

# HC Waterworks, Inc.

December 9, 2014

Office of Commission Clerk  
Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

***Re: Docket No. 140158-WS – Application for increase in water and wastewater rates in Highlands County by HC Waterworks, Inc. – Responses to Staff's Second Data Request***

Dear Commission Clerk,

HC Waterworks, Inc. hereby submits its response to Staff's Second Data Request dated December 3, 2014.

## **O&M Expenses – Water**

1. Please update schedule B-3 to reflect the Utility's revised requested revenue increase.

**Response:** See attached Revised MFR Schedule B-3.

2. According to MFR Schedule B-5, Salaries and Wages – Officers, the amounts for November 2013 and December 2013 substantially differ from other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for those months.

**Response:** The amount recorded on the general ledger reflects accruals from April 2013 through November 2013; with a credit amount in December 2013 to allocate a portion to wastewater. HC Waterworks has made an adjustment on MFR Schedule B-3 to reflect the actual amounts as discussed below. See attached General Ledger for Accounts 601/701 for YTD 2014.

The Salaries and Wages – Officers amounts are accrued monthly in the amount of \$760/month or \$9,120 annually for water and \$240/month or \$2,880 annually for wastewater. These salaries are accrued and recorded in Officer's Salaries; however, they are only paid if there are residual funds after payment of all operating expenses and capital costs. This is a prudent and reasonable expense that is appropriately recorded on the utility's books.

Gary Deremer is the majority shareholder and CEO of HC Waterworks. Mr. Deremer provides over 26 years of utility experience in operation and ownership of water and wastewater utilities.

Mr. Deremer's capacity in this position is making all final decisions as it relates to:

- a) Oversight of All Business and Utility Operations
- b) Capital Improvements required at the utility
- c) Financing of operations and funding of utility improvements; including equity investment in utility; long term debt, etc.

- d) Liaison with the Florida Department of Environmental Regulation, Public Service Commission, and various Florida Water Management Districts
- e) Acts as President of utility similar to other regulated utilities throughout Florida
- f) Ensures compliance with Federal, State, and Local Tax Filing Requirements.
- g) Ensures corporate record management and annual corporate renewals.

As majority shareholder, Gary Deremer ultimately has sole discretion over all financial, legal, operational, and regulatory matters. However, the minority shareholders also have an equity stake and ownership in the utility. As CEO and majority shareholder, Mr. Deremer has a fiduciary responsibility to make reasonable and necessary decisions to protect the interest of the minority shareholders, as well as the customers of the utility.

Finally, Officer Salaries has historically been recognized as a beneficial operating expense for regulated utilities. This is also true for utilities that have also had contractual agreements with US Water Services. One example is for Pasco Utilities, Inc. In Order No. PSC-07-0425-PAA-WU, issued May 15, 2007, the Commission approved an officer's salary of \$24,000 for a water only utility with 674 customers, while also approving Outside Services for an agreement with U.S. Water Services Corporation (USWSC) for operations, maintenance, and customer service of the utility system. In this order, the Commission approved the monthly fee totaling \$70,772 annually. Again, this was for a water only utility. (see pgs. 7 – 8).

There are numerous benefits to the utility's customers as to having Mr. Deremer as the majority owner of both the utility, as well as, US Water Services Corporation, Inc. As discussed above, Mr. Deremer has well over 26 years of utility experience in both managing, operating, and providing contractual services. He maintains high certification as an Operator and is also licensed as an Underground Utility Contractor. In addition, the Vice President also has over 36 years of experience in utility operations and management. Prior to acquiring any utility, and throughout the transfer process, Mr. Deremer personally meets with customers of the anticipated acquired utility to discuss his management and the benefits of his ownership. Mr. Deremer also discusses any necessary capital improvement projects (CIP) with customers and the associated costs, as well as the potential impact to rates. Mr. Deremer brings synergy to the management and ownership of regulated utilities through his extensive experience and professional relationships with governmental agencies, elected officials, city and county governments, and suppliers. Through Mr. Deremer's majority ownership of regulated utilities and US Water, there are opportunities for decreased financing of projects, minimization of operating expenses, and increased customer service, as well as the quality of the product provided to the customers. The majority of these utilities are considered troubled for numerous reasons, whether operational, managerial, or environmental. As such, these systems are either not considered for purchase by counties or other governmental entities leaving the customers with the possibility of abandonment or significant quality concerns, either DEP related or water and wastewater quality. Further some of these systems are also geographically challenged in relation to operations. These extenuating circumstances often lead to significant pressures on customer service rates. Through Mr. Deremer's extensive experience, he is able to address the required capital improvement and operational challenges to minimize, or eliminate, these pressures on rates. Mr. Deremer is also cognizant of the effect of overpaying for a system - which can be seen throughout the industry, in order to protect future rate structure passed on to customers. He has been successful in negotiating reduced purchase prices which reduces the rate base amounts thereby relieving the rate of return pressure on the rate base. Through Mr. Deremer's professional

**5320 Captains Court, New Port Richey, Florida 34652**  
**Mailing: C/O 4939 Cross Bayou Boulevard, New Port Richey, Florida 34652**  
**Tel: 727-848-8292**

association and relationships with counties and city entities, he is also able to capitalize on cost sharing mechanisms to potentially utilize the underutilized plant at various facilities, thereby further minimizing cost impact to the existing utility customers.

Mr. Deremer, through mutual control of both HC Waterworks and US Water as the Operations, Maintenance and Customer Service Contractor, brings a scale of service which benefits the utility community. In addition to regulated utility operating services, US Water focuses on economies of scale, environmental protection, preventive maintenance, customer service and strives to set increased standards within the water and wastewater utility industry. With a staff of 475 persons throughout the State, customers receive quick attention to any issues that may arise. There is a multidisciplinary grouping of individuals within US Water including certified operators, registered engineers, new construction and utility rehabilitation contractors, emergency and preventive maintenance specialist, customer service and compliance specialist. This unique staffing within one service company provides a level of service not readily available within the water/wastewater utility industry. The expertise provided allows Mr. Deremer to look further into what might be a corrective action representing significant cost reduction to the utility – such as asking local government to consider reduction of an Ad Valorem Tax Base; a small redesign or treatment process change to wastewater treatment to reduce sludge hauling cost; change in operating protocol to reduce cost of chemicals and power to the utility. The team led by Mr. Deremer at US Water approaches all utility operations in the spirit of finding and identifying the most effective operations with a longterm approach which benefits the customers.

3. According to MFR Schedule B-5, Contractual Services – Accounting, the amounts for November 2013 and December 2013 substantially differ from other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for those months.

**Response:** The amounts were accruals for the months April 2013 through November 2013; with an adjustment in December to allocate a portion to wastewater. The actual amount of accounting expenses were \$4,000 for 2013 as reflected on the attached invoice. This amount was allocated between water and wastewater.

4. According to MFR Schedule B-5, Reg. Comm. Exp. – Rate Case Other, the amount for December 2013 substantially differs from other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for the month.

**Response:** The amounts were accruals for the Regulatory Assessment Fees which should have been booked to Taxes Other Than Income. The amount in December 2013 is to reflect a reversal of the accrued RAFs from April 2013 through November 2013 that were subsequently reflected in TOTI.

5. According to MFR Schedule B-5, Bad Debt expense increased substantially in November 2013 when compared to other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for the month.

**Response:** The amount was an accruals for the months April 2013 through November 2013. HCWW's bad debt practice is to (1) accrue 2% of monthly revenues; (2) adjust the accrued amount to the Aged Accounts Receivable amounts over 60 days on a semi-annual basis (twice a year); and (3) write off Inactive Accounts over 60 days and adjust the monthly accruals to reconcile to the difference.

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Brevard has recently adjusted this practice to accrue monthly bad debt expense to the Aged Accounts Receivable over 60 days. For HCWW, below is the analysis to this approach as of June 30, 2014:

<u>Accrued Amount</u>	<u>Aged AR over 60</u>
\$11,757	\$11,767

6. According to MFR Schedule B-5, Miscellaneous Expense, the amounts for November 2013 and June 2014 substantially differ from other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for those months.

**Response:** The negative amount in November 2013 reflects the net effect of a reversal in the amount of \$495 of a lawn service expense from April 2013. Lawn services are covered under the USWC operations and maintenance contract and are paid by U.S. Water Services Corporation; therefore, the expense of \$495 was reversed in November 2013 to remove an expense amount previously recorded in April 2013. The amount in June 2014 was also a result of a reversal of the same invoice. This amount was recorded again in January 2014 through a journal entry that was discovered in June and reversed out. The net effect on the test year expenses is a negative \$495 that was for a prior period invoice inadvertently booked in April 2013. Therefore, the test year Miscellaneous Expense account is understated by \$495.

#### **O&M Expenses – Sewer**

7. According to MFR Schedule B-6, Salaries and Wages – Officers, the amount for December 2013 substantially differs from other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for the month.

**Response:** See above response to No. 2.

8. According to MFR Schedule B-6, Sludge Removal Expense, the amounts for January 2014 and February 2014 substantially differ from other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for those months.

**Response:** See attached invoices in the amount of \$1,512 in January; and \$1,512 in February.

9. According to MFR Schedule B-6, Contractual Services Engineering increased substantially in December 2013 when compared to other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for the month.

**Response:** There are no (zero) expenses reflected on MFR Schedule B-6 for Contractual Services Engineering.

10. According to MFR Schedule B-6, Reg. Comm. Exp. - other, the amount for December 2013 substantially differs from other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for the month.

**Response:** See above response to No. 4.

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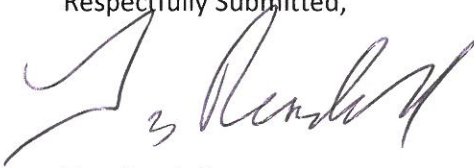
11. According to MFR Schedule B-6, Miscellaneous Expense, the amounts for November 2013, December 2013, and January 2014 substantially differ from other months. Please provide all of the Utility's calculations, basis, work papers, and support documentation (i.e. invoices) for those months.

**Response:** The negative amount in November 2013 reflects the net effect of a reversal in the amount of \$385 of a lawn service expense from April 2013. Lawn services are covered under the USWC operations and maintenance contract and are paid by U.S. Water Services Corporation; therefore, the expense of \$385 was reversed in November 2013 to remove an expense amount previously recorded in April 2013. The amount in January 2014 was in error; however, since the reversal in November 2013 was for a prior period entry – the net effect on the test year is zero – since these two entries zero each other out.

The amount in December is a result of a journal entry for allocation of bank charges for checks and bank charges. See attached bank statement with the charges.

Should you have any questions, please contact me at (727) 848-8292, ext. 245.

Respectfully Submitted,



Troy Rendell  
Manager of Regulated Utilities  
// HC Waterworks, Inc.

Schedule of Adjustments to Operating Income

Florida Public Service Commission

HC Waterworks, Inc.  
 Docket No. 140158-WS  
 Historical Test Year Ending June 30, 2014

Revised Schedule: B-3  
 Page: 1 of 3  
 Preparer: W T Rendell

Historical [ X ] Projected [ X ]

Explanation: Provide a detailed description of all adjustments to operating income per books, with a total for each line item shown on the net operating income statement.

Line No.	(1) Acct	(2) Description	(3)	(4) Total Base	(5) Test Year Water	(6) Test Year Sewer	(7) Supporting Schedules
1		<b>UTILITY TEST YEAR ADJUSTMENTS</b>					
2	A	<b>REVENUES</b>					
3		Adjustment to Calculated Revenues			15,431	9,460	E-2w / E-2s
4							
5		TOTAL REVENUE ADJUSTMENTS			<u>15,431</u>	<u>9,460</u>	
6							
7	B	<b>OPERATIONS &amp; MAINTENANCE</b>					B-5, B-6
8							
9	603/703	<b>Officers Salary</b>			(2,190)	(5,310)	
10		To reflect appropriate annual salary			(2,190)	(5,310)	
11		Total Adjustment			<u>(2,190)</u>	<u>(5,310)</u>	
12							
13	615/715	<b>Purchased Power</b>					
14		Annualize purchased power increase - Duke & Glade			741	134	B-5, B-6
15		Total Adjustments			<u>741</u>	<u>134</u>	
16							
17	666/766	<b>Reg. Comm. Exp. - Rate Case Amort.</b>					
18		Reg. Comm. Exp. - Rate Case Amort. Details on Schedule B-10			1,307	417	
19		Total Adjustments			<u>1,307</u>	<u>417</u>	
20							
21	667/767	<b>Reg. Comm. Exp. - Other</b>					
22		Reverse RAF adjs booked to 667/767 instead of TOTI					
23		Total Adjustments					
24							
25	667/767	<b>Reg. Comm. Exp. - Other</b>					
26		Reverse RAF adjs booked to 667/767 instead of TOTI			4,760	1,320	
27		Total Adjustments			<u>4,760</u>	<u>1,320</u>	
28							
29	675/775	<b>Miscellaneous Expense</b>					
30		To reflect DEP permit erroneously booked to Account 408 - TOTI			1,500		
31		Total Adjustments			<u>1,500</u>	<u>0</u>	
32							
33		TOTAL O&M ADJUSTMENTS			<u>6,117</u>	<u>(3,439)</u>	

Schedule of Adjustments to Operating Income

Florida Public Service Commission

HC Waterworks, Inc.  
 Docket No. 140158-WS  
 Schedule Year Ended: 12/31/07  
 Historical [ X ] Projected [ X ]

Revised Schedule: B-3  
 Page: 2 of 3  
 Preparer: W T Rendell

Explanation: Provide a detailed description of all adjustments to operating income per books, with a total for each line item shown on the net operating income statement.

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Description		Base Total	Test Year Water	Test Year Sewer	Supporting Schedules
1		<b>UTILITY TEST YEAR ADJUSTMENTS, continued</b>					
2							
3	C	DEPRECIATION NET OF AMORTIZATION OF CIAC (Used & Useful)					B-13, B-14
4		Reduction for NU&U (on B-13, B-14)			(12,102)	(2,171)	B-13, B-14
		Pro Forma Depreciation - net of non used and useful			436		
		Amortization - adjust to TY actual - remove previous months outside of TY			6,898	(2,118)	
5		TOTAL DEPRECIATION ADJUSTMENTS			<u>(4,768)</u>	<u>(4,288)</u>	
6							
7	D	AMORTIZATION					
8	407400	Annualize Amortization of Acquisition Adjustment			(78,581)	(4,569)	
9		TOTAL AMORTIZATION ADJUSTMENTS			<u>(78,581)</u>	<u>(4,569)</u>	
10							
11	E	TAXES OTHER THAN INCOME TAX					B-15
12	408206	Regulatory Assessment Fees					
13					406,028	121,145	B-1, B-2
14		RAF on Adjusted Rev	RAF Rate: 4.50%		18,271	5,452	
15		RAF Per Books			22,745	6,547	B-15
16		RAF Adjustmnet			<u>(4,473)</u>	<u>(1,095)</u>	
17							
18	408110	Property Tax					
19		Test Year Property Tax			35,164	2,357	B-15
20		Pass through for 2014 Property Tax increase	Total Increase	5,570	5,384	186	
21		Property Tax on Pro Forma Plant			162		
22					<u>40,709</u>	<u>2,543</u>	
23					9.79%	17.96%	A-5, A-6
24		Less NU&U Portion of Property Taxes			<u>(3,987)</u>	<u>(457)</u>	
25		Test Year Taxes on U&U Portion			36,722	2,086	
26		Reclass DEP permit erroneously booked to TOTI			<u>(1,500)</u>		
27		Property Tax Adjustment			59	(271)	
28		TOTAL TAXES OTHER THAN INCOME ADJUSTMENTS			<u>(4,415)</u>	<u>(1,366)</u>	
29							
30					0	0	
31		TOTAL TEST YEAR EXPENSE ADJUSTMENTS			<u>(81,646)</u>	<u>(13,662)</u>	

Schedule of Adjustments to Operating Income

Florida Public Service Commission

HC Waterworks, Inc.  
 Docket No. 140158-WS  
 Schedule Year Ended: 12/31/07  
 Historical [ X ] Projected [ X ]

Revised Schedule: B-3  
 Page: 3 of 3  
 Preparer: W T Rendell

Explanation: Provide a detailed description of all adjustments to operating income per books, with a total for each line item shown on the net operating income statement.

Line No.	(1) Acct	(2) Description	(3)	(4) Total Base	(5) Pro Forma Water	(6) Pro Forma Sewer	(7) Supporting Schedules
1		UTILITY PRO FORMA ADJUSTMENTS					
2		OPERATION & MAINTENANCE EXPENSE					
3	670/770	Bad Debt Adjustment Due To Proposed Rate Increase			2,027	(932)	B-1, B-2
4		TOTAL O&M PRO FORMA ADJUSTMENTS			<u>2,027</u>	<u>(932)</u>	
5							
6		TAXES OTHER THAN INCOME TAX					
7		RAF on Revenue Adjustment @	4.500%		<u>4,656</u>	<u>(2,141)</u>	
8							
9		TOTAL PRO FORMA EXPENSE ADJUSTMENTS			<u>6,683</u>	<u>(3,073)</u>	
10							



HC Waterworks Inc  
 Transaction Detail By Account  
 All Transactions

	Type	Date	Num	Memo	Split	Debit	Credit	Balance
401 - Operating Expense								
401.1 - WATER SYSTEM O&M								
603 - Salaries - Officers, Directors								
	General Journal	11/30/2013	177	Accr Officer Salaries thru Nov '13	241.6 - Officer Salaries	12,000.00		12,000.00
	General Journal	12/31/2013	178	Accr Officer Salaries Monthly	241.6 - Officer Salaries	1,500.00		13,500.00
	General Journal	12/31/2013	9	To allocate expenses	703 - Wages Officers Directors		6,750.00	6,750.00
	General Journal	01/31/2014	201	Officer Salaries - Water	-SPLIT-	760.00		7,510.00
	General Journal	02/28/2014	201	Officer Salaries - Water	-SPLIT-	760.00		8,270.00
	General Journal	03/31/2014	201	Officer Salaries - Water	-SPLIT-	760.00		9,030.00
	General Journal	04/30/2014	201	Officer Salaries - Water	-SPLIT-	760.00		9,790.00
	General Journal	05/31/2014	201	Officer Salaries - Water	-SPLIT-	760.00		10,550.00
	General Journal	06/30/2014	202	Officer Salaries - Water	-SPLIT-	760.00		11,310.00
	General Journal	07/31/2014	17	Officer Salaries - Water	-SPLIT-	760.00		12,070.00
	General Journal	08/31/2014	34	Officer Salaries - Water	-SPLIT-	760.00		12,830.00
	General Journal	09/30/2014	200	Officer Salaries - Water	-SPLIT-	760.00		13,590.00
	General Journal	10/31/2014	33	Officer Salaries - Water	-SPLIT-	760.00		14,350.00
	General Journal	11/30/2014	46	Officer Salaries - Water	-SPLIT-	760.00		15,110.00
Total 603 - Salaries - Officers, Directors						21,860.00	6,750.00	15,110.00
Total 401.1 - WATER SYSTEM O&M						21,860.00	6,750.00	15,110.00
Total 401 - Operating Expense						21,860.00	6,750.00	15,110.00
TOTAL						21,860.00	6,750.00	15,110.00

**J. S. BAILLIE, JR.**  
CERTIFIED PUBLIC ACCOUNTANT  
2153 GRAND BLVD.  
HOLIDAY, FL 34690  
(727) 937-6650

July 7, 2014

HC Waterworks, Inc.  
5320 Captains Court  
New Port Richey, FL 34652

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**FOR PROFESSIONAL SERVICES RENDERED**

For the calendar year ending December 31, 2013:

Class A or B Water/Wastewater Utilities Annual Report  
Reconciliation of accounts and general ledger  
Form 1120S, U.S. Income Tax Return for an S Corporation – to be completed  
Conferences, phone calls and correspondence during the year

Amount Due:

\$ 4,000.00

Entered:  \_\_\_\_\_

COA Code: 2412 - 632/732

Approved: \_\_\_\_\_

Paid: \_\_\_\_\_

Date: \_\_\_\_\_

**PUGH UTILITIES SERVICE, INC.**

760 HENSCRATCH ROAD  
LAKE PLACID, FL 33852  
USA

Voice: 863-465-6911  
Fax: 863-465-5159

**INVOICE**

Invoice Number: 1152 / 1139  
Invoice Date: Jan 23, 2014  
Customer ID: 102 H C WATER  
Page: WORKS  
Duplicate

Bill To:
H C WATER WORKS 4939 CROSS BAYOU BLVD NEW PORT RICHEY, FL 34652 USA

Customer PO	Payment Terms	Due Date	Sales Rep ID
	Net 10th of Next Month	2/10/14	

Quantity	Item	Description	Unit Price	Amount
8,400.00	1101	GALLONS OF SLUDGE HAULED ON 1/18/2014, LLCB	0.18	1,512.00
Subtotal				1,512.00
Sales Tax				
Total Invoice Amount				1,512.00
Payment/Credit Applied				
<b>TOTAL</b>				<b>1,512.00</b>

Check/Credit Memo No:

OKP

COA# 711

SS

**PUGH UTILITIES SERVICE, INC.**

760 HENSCRATCH ROAD  
LAKE PLACID, FL 33852  
USA

**INVOICE**

Invoice Number: 1224/1208  
Invoice Date: Feb 23, 2014  
Customer ID: 102 H C WATER  
Page: WORKS

Duplicate

Voice: 863-465-6911  
Fax: 863-465-5159

<b>Bill To:</b>
H C WATER WORKS 4939 CROSS BAYOU BLVD NEW PORT RICHEY, FL 34652 USA

Customer PO	Payment Terms	Due Date	Sales Rep ID
	Net 10th of Next Month	3/10/14	

Quantity	Item	Description	Unit Price	Amount
8,400.00	1101	GALLONS OF SLUDGE HAULED ON 2/6/2014, LLCB	0.18	1,512.00
Subtotal				1,512.00
Sales Tax				
Total Invoice Amount				1,512.00
Payment/Credit Applied				
<b>TOTAL</b>				<b>1,512.00</b>

Check/Credit Memo No:

OK @  
COA # 711

HC Waterworks Inc  
**Adjusting Journal Entries**  
 December 31, 2013

Date	Num	Name	Memo	Account	Debit	Credit
12/31/2013	8		To allocate miscellaneous expenses	675 · Miscellaneous Expense	124.68	
			To allocate miscellaneous expenses	775 · WW Misc Expense	124.68	
			To allocate miscellaneous expenses	801.1 · Bank Charges		89.50
			To allocate miscellaneous expenses	810 · Office Supplies		159.86
					<u>249.36</u>	<u>249.36</u>

Notes:

This is a year end adjusting journal entry to remove (credit) amounts non conforming general ledger accounts for bank supplies (checks, deposit books, etc) and reclassify those charges as a split of misc. expenses between water and wastewater misc.



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T STATEMENT OF ACCOUNT



HC WATERWORKS IN  
C/O JOSEPH GABAY  
4939 CROSS BAYOU BLVD  
NEW PORT RICHEY FL 34652

Page: 1 of 3  
Statement Period: Mar 01 2013-Mar 31 2013  
Cust Ref #: [REDACTED]  
Primary Account #: [REDACTED]

**Business Analysis**

HC WATERWORKS IN  
C/O JOSEPH GABAY

Account #: [REDACTED]

**ACCOUNT SUMMARY**

Beginning Balance	200.00	Average Collected Balance	52,478.51
Deposits	159,906.17	Annual Percentage Yield Earned	0.00%
Other Credits	580,816.91	Days in Period	31
Electronic Payments	159.86		
Other Withdrawals	513,243.99		
Ending Balance	227,519.23		

**DAILY ACCOUNT ACTIVITY**

**Deposits**

POSTING DATE	DESCRIPTION	AMOUNT
3/27	DEPOSIT	159,906.17
<b>Subtotal:</b>		<b>159,906.17</b>

**Other Credits**

POSTING DATE	DESCRIPTION	AMOUNT
3/28	CREDIT TRANSFER	291,057.66
3/26	CREDIT TRANSFER	39,976.54
3/27	CREDIT TRANSFER	50,000.00
3/28	CREDIT TRANSFER	159,806.17
3/28	WIRE TRANSFER INCOMING,	39,976.54
<b>Subtotal:</b>		<b>580,816.91</b>

**Electronic Payments**

POSTING DATE	DESCRIPTION	AMOUNT
3/22	ACH DEBIT, HARLAND CLARKE CHK ORDERS 0L7813660221200	43.25
3/25	ELECTRONIC PMT-WEB, INTUIT QBOOKS/PRO 7053639	116.61
<b>Subtotal:</b>		<b>159.86</b>

**Other Withdrawals**

POSTING DATE	DESCRIPTION	AMOUNT
3/15	SERVICE CHARGE, ANALYSIS FEES	15.55
3/28	WIRE TRANSFER OUTGOING, Booth & Cook, P.A. Iota Trust	513,188.44
3/28	WIRE TRANSFER FEE	25.00
3/28	WIRE TRANSFER FEE	15.00
<b>Subtotal:</b>		<b>513,243.99</b>

**DAILY BALANCE SUMMARY**

DATE	BALANCE	DATE	BALANCE
2/28	200.00	3/22	141.20
3/15	184.45	3/25	24.58

Call 1-800-937-2000 for 24-hour Bank-by-Phone services or connect to [www.tdbank.com](http://www.tdbank.com)



America's Most Convenient Bank®

I STATEMENT OF ACCOUNT



HC WATERWORKS IN  
C/O JOSEPH GABAY  
4939 CROSS BAYOU BLVD  
NEW PORT RICHEY FL 34652

Page: 1 of 3  
Statement Period: Apr 01 2013-Apr 30 2013  
Cust Ref #: [REDACTED]  
Primary Account #: [REDACTED]

**Business Analysis**

HC WATERWORKS IN  
C/O JOSEPH GABAY

Account [REDACTED]

ACCOUNT SUMMARY

Beginning Balance	227,519.23	Average Collected Balance	250,905.99
Other Credits	39,976.54	Annual Percentage Yield Earned	0.00%
Checks Paid	15,736.58	Days in Period	30
Electronic Payments	6,421.65		
Other Withdrawals	33.95		
Ending Balance	245,303.59		

DAILY ACCOUNT ACTIVITY

**Other Credits**

POSTING DATE	DESCRIPTION	AMOUNT
4/2	WIRE TRANSFER INCOMING	39,976.54
<b>Subtotal:</b>		<b>39,976.54</b>

**Checks Paid**

No. Checks: 4		*Indicates break in serial sequence or check processed electronically and listed under Electronic Payments			
DATE	SERIAL NO.	AMOUNT	DATE	SERIAL NO.	AMOUNT
4/2	98	1,660.00	4/15	1001*	2,360.58
4/2	99	11,660.00	4/16	1002	56.00
<b>Subtotal:</b>					<b>15,736.58</b>

**Electronic Payments**

POSTING DATE	DESCRIPTION	AMOUNT
4/26	ACH DEBIT, BANK OF TAMPA ACH XFER [REDACTED]	6,421.65
<b>Subtotal:</b>		<b>6,421.65</b>

**Other Withdrawals**

POSTING DATE	DESCRIPTION	AMOUNT
4/2	WIRE TRANSFER FEE	15.00
4/16	SERVICE CHARGE, ANALYSIS FEES	18.95
4/22	ZERO DOLLAR DR, BANK OF TAMPA ACH XFER [REDACTED]	0.00
<b>Subtotal:</b>		<b>33.95</b>

DAILY BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE
3/31	227,519.23	4/16	251,725.24
4/2	254,160.77	4/26	245,303.59
4/15	251,800.19		

Call 1-800-937-2000 for 24-hour Bank-by-Phone services or connect to [www.fdbank.com](http://www.fdbank.com)

Bank Deposits FDIC Insured | TD Bank, N.A. | Equal Housing Lender

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