

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WS968-19-AR

HC Waterworks, Inc.

Exact Legal Name of Respondent

OFFICIAL COPY
Public Service Commission
Do Not Remove From This Office

422-W & 359-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



2020/MAR 19 AM 9:43

FOR THE

YEAR ENDED DECEMBER 31, 2019

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EXECUTIVE SUMMARY

UTILITY NAME: HC Waterworks, Inc.

CERTIFICATION OF ANNUAL REPORT

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


YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.

YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

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



 (Signature of Chief Executive Officer of the utility) *

1.	2.	3.	4.

 (Signature of Chief Financial Officer of the utility) *

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT

December 31, 2019

HC Waterworks, Inc.

(Exact Name of Utility)

County: Highlands

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

4939 Cross Bayou Blvd.

New Port Richey, Fl 34652

Telephone: 727-848-8292

E Mail Address: trendell@uswatercorp.net

WEB Site: www.mywaterservice.com

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

AU-1914, FWS-632, AU-1915

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

Troy Rendell

Vice President, Investor Owned Utilities

Telephone: 727-848-8292

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

4939 Cross Bayou Blvd.

New Port Richey, Fl 34652

Telephone: 727-659-5522

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

Date of original organization of the utility:

02/25/13

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

Individual

Partnership

Sub S Corporation

1120 Corporation

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

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2019

**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.

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

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

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

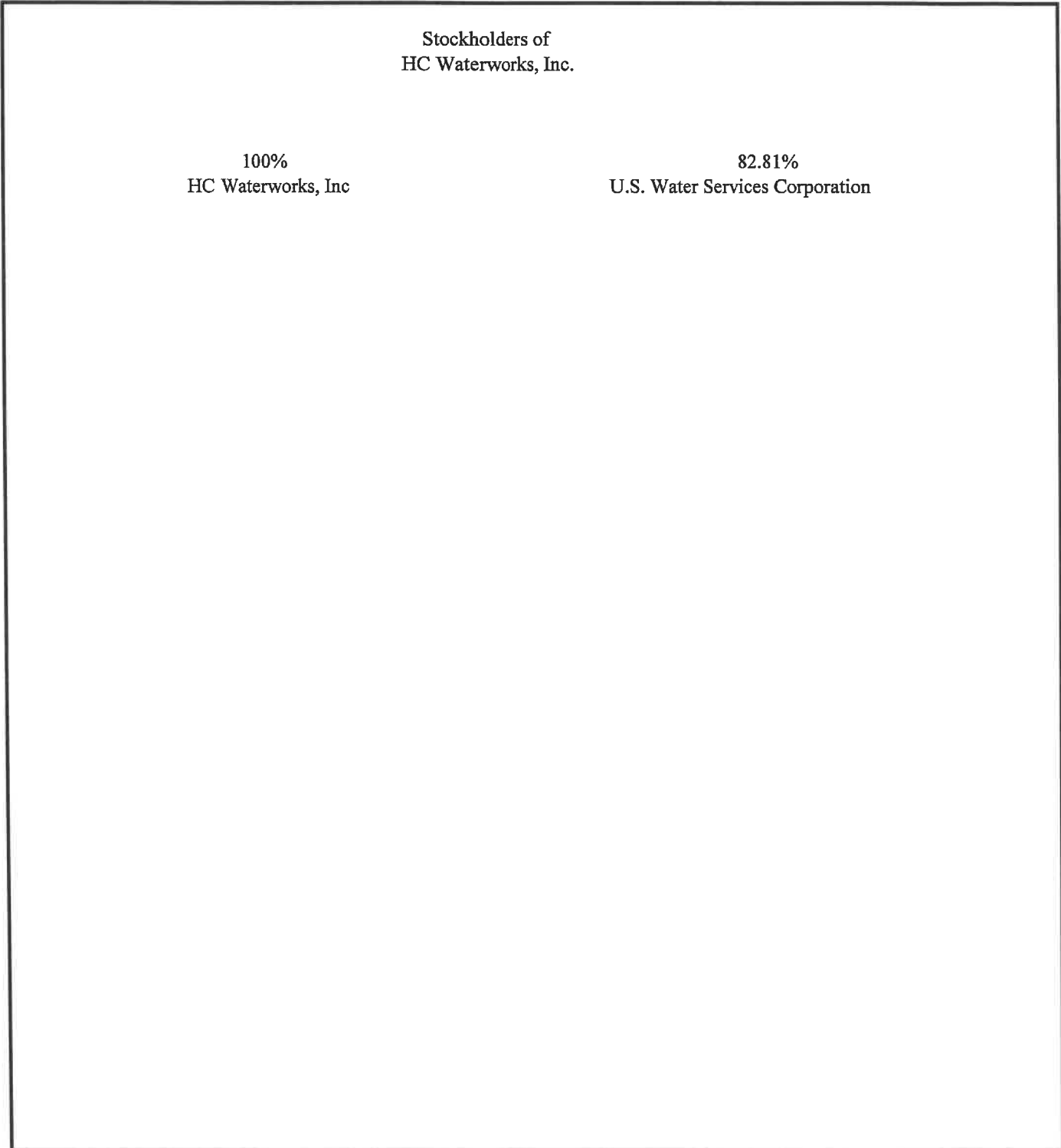
UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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PARENT / AFFILIATE ORGANIZATION CHART

Current as of _____ 12/31/19 _____

Complete below an organizational chart that shows all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).



UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Gary Deremer	President	5%	\$ 13,200
Cecil Delcher	V. President	5%	0

COMPENSATION OF DIRECTORS

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

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.			
NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Gary Deremer	Contracted Services	\$ See E10(a)	U.S. Water Services Corporation
Cecil Delcher	Contracted Services	See E10(a)	U.S. Water Services Corporation

* 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

UTILITY NAME: HC Waterworks, Inc.

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

Complete the following for any business which is conducted as a byproduct, co product, or joint product as a result of providing water and / or wastewater service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenue and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)
None	\$		\$		\$	

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

- Enter in this part all transactions involving services and products received or provided.
- 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 (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
				\$
U.S. Water Services Corporation	Contracted Services	Monthly	P	341,129

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 5,279,293	\$ 5,905,547
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,670,887	1,844,080
Net Plant			\$ 3,608,407	\$ 4,061,466
114-115	Utility Plant Acquisition adjustment (Net)	F-7	(481,878)	(405,228)
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 3,126,529	\$ 3,656,238
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ 0	\$ 0
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 0	\$ 0
123	Investment in Associated Companies	F-10	0	0
124	Utility Investments	F-10	0	0
125	Other Investments	F-10	0	0
126-127	Special Funds	F-10	0	0
Total Other Property & Investments			\$ 0	\$ 0
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 454,239	\$ 479,277
132	Special Deposits	F-9	0	0
133	Other Special Deposits	F-9	0	0
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	99,726	146,917
145	Accounts Receivable from Associated Companies	F-12	0	0
146	Notes Receivable from Associated Companies	F-12	0	0
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments		11,923	11,446
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	0	1,917
Total Current and Accrued Assets			\$ 565,888	\$ 639,556

* Not Applicable for Class B Utilities

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ 0	\$ 0
182	Extraordinary Property Losses	F-13	0	0
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14	563	3,500
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 563	\$ 3,500
TOTAL ASSETS AND OTHER DEBITS			<u>\$ 3,692,979</u>	<u>\$ 4,299,295</u>

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 571,093	\$ 571,093
204	Preferred Stock Issued	F-15	0	0
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		730,007	730,007
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	271,741	284,639
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 1,572,841	\$ 1,585,739
LONG TERM DEBT				
221	Bonds	F-15	0	0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	0	0
224	Other Long Term Debt	F-17	1,097,815	2,014,522
Total Long Term Debt			\$ 1,097,815	\$ 2,014,522
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		514,576	170,688
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		36,985	40,234
236	Accrued Taxes	W/S-3	7,072	12,254
237	Accrued Interest	F-19	0	0
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	92,242	106,143
Total Current & Accrued Liabilities			\$ 650,875	\$ 329,319

* 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		\$	\$
262	Injuries & Damages Reserve		_____	_____
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	\$ 1,267,597	\$ 1,310,091
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	896,181	(940,377)
Total Net CIAC			\$ 371,417	\$ 369,714
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			\$ 3,692,947	\$ 4,299,295

UTILITY NAME: HC Waterworks, Inc.

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 644,804	\$ 676,818
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	3,059	5,098
Net Operating Revenues			\$ 641,745	\$ 671,719
401	Operating Expenses	F-3(b)	\$ 420,732	\$ 447,402
403	Depreciation Expense:	F-3(b)	\$ 161,263	\$ 184,839
	Less: Amortization of CIAC	F-22	38,357	44,196
Net Depreciation Expense			\$ 122,906	\$ 140,642
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	(76,650)	(76,650)
407	Amortization Expense (Other than CIAC)	F-3(b)	226	220
408	Taxes Other Than Income	W/S-3	65,557	62,398
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	\$ 574,012
Net Utility Operating Income			\$ 108,972	\$ 97,707
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	3,059	5,098
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)]			\$ 112,031	\$ 102,806

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

UTILITY NAME: HC Waterworks, Inc.

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 588,025 5,098	\$ 88,793 0	\$ _____
\$ 582,926	\$ 88,793	\$ 0
\$ 365,330	\$ 82,072	\$ _____
171,848 32,165	12,991 12,031	_____
\$ 139,683	\$ 960	\$ 0
(74,935) 164 50,836 0 0 0 0 0 0	(1,715) 55 11,562 0 0 0 0 0 0	_____ _____ _____ _____ _____ _____ _____ _____
\$ 481,079	\$ 92,933	\$ 0
\$ 101,847	\$ (4,140)	\$ 0
5,098 0 0 0	0 0 0 0	_____ _____ _____ _____
\$ 106,946	\$ (4,140)	\$ 0

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 112,031	\$ 102,806
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income			
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 0	\$ 0
TAXES APPLICABLE TO OTHER INCOME				
408.2	Taxes Other Than Income		\$	\$
409.2	Income Taxes			
410.2	Provision for Deferred Income Taxes			
411.2	Provision for Deferred Income Taxes - Credit			
412.2	Investment Tax Credits - Net			
412.3	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable To Other Income			\$ 0	\$ 0
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 47,604	\$ 89,907
428	Amortization of Debt Discount & Expense	F-13	0	0
429	Amortization of Premium on Debt	F-13	0	0
Total Interest Expense			\$ 47,604	\$ 89,907
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.3	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$ 0	\$ 0
NET INCOME			\$ 64,428	\$ 12,899

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 5,080,104	\$ 398,883
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	<u>1,506,787</u>	<u>335,216</u>
110	Accumulated Amortization	F-8	<u>1,490</u>	<u>587</u>
271	Contributions in Aid of Construction	F-22	<u>935,741</u>	<u>374,350</u>
252	Advances for Construction	F-20		
Subtotal			\$ <u>2,636,086</u>	\$ <u>(311,270)</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	655,777	284,600
Subtotal			\$ <u>3,291,863</u>	\$ <u>(26,670)</u>
114	Plus or Minus: Acquisition Adjustments (2)	F-7	<u>(809,041)</u>	<u>(14,994)</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>(409,434)</u>	<u>(9,373)</u>
	Working Capital Allowance (3)		<u>45,666</u>	<u>10,259</u>
	Other (Specify): _____ _____ _____		_____ _____ _____	_____ _____ _____
RATE BASE			\$ <u>2,119,054</u>	\$ <u>(40,778)</u>
NET UTILITY OPERATING INCOME			\$ <u>101,847</u>	\$ <u>(4,140)</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>4.81%</u>	<u>10.15%</u>

NOTES :

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

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 1,585,976	43.56%	10.18%	4.43%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	2,014,522	55.33%	5.25%	2.90%
Customer Deposits	40,234	1.11%	2.00%	0.02%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	0	0.00%		0.00%
Other (Explain)	0	0.00%		0.00%
	0	0.00%		0.00%
Total	\$ 3,640,733	100.00%		7.36%

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

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

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

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 5,080,104	\$ 398,883	\$ _____	\$ 5,478,987
102	Utility Plant Leased to Other	_____	_____	_____	0
103	Property Held for Future Use	_____	_____	_____	0
104	Utility Plant Purchased or Sold	_____	_____	_____	0
105	Construction Work in Progress	426,559	_____	_____	426,559
106	Completed Construction Not Classified	_____	_____	_____	0
	Total Utility Plant	<u>\$ 5,506,663</u>	<u>\$ 398,883</u>	<u>\$ 0</u>	<u>\$ 5,905,547</u>

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

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

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ (809,041)	\$ (14,994)	\$ _____	\$ (824,035)
		_____	_____	_____	0
		_____	_____	_____	0
		_____	_____	_____	0
	Total Plant Acquisition Adjustments	<u>\$ (809,041)</u>	<u>\$ (14,994)</u>	<u>\$ 0</u>	<u>\$ (824,035)</u>
115	Accumulated Amortization	\$ (409,434)	\$ (9,373)	\$ _____	\$ (418,807)
		_____	_____	_____	0
		_____	_____	_____	0
		_____	_____	_____	0
	Total Accumulated Amortization	<u>\$ (409,434)</u>	<u>\$ (9,373)</u>	<u>\$ 0</u>	<u>\$ (418,807)</u>
	Net Acquisition Adjustments	<u>\$ (399,607)</u>	<u>\$ (5,621)</u>	<u>\$ 0</u>	<u>\$ (405,228)</u>

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 1,346,804	\$ 322,225	\$	\$ 1,669,030
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 171,848	\$ 12,991	\$	\$ 184,839
Account 108.2 (2)	_____	_____	_____	0
Account 108.3 (2)	_____	_____	_____	0
Other Accounts (specify):	_____	_____	_____	0
	_____	_____	_____	0
Salvage	_____	_____	_____	0
Other Credits (Specify):	_____	_____	_____	0
	_____	_____	_____	0
Total Credits	\$ 171,848	\$ 12,991	\$ 0	\$ 184,839
Debits during year:				
Book cost of plant retired	11,865	_____	_____	11,865
Cost of Removal	_____	_____	_____	0
Other Debits (specify):	_____	_____	_____	0
	_____	_____	_____	0
Total Debits	\$ 11,865	\$ 0	\$ 0	\$ 11,865
Balance end of year	\$ <u>1,506,787</u>	\$ <u>335,216</u>	\$ <u>0</u>	\$ <u>1,842,003</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 1,325	\$ 532	\$	\$ 1,857
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$ 164	\$ 55	\$	\$ 220
Other Accounts (specify):	_____	_____	_____	0
	_____	_____	_____	0
Total credits	\$ 164	\$ 55	\$ 0	\$ 220
Debits during year:				
Book cost of plant retired	_____	_____	_____	0
Other debits (specify):	_____	_____	_____	0
	_____	_____	_____	0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ <u>1,490</u>	\$ <u>587</u>	\$ <u>0</u>	\$ <u>2,077</u>

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

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

NONUTILITY PROPERTY (ACCOUNT 121)

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

Other Items may be grouped by classes of property.

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

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

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

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

UTILITY NAME: HC Waterworks, Inc.

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**INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127**

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

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):	
Water	\$ 88,248
Wastewater	_____
Other	_____
Total Customer Accounts Receivable	\$ 88,248
OTHER ACCOUNTS RECEIVABLE (Account 142):	
Unbilled Revenue	\$ 60,143
_____	_____
_____	_____
Total Other Accounts Receivable	\$ 60,143
NOTES RECEIVABLE (Account 144):	
_____	\$ _____
_____	_____
_____	_____
Total Notes Receivable	\$ 0
Total Accounts and Notes Receivable	\$ 148,391
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)	
Balance first of year	\$ 0
Add: Provision for uncollectibles for current year	\$ 1,474
Collection of accounts previously written off	_____
Utility Accounts	_____
Others	_____
_____	_____
Total Additions	\$ 1,474
Deduct accounts written off during year:	
Utility Accounts	_____
Others	_____
_____	_____
Total accounts written off	\$ 0
Balance end of year	\$ 1,474
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET	\$ 146,917

YEAR OF REPORT

UTILITY NAME: HC Waterworks, Inc.

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

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

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

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

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

UTILITY NAME: HC Waterworks, Inc.

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
Deferred Rate Case Expense	\$ _____	\$ _____ 3,500
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ _____ 0	\$ _____ 3,500
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	\$ _____ 3,500

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	%	\$ 1
Shares authorized		100
Shares issued and outstanding		100
Total par value of stock issued	%	\$ 571,093
Dividends declared per share for year	%	\$ 0
PREFERRED STOCK		
Par or stated value per share	%	\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	%	\$
Dividends declared per share for year	%	\$

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

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

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

UTILITY NAME: HC Waterworks, Inc.

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STATEMENT OF RETAINED EARNINGS

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 271,741
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____ _____	\$ _____ _____
	Total Credits:	\$ 0
	Debits: _____ _____	\$ _____ _____
	Total Debits:	\$ 0
435	Balance Transferred from Income	\$ 12,899
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	\$ 284,639
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	\$ 0
Total Retained Earnings		\$ 284,639
Notes to Statement of Retained Earnings:		

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
BANK OF TAMPA	5.25 %	FIXED	\$ 2,014,522
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
Total			\$ <u>2,014,522</u>

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**NOTES PAYABLE
ACCOUNTS 232 AND 234**

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

* 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	\$ <u> 0</u>

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT
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**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt BANK OF TAMPA	\$ 0	427	\$ 88,646	\$ 88,646	\$
Total Account 237.1	\$ 0		\$ 88,646	\$ 88,646	\$ 0
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Customer Deposits	\$	427	\$ 1,261	\$ 1,261	\$
Total Account 237.2	\$ 0		\$ 1,261	\$ 1,261	\$ 0
Total Account 237 (1)	\$ 0		\$ 89,907	\$ 89,907	\$ 0
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 89,907		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			\$ 89,907		

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

UTILITY NAME: HC Waterworks, Inc.

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
241.2 · Accounting	\$ 16,743
241.5 · Regulatory Assessment Fees	89,400
241.6 · Officer Salaries	
Total Miscellaneous Current and Accrued Liabilities	\$ 106,143

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

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

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1): _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2): _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>912,181</u>	\$ <u>355,450</u>	\$ _____	\$ <u>1,267,631</u>
Add credits during year:	\$ <u>23,560</u>	\$ <u>18,900</u>	\$ _____	\$ <u>42,460</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>935,741</u></u>	\$ <u><u>374,350</u></u>	\$ <u><u>0</u></u>	\$ <u><u>1,310,091</u></u>

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>623,612</u>	\$ <u>272,569</u>	\$ _____	\$ <u>896,181</u>
Debits during the year:	\$ <u>32,165</u>	\$ <u>12,031</u>	\$ _____	\$ <u>44,196</u>
Credits during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>655,777</u></u>	\$ <u><u>284,600</u></u>	\$ <u><u>0</u></u>	\$ <u><u>940,377</u></u>

UTILITY NAME: HC Waterworks, Inc.

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

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ <u>12,899</u>
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
_____		_____
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ <u><u>12,899</u></u>

Computation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME:

HC Waterworks, Inc.

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

UTILITY NAME: HC Waterworks, Inc.

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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)	\$ 5,080,104
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	1,506,787
110	Accumulated Amortization	F-8	1,490
271	Contributions in Aid of Construction	W-7	935,741
252	Advances for Construction	F-20	
Subtotal			\$ 2,636,086
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 655,777
Subtotal			\$ 3,291,863
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		45,666
	Other (Specify):		
WATER RATE BASE			\$ 3,337,529
WATER OPERATING INCOME		W-3	\$ 101,847
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			3.05%

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

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

(3) Calculation consistent with last rate proceeding.

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY :

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 588,025
469	Less: Guaranteed Revenue and AFPI	W-9	5,098
	Net Operating Revenues		\$ 582,926
401	Operating Expenses	W-10(a)	\$ 365,330
403	Depreciation Expense	W-6(a)	171,848
	Less: Amortization of CIAC	W-8(a)	32,165
	Net Depreciation Expense		\$ 139,683
406	Amortization of Utility Plant Acquisition Adjustment	F-7	(74,935)
407	Amortization Expense (Other than CIAC)	F-8	164
408.10	Taxes Other Than Income		
	Utility Regulatory Assessment Fee		26,461
408.11	Property Taxes		24,375
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 50,836
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 481,079
	Utility Operating Income		\$ 101,847
469	Add Back:		
	Guaranteed Revenue (and AFPI)	W-9	\$ 5,098
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		\$ 106,946

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 6,577			\$ 6,577
302	Franchises	0			0
303	Land and Land Rights	25,450			25,450
304	Structures and Improvements	1,146,701	5,033	3,774	1,147,959
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	211,259			211,259
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	66,369	2,329	0	68,699
310	Power Generation Equipment	134,567	5,005	0	139,571
311	Pumping Equipment	166,814	2,785	1,393	168,206
320	Water Treatment Equipment	939,836	603,004	0	1,542,840
330	Distribution Reservoirs and Standpipes	216,383	3,229	0	219,612
331	Transmission and Distribution Mains	1,137,837	3,309	0	1,141,146
333	Services	106,325	0	0	106,325
334	Meters and Meter Installations	255,993	10,859	6,698	260,154
335	Hydrants	17,585			17,585
336	Backflow Prevention Devices	548			548
339	Other Plant Miscellaneous Equipment	2,647			2,647
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	0			0
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	3,031			3,031
344	Laboratory Equipment	13,624			13,624
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	4,871			4,871
348	Other Tangible Plant	0			0
TOTAL WATER PLANT		\$ 4,456,416	\$ 635,553	\$ 11,865	\$ 5,080,104

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

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY :

WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 6,577	\$ 6,577				
302	Franchises	0					
303	Land and Land Rights	25,450		25,450			
304	Structures and Improvements	1,147,959		1,147,959			
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	211,259		211,259			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	68,699		68,699			
310	Power Generation Equipment	139,571		139,571			
311	Pumping Equipment	168,206		168,206			
320	Water Treatment Equipment	1,542,840			1,542,840		
330	Distribution Reservoirs and Standpipes	219,612				219,612	
331	Transmission and Distribution Mains	1,141,146				1,141,146	
333	Services	106,325				106,325	
334	Meters and Meter Installations	260,154				260,154	
335	Hydrants	17,585				17,585	
336	Backflow Prevention Devices	548				548	
339	Other Plant Miscellaneous Equipment	2,647				2,647	
340	Office Furniture and Equipment	0					
341	Transportation Equipment	0					
342	Stores Equipment	0					
343	Tools, Shop and Garage Equipment	3,031					3,031
344	Laboratory Equipment	13,624					13,624
345	Power Operated Equipment	0					
346	Communication Equipment	0					
347	Miscellaneous Equipment	4,871					4,871
348	Other Tangible Plant	0					
TOTAL WATER PLANT		\$ 5,080,104	\$ 6,577	\$ 1,761,144	\$ 1,542,840	\$ 1,748,017	\$ 21,526

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	32		3.13%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	35		2.86%
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	20		5.00%
335	Hydrants	45		2.22%
336	Backflow Prevention Devices	15		6.67%
339	Other Plant Miscellaneous Equipment	25		4.00%
340	Office Furniture and Equipment			
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment	15		6.67%
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	15		6.67%
348	Other Tangible Plant			
Water Plant Composite Depreciation Rate *				

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

YEAR OF REPORT
December 31, 2019

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 374,450	35,841		\$ 35,841
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	85,029	7,042		7,042
308	Infiltration Galleries and Tunnels	0	0		0
309	Supply Mains	39,000	1,921		1,921
310	Power Generation Equipment	80,898	6,822		6,822
311	Pumping Equipment	89,798	8,376		8,376
320	Water Treatment Equipment	331,787	65,242		65,242
330	Distribution Reservoirs and Standpipes	70,300	5,888		5,888
331	Transmission and Distribution Mains	125,626	26,503		26,503
333	Services	23,672	2,658		2,658
334	Meters and Meter Installations	83,976	12,952		12,952
335	Hydrants	10,825	391		391
336	Backflow Prevention Devices	438	37		37
339	Other Plant Miscellaneous Equipment	1,438	106		106
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	8,613	(1,945)		(1,945)
342	Stores Equipment	0	0		0
343	Tools, Shop and Garage Equipment	3,925	(894)		(894)
344	Laboratory Equipment	10,865	908		908
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	6,163			0
348	Other Tangible Plant				0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 1,346,804	171,848	0	171,848

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

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
		\$ 3,774	\$	\$	\$ 3,774	\$ 406,516
304	Structures and Improvements				0	0
305	Collecting and Impounding Reservoirs				0	0
306	Lake, River and Other Intakes				0	92,071
307	Wells and Springs				0	0
308	Infiltration Galleries and Tunnels				0	40,922
309	Supply Mains				0	87,720
310	Power Generation Equipment				0	96,781
311	Pumping Equipment	1,393			1,393	397,029
320	Water Treatment Equipment				0	76,189
330	Distribution Reservoirs and Standpipes				0	152,129
331	Transmission and Distribution Mains				0	26,330
333	Services				0	90,231
334	Meters and Meter Installations				6,698	11,216
335	Hydrants	6,698			0	474
336	Backflow Prevention Devices				0	1,544
339	Other Plant Miscellaneous Equipment				0	0
340	Office Furniture and Equipment				0	6,668
341	Transportation Equipment				0	0
342	Stores Equipment				0	3,031
343	Tools, Shop and Garage Equipment				0	11,774
344	Laboratory Equipment				0	0
345	Power Operated Equipment				0	0
346	Communication Equipment				0	0
347	Miscellaneous Equipment				0	6,163
348	Other Tangible Plant				0	0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 11,865	\$ 0	\$ 0	\$ 11,865	\$ 1,506,787

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY :

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>912,181</u>
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>23,560</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
Total Credits		\$ <u>23,560</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>935,741</u>

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

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY :

WATER CIAC SCHEDULE "A"

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Meter Installation Charge	10	\$ 210	\$ 2,100
Plant Capacity Charge	10	700	7,000
Service Installation Charge	10	1,000	10,000
Main Extension Charge	10	446	4,460
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
Total Credits			\$ 23,560

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 623,612
Debits during the year:	
Accruals charged to Account 272	\$ 32,165
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 32,165
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ 655,777

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY : _____

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)
		\$ _____

Total Credits		\$ _____ 0

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	929	960	502,688
461.2	Sales to Commercial Customers	10	12	70,553
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		939	972	\$ 573,242
462.1	Fire Protection Revenue: 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			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		940	973	\$ 573,242
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 5,098
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			9,684
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 14,783
Total Water Operating Revenues				\$ 588,025

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY :

WATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 0	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	10,000		
604	Employee Pensions and Benefits	0		
610	Purchased Water	0		
615	Purchased Power	35,429	35,429	
616	Fuel for Power Production	0		
618	Chemicals	38,261	38,261	
620	Materials and Supplies	0		
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	200		
633	Contractual Services - Legal	235		
634	Contractual Services - Mgt. Fees	0		
635	Contractual Services - Testing	94	94	
636	Contractual Services - Other	271,493	3,283	15,499
641	Rental of Building/Real Property	0		
642	Rental of Equipment	0		
650	Transportation Expenses	0		
656	Insurance - Vehicle	0		
657	Insurance - General Liability	1,800		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	563		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	(1,283)		
675	Miscellaneous Expenses	8,539		
Total Water Utility Expenses		\$ 365,330	\$ 77,067	\$ 15,499

UTILITY NAME:

HC Waterworks, Inc.

SYSTEM NAME / COUNTY :

WATER UTILITY EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
					10,000
					200
					235
78,124	6,106		80,638	21,507	66,336
					1,800
					563
				(1,283)	
0		308			8,231
\$ <u>78,124</u>	\$ <u>6,106</u>	\$ <u>308</u>	\$ <u>80,638</u>	\$ <u>20,224</u>	\$ <u>87,365</u>

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2019

SYSTEM NAME / COUNTY :

Lake Josephine / Sebring Lakes

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		3,749	681	3,068	2,231
February		3,322	614	2,708	2,870
March		3,515	663	2,852	2,376
April		3,554	663	2,891	2,700
May		3,585	663	2,922	2,615
June		3,198	663	2,535	2,616
July		3,008	663	2,345	2,403
August		2,523	345	2,178	2,169
September		2,814	572	2,242	1,850
October		2,694	570	2,124	2,110
November		3,600	575	3,025	2,357
December		3,616	570	3,046	2,266
Total for Year	0	39,178	7,243	31,935	28,563

If water is purchased for resale, indicate the following:
Vendor _____
Point of delivery _____

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

SOURCE OF SUPPLY

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY :

Leisure Lakes

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		919	181	738	469
February		760	112	648	576
March		795	130	666	632
April		692	70	622	606
May		505	12	493	543
June		657	176	481	437
July		563	178	385	315
August		1,023	595	427	373
September		605	164	441	418
October		615	189	426	373
November		719	174	545	497
December		628	68	560	558
Total for Year	0	8,481	2,050	6,432	5,797

If water is purchased for resale, indicate the following:

Vendor _____

Point of delivery _____

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

SOURCE OF SUPPLY

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

W-11

GROUP _____

SYSTEM _____

YEAR OF REPORT
December 31, 2019

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

YEAR OF REPORT
December 31, 2019

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : Leisure Lakes

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>72,000</u>		
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>		
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Chloramination; Forced Draft Aeration & Adedge Filtration</u>		
LIME TREATMENT			
Unit rating (i.e., GPM, pounds per gallon):	<u>N/A</u>	Manufacturer:	<u>N/A</u>
FILTRATION			
Type and size of area:	<u>(2) AdEdge Filters - 48 f3/filter</u>		<u>2 filters at wtp</u>
Pressure (in square feet):	<u>100 psi</u>	Manufacturer:	<u>AdEdge</u>
Gravity (in GPM/square feet):	<u>8 - 15 gpm/f2</u>	Manufacturer:	<u>AdEdge</u>

YEAR OF REPORT
December 31, 2019

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 NUMBER OF METER EQUIVALENTS (c x d) (e)
Residential and General Service		1.0		
5/8"	Displacement	1.0	642	642
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	0	
3"	Compound	16.0	0	
3"	Turbine	17.5	0	
4"	Displacement or Compound	25.0	0	
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				665

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

ERC Calculation:

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
--

SYSTEM NAME / COUNTY :

Leisure Lakes

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
Residential and General Service		1.0		
5/8"	Displacement	1.0	323	323
3/4"	Displacement	1.5	0	
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				323

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

ERC Calculation:

UTILITY NAME: 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.

1. 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 lines. 669
4. Future connection capacity (in ERCs *) upon service area buildout. 702
5. Estimated annual increase in ERCs *. 3
6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? 750
7. Attach a description of the fire fighting facilities.
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:

9. When did the company last file a capacity analysis report with the DEP? Dec-18
10. If the present system does **not** meet the requirements of DEP rules:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # 6280162
12. Water Management District Consumptive Use Permit # 204167.003
 - a. Is the system in compliance with the requirements of the CUP? Yes
 - b. If not, what are the utility's plans to gain compliance? _____

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY :

Leisure Lakes

OTHER WATER SYSTEM INFORMATION

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

1. Present ERCs * the system can efficiently serve. 307

2. Maximum number of ERCs * which can be served. 307

3. Present system connection capacity (in ERCs *) using existing lines. 294

4. Future connection capacity (in ERCs *) upon service area buildout. 307

5. Estimated annual increase in ERCs *. 5

6. Is the utility required to have fire flow capacity? Yes

If so, how much capacity is required? 500

7. Attach a description of the fire fighting facilities.

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:

Addition of Forced Draft Aeration at Leisure Lakes water treatment plant in 2019.

9. When did the company last file a capacity analysis report with the DEP? N/A

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

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

Force Draft Aeration

b. Have these plans been approved by DEP? Yes

c. When will construction begin? Mar-19

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with 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 requirements of the CUP? Yes

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

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

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2019

WASTEWATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

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

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

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

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
--

SYSTEM NAME / COUNTY : _____

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 398,883
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	335,216
110	Accumulated Amortization	F-8	587
271	Contributions in Aid of Construction	S-7	374,350
252	Advances for Construction	F-20	
Subtotal			\$ (311,270)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 284,600
Subtotal			\$ (26,670)
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		10,259
	Other (Specify):		
WASTEWATER RATE BASE			\$ (16,411)
WASTEWATER OPERATING INCOME		S-3	\$ (4,140)
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			25.23%

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

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

(3) Calculation consistent with last rate proceeding.

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
--

SYSTEM NAME / COUNTY : _____

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 88,793
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 88,793
401	Operating Expenses	S-10(a)	\$ 82,072
403	Depreciation Expense	S-6(a)	12,991
	Less: Amortization of CIAC	S-8(a)	12,031
Net Depreciation Expense			\$ 960
406	Amortization of Utility Plant Acquisition Adjustment	F-7	(1,715)
407	Amortization Expense (Other than CIAC)	F-8	55
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		3,996
408.11	Property Taxes		7,566
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 11,562
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 92,933
Utility Operating Income			\$ (4,140)
530	Add Back: Guaranteed Revenue (and AFPI)	S-9(a)	\$ 0
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ (4,140)

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 2,034	\$		\$ 2,034
352	Franchises	298			298
353	Land and Land Rights	2,200			2,200
354	Structures and Improvements	4,580			4,580
355	Power Generation Equipment	17,947			17,947
360	Collection Sewers - Force	0	2,400		2,400
361	Collection Sewers - Gravity	169,656			169,656
362	Special Collecting Structures	0			0
363	Services to Customers	26,876			26,876
364	Flow Measuring Devices	7,695			7,695
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	11,836			11,836
371	Pumping Equipment	30,813			30,813
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission and Distribution System	0			0
380	Treatment and Disposal Equipment	118,504			118,504
381	Plant Sewers	0			0
382	Outfall Sewer Lines	934			934
389	Other Plant Miscellaneous Equipment	2,126			2,126
390	Office Furniture and Equipment	0			0
391	Transportation Equipment	0			0
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	984			984
394	Laboratory Equipment	0			0
395	Power Operated Equipment	0			0
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Wastewater Plant		\$ 396,483	\$ 2,400	\$ 0	\$ 398,883

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

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$ 2,034						
352	Franchises	298						
353	Land and Land Rights		2,200					
354	Structures and Improvements		4,580					
355	Power Generation Equipment		17,947					
360	Collection Sewers - Force		2,400					
361	Collection Sewers - Gravity		169,656					
362	Special Collecting Structures							
363	Services to Customers		26,876					
364	Flow Measuring Devices		7,695					
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations			11,836				
370	Receiving Wells			30,813				
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System				118,504			
380	Treatment and Disposal Equipment							
381	Plant Sewers				934			
382	Outfall Sewer Lines				2,126			
389	Other Plant Miscellaneous Equipment							
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 2,332	\$ 231,355	\$ 42,649	\$ 121,564	\$ 0	\$ 0	\$ 984

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY :

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements	32		3.13%
355	Power Generation Equipment	20		5.00%
360	Collection Sewers - Force			
361	Collection Sewers - Gravity	45		2.22%
362	Special Collecting Structures			
363	Services to Customers	38		2.63%
364	Flow Measuring Devices	5		20.00%
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells	30		3.33%
371	Pumping Equipment	18		5.56%
374	Reuse Distribution Reservoirs			
375	Reuse Transmission/Distribution Sys.			
380	Treatment and Disposal Equipment	18		5.56%
381	Plant Sewers			
382	Outfall Sewer Lines	30		3.33%
389	Other Plant Miscellaneous Equipment	18		5.56%
390	Office Furniture and Equipment			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment	16		6.25%
394	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *				

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

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 4,580	\$	\$	\$ 0
355	Power Generation Equipment	11,775	897		897
360	Collection Sewers - Force	0	55		55
361	Collection Sewers - Gravity	135,161	3,770		3,770
362	Special Collecting Structures	0	0		0
363	Services to Customers	13,942	707		707
364	Flow Measuring Devices	7,801			0
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	11,077	39		39
371	Pumping Equipment	22,871	1,712		1,712
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	112,905	5,599		5,599
381	Plant Sewers	0	0		0
382	Outfall Sewer Lines	138	31		31
389	Other Plant Miscellaneous Equipment	1,300	118		118
390	Office Furniture and Equipment	0			0
391	Transportation Equipment	0			0
392	Stores Equipment	0			0
393	Tools, Shop and Garage Equipment	675	61		61
394	Laboratory Equipment	0			0
395	Power Operated Equipment	0			0
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 322,225	\$ 12,991	\$ 0	\$ 12,991

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

YEAR OF REPORT
December 31, 2019

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i)	BALANCE AT END OF YEAR (c+f-j) (k)
354	Structures and Improvements	\$	\$	\$	0	\$ 4,580
355	Power Generation Equipment				0	12,672
360	Collection Sewers - Force				0	55
361	Collection Sewers - Gravity				0	138,932
362	Special Collecting Structures				0	0
363	Services to Customers				0	14,650
364	Flow Measuring Devices				0	7,801
365	Flow Measuring Installations				0	0
366	Reuse Services				0	0
367	Reuse Meters and Meter Installations				0	0
370	Receiving Wells				0	0
371	Pumping Equipment				0	11,117
374	Reuse Distribution Reservoirs				0	24,583
375	Reuse Transmission/Distribution Sys.				0	0
380	Treatment and Disposal Equipment				0	0
381	Plant Sewers				0	118,504
382	Outfall Sewer Lines				0	0
389	Other Plant Miscellaneous Equipment				0	169
390	Office Furniture and Equipment				0	1,418
391	Transportation Equipment				0	0
392	Stores Equipment				0	0
393	Tools, Shop and Garage Equipment				0	0
394	Laboratory Equipment				0	737
395	Power Operated Equipment				0	0
396	Communication Equipment				0	0
397	Miscellaneous Equipment				0	0
398	Other Tangible Plant				0	0
Total Depreciable Wastewater Plant in Service		\$ 0	\$ 0	\$ 0	0	\$ 335,216

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2019

SYSTEM NAME / COUNTY : _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>355,450</u>
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>18,900</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	<u>0</u>
Total Credits		\$ <u>18,900</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>374,350</u>

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY : _____

WASTEWATER CIAC SCHEDULE "A"

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Plant capacity charge	5	\$ 1,300	\$ 6,500
Service installation charge	5	2,000	10,000
Main Extension Charge	5	480	2,400
			0
			0
			0
			0
			0
Total Credits			\$ 18,900

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 272,569
Debits during the year:	
Accruals charged to Account 272	\$ 12,031
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 12,031
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ 284,600

YEAR OF REPORT

December 31, 2019

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

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

<p align="center">DESCRIPTION (a)</p>	<p align="center">INDICATE CASH OR PROPERTY (b)</p>	<p align="center">AMOUNT (c)</p>
		\$ _____

Total Credits		\$ _____ 0

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
--

SYSTEM NAME / COUNTY : _____

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
Flat Rate Revenues:				
521.1	Residential Revenues	_____	_____	\$ _____
521.2	Commercial Revenues	_____	_____	_____
521.3	Industrial Revenues	_____	_____	_____
521.4	Revenues From Public Authorities	_____	_____	_____
521.5	Multiple Family Dwelling Revenues	_____	_____	_____
521.6	Other Revenues	_____	_____	_____
521	Total Flat Rate Revenues	0	0	\$ 0
Measured Revenues:				
522.1	Residential Revenues	296	321	88,793
522.2	Commercial Revenues	_____	_____	_____
522.3	Industrial Revenues	_____	_____	_____
522.4	Revenues From Public Authorities	_____	_____	_____
522.5	Multiple Family Dwelling Revenues	_____	_____	_____
522	Total Measured Revenues	296	321	\$ 88,793
523	Revenues From Public Authorities	_____	_____	_____
524	Revenues From Other Systems	_____	_____	_____
525	Interdepartmental Revenues	_____	_____	_____
Total Wastewater Sales		<u>296</u>	<u>321</u>	\$ <u>88,793</u>
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ _____
531	Sale of Sludge			_____
532	Forfeited Discounts			_____
534	Rents From Wastewater Property			_____
535	Interdepartmental Rents			_____
536	Other Wastewater Revenues			_____
Total Other Wastewater Revenues				\$ 0

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

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	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	0	0	\$ _____ 0
	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				\$ _____ <u>88,793</u>

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

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY :

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1	.2	.3	.4	.5	.6
(a)	(b)	(c)	COLLECTION EXPENSES- OPERATIONS (d)	COLLECTION EXPENSES- MAINTENANCE (e)	PUMPING EXPENSES - OPERATIONS (f)	PUMPING EXPENSES - MAINTENANCE (g)	TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
			\$	\$	\$	\$	\$	\$
701	Salaries and Wages - Employees	0						
703	Salaries and Wages - Officers, Directors and Majority Stockholders	3,200						
704	Employee Pensions and Benefits	0						
710	Purchased Sewage Treatment	0					4,160	
711	Sludge Removal Expense	4,160					3,669	
715	Purchased Power	3,669						
716	Fuel for Power Production	0						
718	Chemicals	455					455	
720	Materials and Supplies	0						
731	Contractual Services-Engineering	0						
732	Contractual Services - Accounting	200						
733	Contractual Services - Legal	235						
734	Contractual Services - Mgt. Fees	0						
735	Contractual Services - Testing	0						
736	Contractual Services - Other	69,636		22,145	1,072		14,956	19,671
741	Rental of Building/Real Property	0						
742	Rental of Equipment	0						
750	Transportation Expenses	0						
756	Insurance - Vehicle	0						
757	Insurance - General Liability	649						
758	Insurance - Workman's Comp.	0						
759	Insurance - Other	0						
760	Advertising Expense	0						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	0						
767	Regulatory Commission Exp.-Other	0						
770	Bad Debt Expense	(133)						
775	Miscellaneous Expenses	0						
Total Wastewater Utility Expenses		82,072	\$ 0	\$ 22,145	\$ 1,072	\$ 0	\$ 23,240	\$ 19,671

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY :

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (f)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$					\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders		3,200				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering						
732	Contractual Services - Accounting		200				
733	Contractual Services - Legal		235				
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other	2,706	9,086				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability		649				
758	Insurance - Workman's Comp.						
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	(133)					
775	Miscellaneous Expenses						
Total Wastewater Utility Expenses		\$ 2,573	\$ 13,370	\$ 0	\$ 0	\$ 0	\$ 0

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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SYSTEM NAME / COUNTY : _____

CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		0
5/8"	Displacement	1.0	296	296
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0		0
2"	Displacement, Compound or Turbine	8.0		0
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5		0
4"	Displacement or Compound	25.0		0
4"	Turbine	30.0		0
6"	Displacement or Compound	50.0		0
6"	Turbine	62.5		0
8"	Compound	80.0		0
8"	Turbine	90.0		0
10"	Compound	115.0		0
10"	Turbine	145.0		0
12"	Turbine	215.0		0
Total Wastewater System Meter Equivalents				296

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

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

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

For wastewater only utilities:

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

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

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

ERC Calculation:
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UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2019
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SYSTEM NAME / COUNTY : _____

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	50,000	_____	_____
Basis of Permit Capacity (1)	AADF	_____	_____
Manufacturer	Defiance	_____	_____
Type (2)	Ext. Aeration	_____	_____
Hydraulic Capacity	.050 MGD	_____	_____
Average Daily Flow	23,688	_____	_____
Total Gallons of Wastewater Treated	8,646,000	_____	_____
Method of Effluent Disposal	Percolation Ponds	_____	_____

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

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2019

SYSTEM NAME / COUNTY :

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs* now being served _____ 321

2. Maximum number of ERCs* which can be served _____ 321

3. Present system connection capacity (in ERCs*) using existing lines _____ 321

4. Future connection capacity (in ERCs*) upon service area buildout _____ 321

5. Estimated annual increase in ERCs* _____ 5 - 6

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. _____

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? _____ No

If so, when? _____ N/A

9. Has the utility been required by the DEP or water management district to implement reuse? _____ No

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

10. When did the company last file a capacity analysis report with the DEP? _____ Apr-13

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

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

b. Have these plans been approved by DEP? _____ N/A

c. When will construction begin? _____ N/A

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? _____ No

12. Department of Environmental Protection ID # _____ FLA014388

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

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

**Company: HC WATERWORKS, INC.
For the Year Ended December 31, 2019**

(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)	573,242	573,242	0
Total Fire Protection Revenue (462.1 - 462.2)	_____	_____	_____
Other Sales to Public Authorities (464)	_____	_____	_____
Sales to Irrigation Customers (465)	_____	_____	_____
Sales for Resale (466)	_____	_____	_____
Interdepartmental Sales (467)	_____	_____	_____
Total Other Water Revenues (469 - 474)	9,684	9,684	0
Total Water Operating Revenue	582,926	582,926	0
LESS: Expense for Purchased Water from FPSC-Regulated Utility	_____	_____	_____
Net Water Operating Revenues	\$582,926	\$582,926	\$0

Explanations:

Instructions:

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

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

**Company: HC WATERWORKS, INC.
For the Year Ended December 31, 2019**

(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)	88,793	88,793	0
Revenues from Public Authorities (523)	_____	_____	
Revenues from Other Systems (524)	_____	_____	
Interdepartmental Revenues (525)	_____	_____	
Total Other Wastewater Revenues (530 - 536)	_____	_____	
Reclaimed Water Sales (540.1 - 544)	_____	_____	
Total Wastewater Operating Revenue	88,793	88,793	0
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	_____	_____	
Net Wastewater Operating Revenues	\$88,793	\$88,793	\$0

Explanations:

Instructions:

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