17.5	0	
4"	Displacement or Compound	25.0	0	
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		

### 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 = ( Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day )

ERC Calculation:	

W-13	
GROUP	
SYSTEM	

### HC Waterworks, Inc.

SYSTEM NAME / COUNTY:

Lake Josephine / Sebring Lakes

### OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.			
Present ERCs * the system can efficiently serve.	669		
2. Maximum number of ERCs * which can be served.	702		
3. Present system connection capacity (in ERCs *) using existing	ng lines.	669	
4. Future connection capacity (in ERCs *) upon service area but	uildout.	702	
5. Estimated annual increase in ERCs *.		3	
6. Is the utility required to have fire flow capacity?  If so, how much capacity is required?		Yes 750	
7. Attach a description of the fire fighting facilities.			
8. Describe any plans and estimated completion dates for any e	enlargements or impro	ovements of this system:	
When did the company last file a capacity analysis report wi	th the DEP?	Dec-18	
10. If the present system <b>does not</b> meet the requirements of DE	EP rules:		
a. Attach a description of the plant upgrade no	ecessary to meet the I	DEP rules.	
b. Have these plans been approved by DEP?	-		
c. When will construction begin?	-		
d. Attach plans for funding the required upgra	ading.		
e. Is this system under any Consent Order wit	h DEP?		
11. Department of Environmental Protection ID #	6280162		
12. Water Management District Consumptive Use Permit #	204167.003		
a. Is the system in compliance with the requir	rements of the CUP?	Yes	
b. If not, what are the utility's plans to gain co	ompliance?		

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

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

YEAR C	)F	RE	PORT
Decemb	her	31	2018

UT				

SYSTEM NAME / COUNTY:

Leisure	Lakes		

### CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

TYPE OF METER (b)	EQUIVALENT FACTOR (c)	OF METERS (d)	EQUIVALENT (c x d) (e)
al Carrica	1.0		
		302	302
			302
	5.0	-	
	8.0		
	15.0	-	
	16.0		-
Turbine	17.5		
Displacement or Compound	25.0	VI 200 - AZDIN	
Turbine	30.0		
Displacement or Compound	50.0		
Turbine	62.5		
Compound	80.0		
Turbine	90.0		
Compound	115.0		
Turbine	145.0		Value of the second
Turbine	215.0		
	Displacement Displacement Displacement Displacement Displacement or Turbine Displacement, Compound or Turbine Displacement Compound Turbine Displacement or Compound Turbine Displacement or Turbine Displacement or Turbine	Co	(b)         (c)         (d)           al Service         1.0         302           Displacement         1.5         2           Displacement         2.5         2           Displacement or Turbine         5.0         2           Displacement, Compound or Turbine         8.0         30.0           Displacement         15.0         30.0           Compound         16.0         17.5           Displacement or Compound         25.0         25.0           Turbine         30.0         30.0           Displacement or Compound         50.0         50.0           Turbine         62.5         62.5           Compound         80.0         80.0           Turbine         90.0         115.0           Compound         115.0         145.0

### 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 = ( Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day )

ERC Calculation:		

W-13	
GROUP	
SYSTEM	

UTIL	ITY	NA	MF:

SYSTEM NAME / COUNTY:

Leisure Lakes				
	Loienro	90/00		

### OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A s	separate page should be supplied where necessary.
Present ERCs * the system can efficiently serve.	307
2. Maximum number of ERCs * which can be served.	307
3. Present system connection capacity (in ERCs *) using existing	ng lines. 294
4. Future connection capacity (in ERCs *) upon service area but	uildout. 307
5. Estimated annual increase in ERCs *.	5
6. Is the utility required to have fire flow capacity?  If so, how much capacity is required?	Yes 500
7. Attach a description of the fire fighting facilities.	
Describe any plans and estimated completion dates for any e     Addition of Forced Draft Aeration at Leisure Lakes water treater	
9. When did the company last file a capacity analysis report with	ith the DEP? N/A
10. If the present system <b>does not</b> meet the requirements of DE	EP rules:
Attach a description of the plant upgrade ne Force Draft Aeration	ecessary to meet the DEP rules.
b. Have these plans been approved by DEP?	Yes
c. When will construction begin?	Mar-19
d. Attach plans for funding the required upgra	ading.
e. Is this system under any Consent Order with	h DEP? YES
11. Department of Environmental Protection ID #	6280064
12. Water Management District Consumptive Use Permit #	206456.004
a. Is the system in compliance with the require	rements of the CUP? Yes
b. If not, what are the utility's plans to gain co	ompliance?

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

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

## WASTEWATER OPERATION SECTION

### 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.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
HC Waterworks, Inc./Highlands County	359-S	
Leisure Lakes/Highlands County	359-S	N/A
		-
	-	S
		87 <u></u>
		-

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HC	Waterworks,	Inc
ne	Water works,	III.

SYSTEM NAME / COUNTY:

### SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WA	STEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	s	396,483
	Less: Nonused and Useful Plant (1)			
108	Accumulated Depreciation	S-6(b)		322,225
110	Accumulated Amortization	F-8		532
271	Contributions in Aid of Construction	S-7		355,450
252	Advances for Construction	F-20		
	Subtotal		s	(281,724)
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	s	272,569
	Subtotal		s	(9,155)
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			9,117
	Other (Specify):			
	WASTEWATER RATE BASE		s	(39)
WAST	EWATER OPERATING INCOME	S-3	s	4
ACH	IEVED RATE OF RETURN (Wastewater Operating Income / Wastew	water Rate Base)	<u> </u>	-10.44%

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.

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HC	W	aterw	orks.	Inc.

SYSTEM NAME / COUNTY :

### WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	04040032	STEWATE UTILITY (d)
UTI	LITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$	87,07
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)		
	Net Operating Revenues		s	87,07
401	Operating Expenses	S-10(a)	S	72,93
403	Danagistian Europea	5.6(4)		7.44
403	Depreciation Expense Less: Amortization of CIAC	S-6(a)		7,44
	Less: Amortization of CIAC	S-8(a)	+	6,74
	Net Depreciation Expense		s	69
406	Amortization of Utility Plant Acquisition Adjustment	F-7		(1,71
407	Amortization Expense (Other than CIAC)	F-8		6
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee			3,91
408.11	Property Taxes			11,17
408.12	Payroll Taxes			,
408.13	Other Taxes and Licenses		_	
408	Total Taxes Other Than Income		s	15,09
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		<b>-</b>	
412.11	Investment Tax Credits Restored to Operating Income		+	
	Utility Operating Expenses		s	87,07
	Utility Operating Income		s	4
	Add Back:			
530	Guaranteed Revenue (and AFPI)	S-9(a)	\$	(
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		s	1.

YEAR OF REPORT December 31, 2018

HC Waterworks, Inc.

UTILITY NAME:

SYSTEM NAME / COUNTY:

WASTEWATER UTILITY PLANT ACCOUNTS

Tividadily	DETIDEMENTS VEAD		\$ 2,034	298	2,200	4,580	17,947	0	169,656	0	26,876	7,695	0	0	0	11,836	30,813	0		0	118,504	0	934	2,126	0	0	0	984		0	0 0	0 0	0 0 0
	ADDITIONS		\$					-	1,269												2,304												
SHOLARIDA	VEAR	(c)	\$ 2,034	298	2,200	4,580	17,947	0	168,388	0	26,876	7,695	0	0	0	11,836	30,813	0		0	116,199	0	934	2,126	0	0	0	984	0			0	0 0
	ACCOUNT NAME	(q)	Organization	Franchises	Land and Land Rights	Structures and Improvements	Power Generation Equipment	Collection Sewers - Force	Collection Sewers - Gravity	Special Collecting Structures	Services to Customers	Flow Measuring Devices	Flow Measuring Installations	Reuse Services	Reuse Meters and Meter Installations	Receiving Wells	Pumping Equipment	Reuse Distribution Reservoirs	Reuse Transmission and	Distribution System	Treatment and Disposal Equipment	Plant Sewers	Outfall Sewer Lines	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	, Y	Communication Equipment	Communication Equipment Miscellaneous Equipment
ACCT	NO.	(a)	351	352	353	354	355	360	361	362	363	364	365	366	367	370	371	374	375		380	381	382	389	390	391	392	393	394	395		396	396

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

GROUP

YEAR OF REPORT December 31, 2018

HC Waterworks, Inc.

UTILITY NAME:

SYSTEM NAME / COUNTY:

WASTEWATER UTILITY PLANT MATRIX

r	;		GENERAL	PLANT	(k)	\$																									984						\$ 984
9	DECLAMED	WASTEWATER	DISTRIBUTION	PLANT	0	\$																															0 \$
v	DECLAIMED	WASTEWATER	TREATMENT	PLANT	(i)	\$																															0 \$
4		TREATMENT	AND	DISPOSAL	(i)	\$																		118,504		934	2,126										\$ 121,564
2 3	2	SVSTEM	PUMPING	PLANT	(i)	\$													11,836	30,813																	\$ 42,649
2	!		COLLECTION	PLANT	(h)	\$		2,200	4,580	17,947		169,656		26,876	7,695																						\$ 228,954
-			INTANGIBLE	PLANT	(g)	\$ 2,034	298																														\$ 2,332
				ACCOUNT NAME	(b)	Organization	Franchises	Land and Land Rights	Structures and Improvements	Power Generation Equipment	Collection Sewers - Force	Collection Sewers - Gravity	Special Collecting Structures	Services to Customers	Flow Measuring Devices	Flow Measuring Installations	Reuse Services	Reuse Meters and Meter Installations	Receiving Wells	Pumping Equipment	Reuse Distribution Reservoirs	Reuse Transmission and	Distribution System	Treatment and Disposal Equipment	Plant Sewers	Outfall Sewer Lines	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	Total Wastewater Plant
			ACCT.	NO.	(a)	351	352	353	354	355	360	361	362	363	364	365	366	367	370	371	374	375		380	381	382	389	390	391	392	393	394	395	396	397	398	

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

HC	W	aterwor	ks.	Inc.

## BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT.	ACCOUNT NAME	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
(a) 354	(b) Structures and Improvements	32	(u)	3.13%
355	Power Generation Equipment	20		5.00%
360	Collection Sewers - Force			
361	Collection Sewers - Gravity	45		2.22%
362	Special Collecting Structures			
363	Services to Customers	38		2.63%
	Flow Measuring Devices	5	- 10 To 10 T	20.00%
364				20.0070
365	Flow Measuring Installations			
366	Reuse Services  Reuse Meters and Meter Installations			
367		30		3.33%
370	Receiving Wells	18		5,56%
371	Pumping Equipment	18		3.5076
374	Reuse Distribution Reservoirs			
375	Reuse Transmission/Distribution Sys.	10		5.56%
380	Treatment and Disposal Equipment	18		3.3076
381	Plant Sewers			3.33%
382	Outfall Sewer Lines	30		
389	Other Plant Miscellaneous Equipment	18		5.56%
390	Office Furniture and Equipment			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment	16		6.25%
394	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			

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

HC Waterworks, Inc.

UTILITY NAME:

SYSTEM NAME / COUNTY:

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

TOTAL	( <b>d</b> + <b>e</b> )	(J)	0 8	268	0	3,753	0	707	0	0	0	0	39	1,712	0	0	122	0	31	118	0	0	0	61	0	0	0	0	0	\$ 7,442
OTHER	CREDITS *	(e)	\$																											8
	ACCRUALS	(p)	\$	268	0	3,753	0	707					39	1,712			122	0	31	118				19						\$ 7,442
BALANCE AT BEGINNING	OF YEAR	(c)	\$ 4,580	10,877	0	131,409	0	13,235	7,801	0	0	0	11,038	21,159	0	0	112,783	0	901	1,181	0	0	0	614	0	0	0	0	0	\$ 314,784
	ACCOUNT NAME	(b)	Structures and Improvements	Power Generation Equipment	Collection Sewers - Force	Collection Sewers - Gravity	Special Collecting Structures	Services to Customers	Flow Measuring Devices	Flow Measuring Installations	Reuse Services	Reuse Meters and Meter Installations	Receiving Wells	Pumping Equipment	Reuse Distribution Reservoirs	Reuse Transmission/Distribution Sys.	Treatment and Disposal Equipment	Plant Sewers	Outfall Sewer Lines	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	Total Depreciable Wastewater Plant in Service
ACCT.	NO.	(a)	354	355	360	361	362	363	364	365	366	367	370	371	374	375	380	381	382	389	390	391	392	393	394	395	396	397	398	Total E

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

S-6(a) GROUP

HC Waterworks, Inc.

UTILITY NAME:

SYSTEM NAME / COUNTY:

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT.         RETURN         SALYACE AND TOTAL         TOTAL         BALANCE AT PRAINTS           NO.         ACCOLIT NAME         RETURED         1,831         CHARGES         CHARGES         END OF YEAR PRODUCE AT PROJECT AND COLOR AND OTHER PROJECT AND AND AND OTHER PROJECT AND					COUR OF		
ACCOUNT NAME   RETIRED   SALVAGE AND   ARENOVAL   LOTAL   ENDOR					COST OF		E. doing
Structures and Improvements   S			The second secon		KEMOVAL	IOTAL	BALANCE AT
Structures and Improvements   S	CCT.		PLANT	SALVAGE AND	AND OTHER	CHARGES	END OF YEAR
Structures and flowerments   S   S   S   S   S     Power Centration Equipment   Collection Sewers - Force     Collection Sewers - Force   Collection Sewers - Force     Severices of Customers   Services of Customers     Services of Customers   Services   Customers     Services of Customers   Services   Customers     Reuse Services and Meter Installations   Receiving Wells     Reuse Personalization Reservoirs   Reuse Distribution Reservoirs     Reuse Prantipution Reservoirs   Reuse Prantipution Reservoirs     Plant Sewer Lines   Condition Equipment     Confider Funding and Equipment     Confider Funding Equipment     Communication E	NO.	ACCOUNT NAME	RETIRED	INSURANCE	CHARGES	(g-h+i)	(c+f-j)
Subscription Statements   S	(a)	(b)	(g)	(h)	(i)	(i)	(k)
Collection Equipment   Collection Equipment	354	Structures and Improvements	\$	\$	\$		
Collection Sewers - Force	355	Power Generation Equipment				0	11,775
Special Collection Sewers - Gravity   Special Collection Sewers - Gravity   Special Collecting Structures   Special Collecting Engineers   Special Co	360	Collection Sewers - Force				0	0
Special Collecting Structures   Services to Customers	361	Collection Sewers - Gravity				0	135,161
Flow Measuring Devices   Flow Measuring Devices	362	Special Collecting Structures				0	0
Flow Measuring Devices   Flow Measuring Devices	363	Services to Customers				0	13,942
Flow Measuring Insallations   Reuse Services   Reuse Services   Reuse Meter and Meter Installations   Reuse Meters and Meter Installations   Reuse Distribution Reservoirs   Plant Severs   Plan	364	Flow Measuring Devices				0	7,801
Rease Services         Receiving Wells         0           Pumping Equipment         0           Rease Disribution Reservoirs         0           Rease Disribution Reservoirs         0           Rease Disribution Reservoirs         0           Rease Transmission/Distribution Sys.         1 Treatment and Disposal Equipment           Plant Sewer Lines         0           Outfall Sewer Lines         0           Other Plant Miscellaneous Equipment         0           Transportation Equipment         0           Stores Equipment         0           Laboratory Equipment         0           Power Operated Equipment         0           Communication Equipment         0           Miscellaneous Equipment         0           Other Tangible Plant         0           Other Tangible Plant in Service         2	365	Flow Measuring Installations				0	0
Reuse Distributions         Receiving Wells         0           Pumping Equipment         Reuse Distribution Reservoirs         0           Reuse Distribution Reservoirs         Reuse Distribution Reservoirs         0           I Teratment and Disposal Equipment         0           Plant Severs         Outfall Sever Lines         0           Outfall Sever Lines         0           Other Plant Miscellaneous Equipment         0           Transportation Equipment         0           Stores Equipment         0           Laboratory Equipment         0           Power Operated Equipment         0           Power Operated Equipment         0           Miscellaneous Equipment         0           Miscellaneous Equipment         0           Miscellaneous Equipment         0           Other Tangible Plant in Service         2	366	Reuse Services				0	0
Receiving Wells	367					0	0
Pumping Equipment   Pumping Equipment   Pumping Equipment   Reuse Distribution Reservoirs   Reuse Transmission/Distribution Sys.   Treatment and Disposal Equipment   Plant Sewers   Plant Sewers   Plant Sewer Lines   Outlant Sewer Lines   Outlant Sewer Lines   Outlant Miscellaneous Equipment   Office Furniture and Equipment   Contre- Plant Miscellaneous Equipment   Contre- Plant Miscellaneous Equipment   Contre- Plant Miscellaneous Equipment   Communication Equipment   Communicati	370	Receiving Wells				0	11,077
Reuse Transmission/Distribution Sys.         Reuse Transmission/Distribution Sys.         0	371	Pumping Equipment				0	22,871
Reuse Transmission/Distribution Sys.   Treatment and Disposal Equipment   Plant Sewers     Outfall Sewer Lines   Outfall Sewer Lines   Outfall Sewer Lines     Other Plant Miscellaneous Equipment   Office Furniture and Equipment   Transportation Equipment   Transportation Equipment   Tools, Shop and Garage Equipment   Tools, Shop and Garage Equipment   Ower Operated Equipment   Dever Operated Equipment   Other Tangible Plant   Othe	374	Reuse Distribution Reservoirs				0	0
Treatment and Disposal Equipment         0         0           Plant Sowers         Outfall Sewer Lines         0           Outfall Sewer Lines         Other Plant Miscellaneous Equipment         0           Office Furniture and Equipment         Colfice Furniture and Equipment         0           Stores Equipment         Stores Equipment         0           Laboratory Equipment         Communication Equipment         0           Power Operated Equipment         0           Communication Equipment         0           Miscellaneous Equipment         0           Miscellaneous Equipment         0           Other Tangible Plant         0	375	Reuse Transmission/Distribution Sys.				0	0
Plant Sewers         Outfall Sewer Lines         0         0           Other Plant Miscellaneous Equipment         0         0           Office Furniture and Equipment         0         0           Transportation Equipment         0         0           Stores Equipment         0         0           Laboratory Equipment         0         0           Laboratory Equipment         0         0           Power Operated Equipment         0         0           Miscellaneous Equipment         0         0           Miscellaneous Equipment         0         0           Other Tangible Plant         0         0	380					0	112,905
Outfall Sever Lines         Outfall Sever Lines         0           Other Plant Miscellaneous Equipment         0         0           Transportation Equipment         0         0           Stores Equipment         0         0           Taboratory Equipment         0         0           Power Operated Equipment         0         0           Communication Equipment         0         0           Miscellaneous Equipment         0         0           Other Tangible Plant         0         0	381	Plant Sewers				0	0
Other Plant Miscellaneous Equipment         0         0           Office Furniture and Equipment         0         0           Transportation Equipment         0         0           Stores Equipment         0         0           Taboratory Equipment         0         0           Power Operated Equipment         0         0           Miscellaneous Equipment         0         0           Miscellaneous Equipment         0         0           Other Tangible Plant         0         8         0         8	382	Outfall Sewer Lines				0	138
Office Furniture and Equipment         Office Furniture and Equipment         0         0           Stores Equipment         Stores Equipment         0         0           Tools, Shop and Garage Equipment         0         0           Power Operated Equipment         0         0           Miscellaneous Equipment         0         0           Miscellaneous Equipment         0         0           Other Tangible Plant         0         0	389	Other Plant Miscellaneous Equipment				0	1,300
Transportation Equipment         0         0           Stores Equipment         0         0           Tools, Shop and Garage Equipment         0         0           Laboratory Equipment         0         0           Communication Equipment         0         0           Miscellaneous Equipment         0         0           Other Tangible Plant         0         0	390	Office Furniture and Equipment				0	0
Stores Equipment         0         0           Tools, Shop and Garage Equipment         0         0           Laboratory Equipment         0         0           Communication Equipment         Miscellaneous Equipment         0           Miscellaneous Equipment         0         0           Other Tangible Plant         0         0	391	Transportation Equipment				0	0
Tools, Shop and Garage Equipment         0         0           Laboratory Equipment         0         0           Power Operated Equipment         0         0           Miscellaneous Equipment         0         0           Other Tangible Plant         0         0	392	Stores Equipment				0	0
Laboratory Equipment         0         0           Power Operated Equipment         0         0           Communication Equipment         0         0           Miscellancous Equipment         0         0           Other Tangible Plant         0         0           Material Depreciable Wastewater Plant in Service         \$         0         \$	393					0	675
Power Operated Equipment         0           Communication Equipment         0           Miscellaneous Equipment         0           Other Tangible Plant         0           Sall Depreciable Wastewater Plant in Service         0	394	Laboratory Equipment				0	0
Communication Equipment         Communication Equipment         0         0           Miscellaneous Equipment         Other Tangible Plant         0         0         0           Main Depreciable Wastewater Plant in Service         \$         0         \$         0         \$	395	Power Operated Equipment				0	0
Miscellaneous Equipment         Other Tangible Plant         0         0           Other Tangible Plant         0         \$         0         \$           Mal Depreciable Wastewater Plant in Service         \$         0         \$         0         \$	396	Communication Equipment				0	0
Other Tangible Plant         0         0           otal Depreciable Wastewater Plant in Service         \$         0         \$         0         \$	397	Miscellaneous Equipment				0	0
s 0 s 0 s 0 s	398	Other Tangible Plant				0	0
	Total I	Depreciable Wastewater Plant in Service					

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

S-6(b) GROUP

## CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$344,110
Add credits during year:  Contributions received from Capacity,  Main Extension and Customer Connection Charges	S-8(a)	\$11,340
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	0
Total Credits		\$11,340_
Less debits charged during the year (All debits charged during the year must be explained below)		s
Total Contributions In Aid of Construction		\$355,450_

Explain all debits charge	ed to Account 271 duri	ing the year below:		

December	31,	2018	

### WASTEWATER CIAC SCHEDULE "A"

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Plant capacity charge Service installation charge Main Extension Charge	3 3 3	\$ 1,300 2,000 480	\$ 3,900 6,000 1,440 0 0 0 0
Total Credits			\$11,340

# 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	\$6,746_
Credits during the year (specify):	s
Total credits	S0
Balance end of year	\$\$

SYSTEM	NAME	/ COUNTY	:

## WASTEWATER CIAC SCHEDULE "B"

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
		\$
Total Credits		s0

	Į	JT	IL	IT	Y	N	A	M	E	
--	---	----	----	----	---	---	---	---	---	--

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HC	Waterworks,	Inc.

#### WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
	WASTEWATER SALES			
521.1	Flat Rate Revenues: Residential Revenues			s
521.2	Commercial Revenues			
521.3	Industrial Revenues			10-10-10-10-10-10-10-10-10-10-10-10-10-1
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues	0	0	so_
	Measured Revenues:			
522.1	Residential Revenues	319	296	87,075
522.2	Commercial Revenues			
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	319	296	\$ 87,075
523	Revenues From Public Authorities			
524	Revenues From Other Systems		restriction of the second	
525	Interdepartmental Revenues			
	Total Wastewater Sales	319	296	s87,075
	OTHER WASTEWATER REVENUES			
530	Guaranteed Revenues (Including Allowa	nce for Funds Prudently Ir	ivested or AFPI)	\$
531	Sale of Sludge		200 District	
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues			
	Total Other Wastewater Revenues			s

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

UTILITY NAME:	HC Waterworks, Inc.	YEAR OF REPOR December 31, 2018
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			
	Flat Rate Reuse Revenues:			
540.1	Residential Reuse Revenues			s
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	so
	Measured Reuse Revenues:			
541.1	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			\$ 87,075

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

HC Waterworks, Inc.

UTILITY NAME:

SYSTEM NAME / COUNTY:

					-																												
	9.	TREATMENT & DISPOSAL	EXPENSES -	MAINTENANCE	<b>(2)</b>														720 0	9,0,6													\$ 9,076
	νĵ	TREATMENT & DISPOSAL	EXPENSES -	OPERATIONS	(E)	9				950	3,468	000	2000						707 00	761,02													\$ 25,515
	4.	PUMPING	EXPENSES -	MAINTENANCE	(8)	,																											8 0
COUNT MATRIX	6.	PUMPING	EXPENSES -	OPERATIONS	9																												0
WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX	7:	COLLECTION	EXPENSES-	MAINTENANCE (e)	69														12,439														\$ 12,439
STEWATER UTIL	Г	COLLECTION	EXPENSES-	OPERATIONS (d)	\$																												0
WA			CURRENT	reak (c)	0		3,200	0	0 050	3.468	0	300	0	0	188	283	0	0	63,763	0	0	0	0	613	0	0	0		0	0	691	0	\$ 72,933
		V.	ACCOUNT NAME	(b)	Salaries and Wages - Employees	Salaries and Wages - Officers,	Directors and Majority Stockholders	Employee Pensions and Benefits	Shidae Demonal Evanage	Purchased Power	Fuel for Power Production	Chemicals	Materials and Supplies	Contractual Services-Engineering	Contractual Services - Accounting	Contractual Services - Legal	Contractual Services - Mgt. Fees	Contractual Services - Testing	Contractual Services - Other	Rental of Building/Real Property	Rental of Equipment	Transportation Expenses	Insurance - Vehicle	Insurance - General Liability	Insurance - Workman's Comp.	Insurance - Other	Advertising Expense	Regulatory Commission Expenses	- Amortization of Rate Case Expense	Regulatory Commission ExpOther	Bad Debt Expense	Miscellaneous Expenses	Total Wastewater Utility Expenses
			ACCT.	(a)	701	703		710	711	715	716	718	720	731	732	733	734	735	736	741	742	750	756	757	758	759	760	992		767	770	775	To

S-10(a) GROUP

HC Waterworks, Inc.

SYSTEM NAME / COUNTY:

UTILITY NAME:

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

	:	•	ŗ.	or.	-	
						71.
			RECLAIMED	RECLAIMED	RECLAIMED	RECLAIMED
			WATER	WATER	WATER	WATER
	CUSTOMER	ADMIN. &	TREATMENT	TREATMENT	DISTRIBUTION	DISTRIBUTION
	ACCOUNTS	GENERAL	EXPENSES-	EXPENSES-	EXPENSES-	EXPENSES-
ACCOUNT NAME	EXPENSE	EXPENSES	OPERATIONS	MAINTENANCE	OPERATIONS	MAINTENANCE
(0)	Э	(k)	€	(m)	(n)	(0)
Salaries and Warres - Officers	9	A	2	S	<b>∞</b>	69
Directors and Majority Stockholders		2000				
Employee Densions and Danefits		3,200				And the second second
Durchased Courses Treatment						
Sludge Removal Expense						
Purchased Power						
Fuel for Power Purchased						
Chemicals						
Materials and Supplies						
Contractual Services-Engineering						
Contractual Services - Accounting		188				
Contractual Services - Legal		283				
Contractual Services - Mgt. Fees						
Contractual Services - Testing						
Contractual Services - Other	5,831	15,620				
Rental of Building/Real Property						
Rental of Equipment						
Transportation Expenses						
Insurance - Vehicle						
Insurance - General Liability		613				
Insurance - Workman's Comp.						
Insurance - Other						
Advertising Expense						
Regulatory Commission Expenses						
- Amortization of Rate Case Expense						
Regulatory Commission ExpOther						
Bad Debt Expense	169					
Miscellaneous Expenses						
Total Wastewater Utility Expenses	\$ 5,999	\$ 19,904	0	0	0	9

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Decen	iber	31.	20	18

#### CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

TYPE OF WATER METER (b)	EQUIVALENT FACTOR (e)	NUMBER OF WATER METERS (d)	OF METER EQUIVALENTS (c x d) (e)
	1.0		0
		296	296
Displacement	1.5		0
Displacement	2.5	-	0
Displacement or Turbine	5.0		0
Displacement, Compound or Turbine	8.0		0
Displacement	15.0		0
Compound	16.0		0
Turbine	17.5		0
Displacement or Compound	25.0		- 0
Turbine	30.0		0
Displacement or Compound	50.0		0
Turbine	62.5		0
Compound	80.0		0
Turbine	90.0		0
Compound	115.0		0
Turbine	145.0		0
Turbine	215.0		0
	Displacement Displacement Displacement Displacement or Turbine Displacement, Compound or Turbine Displacement Compound Turbine Displacement or Compound Turbine Displacement or Compound Turbine Displacement or Compound Turbine Compound Turbine Compound Turbine Compound	TYPE OF WATER METER	TYPE OF WATER METER (b)         EQUIVALENT FACTOR (c)         OF WATER METERS (d)           Displacement         1.0         296           Displacement         1.5         0           Displacement or Turbine         5.0         0           Displacement, Compound or Turbine         8.0         0           Displacement, Compound or Turbine         15.0         0           Compound         16.0         0           Turbine         17.5         0           Displacement or Compound         25.0         0           Turbine         30.0         0           Displacement or Compound         50.0         0           Turbine         62.5         0           Compound         80.0         0           Turbine         90.0         0           Compound         115.0         0           Turbine         145.0         0

## 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 = ( Total SFR gallons treated (Omit 000) / 365 days / 280 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:		

YEAR	ROF	REPO	RT

UT	П	IT	V	N	Δ	М	F.
	44			17.	~	LYE	

HC Waterworks, Inc.

December 31, 2018

SYST	EM	NAN	AE/	COL	UNT	V :	

### WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	50,000	
Basis of Permit Capacity (1)	AADF	 
Manufacturer	Defiance	
Type (2)	Ext. Aeration	 
Hydraulic Capacity	.050 MGD	 
Average Daily Flow	15,890	 
Total Gallons of Wastewater Treated	5,800,000	 
Method of Effluent Disposal	Percolation Ponds	

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

### OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be	supplied where necessary.
Present number of ERCs* now being served	296
Maximum number of ERCs* which can be served	319
Present system connection capacity (in ERCs*) using existing lines	319
4. Future connection capacity (in ERCs*) upon service area buildout	319
5. Estimated annual increase in ERCs*	5 - 6
6. Describe any plans and estimated completion dates for any enlargements or improvement	ents of this system
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end use provided to each, if known.	ers and the amount of reuse
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	No
If so, when?	N/A
9. Has the utility been required by the DEP or water management district to implement rec	use? No
If so, what are the utility's plans to comply with this requirement?	N/A
10. When did the company last file a capacity analysis report with the DEP?	Apr-13
<ul><li>11. If the present system does not meet the requirements of DEP rules:</li><li>a. Attach a description of the plant upgrade necessary to meet the DEP rules.</li></ul>	
b. Have these plans been approved by DEP?	N/A
c. When will construction begin?	N/A
d. Attach plans for funding the required upgrading.     e. Is this system under any Consent Order with DEP?	No
12. Department of Environmental Protection ID #	FLA014388

<sup>\*</sup> 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: HC WATERWORKS, INC. For the Year Ended December 31, 2018

(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)	544,452	544,452	(
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)	10,217	10,217	(
Total Water Operating Revenue	554,669	554,669	(
LESS: Expense for Purchased Water from FPSC-Regulated Utility			
Net Water Operating Revenues	\$554,669	\$554,669	\$0

F	n	lar	nat	ior	15.

#### Instructions:

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

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

Company: HC WATERWORKS, INC. For the Year Ended December 31, 2018

Instructions:

reported in column (d).

(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)	87,075	87,075	(
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	87,075	87,075	(
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility			
Net Wastewater Operating Revenues	\$87,075	\$87,075	\$0

Net Wastewater Operating Revenues	\$87,075	\$87,075	\$0
Explanations:			

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