

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WS968-14-AR

HC Waterworks, Inc.

Exact Legal Name of Respondent

422-W & 359-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



FOR THE

YEAR ENDED DECEMBER 31, 2014

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Public Service Commission
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FLORIDA PUBLIC SERVICE
COMMISSION
15 APR 15 PM 12: 21
DIVISION OF
ACCOUNTING & FINANCE

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added, provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems."
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

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

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2014

CERTIFICATION OF ANNUAL REPORT

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

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

1.	2.	3.	4.



(Signature of Chief Executive Officer of the utility) *

(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, 2014

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
Manager of Regulated 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:

J.S. Baillie, Jr., CPA

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.	Victorira Penick	7%
5.	Joseph Gabay	7%
6.	Jeffrey Dupont	7%
7.	Aaron Voss	7%
8.		
9.		
10.		

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

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Gary Deremer	President	Administration	General Business
Cecil Delcher	V. President	Administration	General Business
Vickie Penick	System Administrator	Administration	General Business
Troy Rendell	Manager Regulated Utilities	Administration/ Operations	PSC Regulation/Filings/ Operations
Joseph Gabay	Accounting Manager	Accounting	Accounting Issues
Ronald DeRossett	Utility Manager	Operations	Operations/Cust Service
J.S. Baillie, Jr., CPA	CPA	Non-employee Consultant	Tax Filings

(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.

UTILITY NAME: HC Waterworks, Inc.

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.

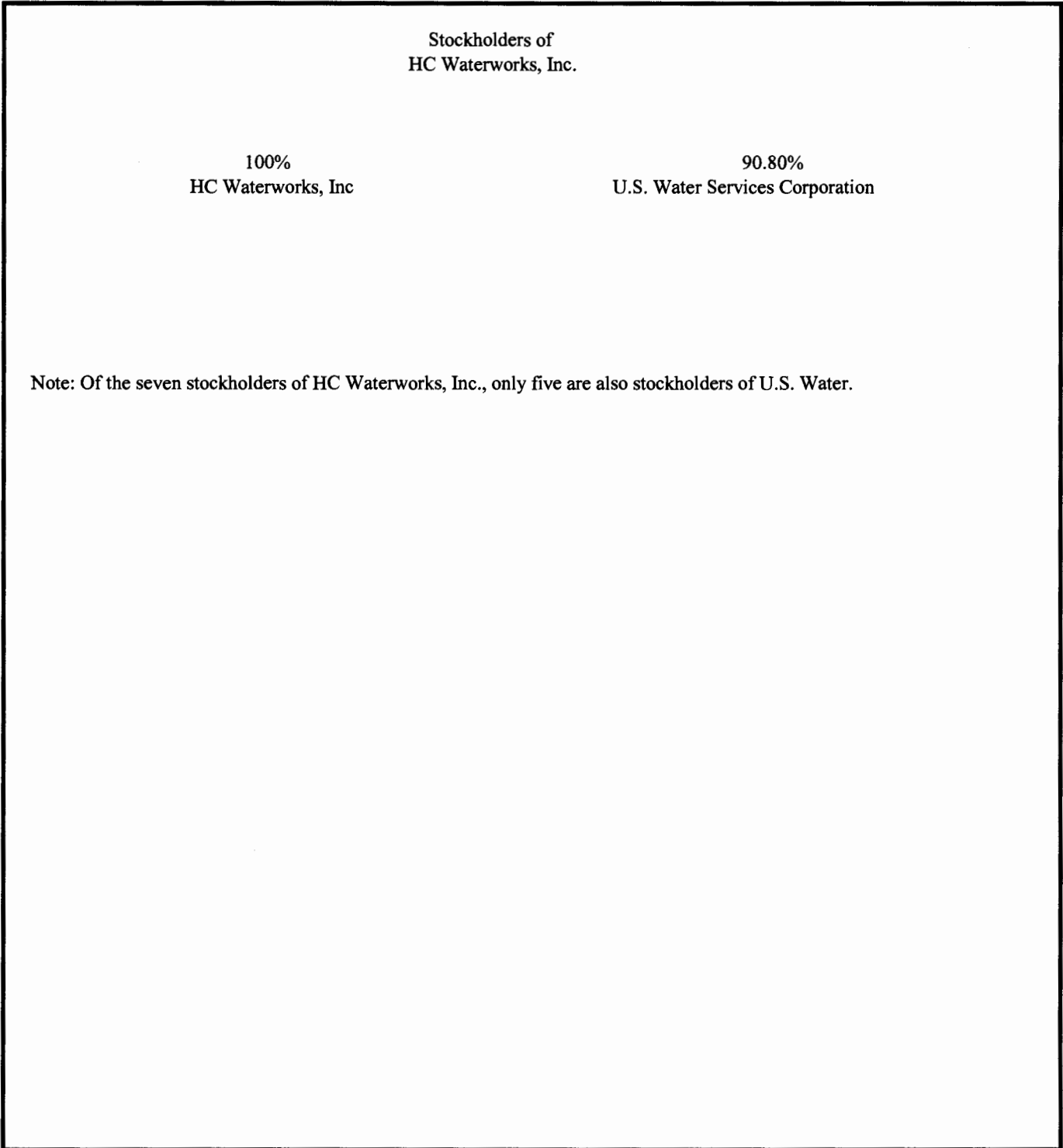
YEAR OF REPORT

December 31, 2014

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/14

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).



Note: Of the seven stockholders of HC Waterworks, Inc., only five are also stockholders of U.S. Water.

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
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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%	\$ 12,000
Cecil Delcher	V. President	5%	0
Vickie Penick	Administrator	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
Vickie Penick	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.

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**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	\$ _____		\$ _____		\$ _____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
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	_____		_____		_____	
	_____		_____		_____	

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2014

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	-material and supplies furnished
-computer services	-leasing of structures, land, and equipment
-engineering & construction services	-rental transactions
-repairing and servicing of equipment	-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	257,251

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
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BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale, or transfer of assets.

2. Below are examples of some types of transactions to include:
- purchase, sale or transfer of equipment
 - purchase, sale or transfer of land and structures
 - purchase, sale or transfer of securities
 - noncash transfers of assets
 - noncash dividends other than stock dividends
 - write-off of bad debts or loans

3. The columnar instructions follow:

- (a) Enter name of related party or company.
- (b) Describe briefly the type of assets purchased, sold or transferred.
- (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
- (d) Enter the net book value for each item reported.
- (e) Enter the net profit or loss for each item reported. (column (c) - column (d))
- (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
None		\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
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		_____	_____	_____	_____

FINANCIAL

SECTION

UTILITY NAME: HC Waterworks, Inc.

**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	\$ 4,159,794	\$ 4,204,965
108-110	Less: Accumulated Depreciation and Amortization	F-8	978,564	1,120,859
Net Plant			\$ 3,181,230	\$ 3,084,106
114-115	Utility Plant Acquisition adjustment (Net)	F-7		(848,716)
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 3,181,230	\$ 2,235,390
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		\$ 161,218	\$ 218,407
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	73,437	123,898
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		14,720	10,521
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	0	0
Total Current and Accrued Assets			\$ 249,375	\$ 352,826

* Not Applicable for Class B Utilities

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
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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
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14		4,500
187 *	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits			\$ 0	\$ 4,500
TOTAL ASSETS AND OTHER DEBITS			<u>\$ 3,430,605</u>	<u>\$ 2,592,717</u>

* Not Applicable for Class B Utilities

<p>NOTES TO THE BALANCE SHEET</p> <p>The space below is provided for important notes regarding the balance sheet</p>

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
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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	\$ 100	\$ 100
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		2,159,744	1,289,313
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	(64,879)	(27,515)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 2,094,965	\$ 1,261,898
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	819,155	776,552
Total Long Term Debt			\$ 819,155	\$ 776,552
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		61,006	85,744
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		8,308	18,821
236	Accrued Taxes	W/S-3	19,364	17,229
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	0	28,500
Total Current & Accrued Liabilities			\$ 88,678	\$ 150,294

* Not Applicable for Class B Utilities

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2014

**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	\$ 1,137,970	\$ 1,148,390
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	710,163	(744,384)
Total Net CIAC			\$ 427,807	\$ 404,006
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			\$ 3,430,605	\$ 2,592,751

UTILITY NAME: **HC Waterworks, Inc.**

YEAR OF REPORT

December 31, 2014

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)	\$ 373,407	\$ 590,053
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	2,144	209
Net Operating Revenues			\$ 371,263	\$ 589,844
401	Operating Expenses	F-3(b)	\$ 286,423	\$ 372,999
403	Depreciation Expense:	F-3(b)	\$ 106,533	\$ 142,168
	Less: Amortization of CIAC	F-22	27,967	34,221
Net Depreciation Expense			\$ 78,566	\$ 107,947
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	0	(21,803)
407	Amortization Expense (Other than CIAC)	F-3(b)	66	179
408	Taxes Other Than Income	W/S-3	46,280	60,622
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			\$ 411,335	\$ 519,944
Net Utility Operating Income			\$ (40,072)	\$ 69,900
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	2,144	209
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)]			\$ (37,928)	\$ 70,109

* 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)
\$ <u>467,716</u> 209	\$ <u>122,337</u> 0	\$ _____
\$ <u>467,507</u>	\$ <u>122,337</u>	\$ _____ 0
\$ <u>297,733</u>	\$ <u>75,266</u>	\$ _____
<u>133,525</u> <u>27,582</u>	<u>8,643</u> <u>6,638</u>	_____
\$ <u>105,942</u>	\$ <u>2,005</u>	\$ _____ 0
<u>(21,489)</u> 146 <u>54,404</u> 0 0 0 0 0 0	<u>(314)</u> 33 <u>6,218</u> 0 0 0 0 0 0	_____ _____ _____ _____ _____ _____ _____ _____
\$ <u>436,737</u>	\$ <u>83,208</u>	\$ _____ 0
\$ <u>30,770</u>	\$ <u>39,130</u>	\$ _____ 0
<u>209</u> 0 0 0	<u>0</u> 0 0 0	_____ _____ _____ _____
\$ <u>30,979</u>	\$ <u>39,130</u>	\$ _____ 0

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

UTILITY NAME: HC Waterworks, Inc.

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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)]			\$ <u>(37,928)</u>	\$ <u>70,109</u>
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			\$ <u>0</u>	\$ <u>0</u>
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			\$ <u>0</u>	\$ <u>0</u>
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ <u>26,951</u>	\$ <u>32,745</u>
428	Amortization of Debt Discount & Expense	F-13	<u>0</u>	<u>0</u>
429	Amortization of Premium on Debt	F-13	<u>0</u>	<u>0</u>
Total Interest Expense			\$ <u>26,951</u>	\$ <u>32,745</u>
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ <u>0</u>	\$ <u>0</u>
NET INCOME			\$ <u><u>(64,879)</u></u>	\$ <u><u>37,364</u></u>

Explain Extraordinary Income:

UTILITY NAME: HC Waterworks, Inc.

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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	\$ 3,817,293	\$ 387,672
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	828,924	291,352
110	Accumulated Amortization	F-8	312	272
271	Contributions in Aid of Construction	F-22	849,640	298,750
252	Advances for Construction	F-20		
Subtotal			\$ 2,138,417	\$ (202,701)
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	496,778	247,605
Subtotal			\$ 2,635,195	\$ 44,904
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	(849,440)	(21,078)
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	(21,489)	(314)
	Working Capital Allowance (3)		37,217	9,408
	Other (Specify):			

RATE BASE			<u>\$ 1,801,483</u>	<u>\$ 32,920</u>
NET UTILITY OPERATING INCOME			<u>\$ 30,770</u>	<u>\$ 39,130</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>1.71%</u>	<u>118.86%</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	\$ 1,264,172	61.95%	9.73%	6.03%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	776,552	38.05%	4.25%	1.62%
Customer Deposits	0	0.00%		0.00%
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	\$ 2,040,724	100.00%		7.64%

(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:	_____
Commission order approving Return on Equity:	_____

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.

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

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$ 1,264,172	\$	\$	\$	\$	\$ 1,264,172
Preferred Stock						0
Long Term Debt	776,552					776,552
Customer Deposits						0
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes						0
Other (Explain)						0
Total	<u>\$ 2,040,724</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,040,724</u>

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

UTILITY NAME: HC Waterworks, Inc.

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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	\$ 3,817,293	\$ 387,672	\$	\$ 4,204,965
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				0
106	Completed Construction Not Classified				0
	Total Utility Plant	\$ 3,817,293	\$ 387,672	\$ 0	\$ 4,204,965

**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	\$ (849,440)	\$ (21,078)	\$	\$ (870,518)
					0
					0
					0
	Total Plant Acquisition Adjustments	\$ (849,440)	\$ (21,078)	\$ 0	\$ (870,518)
115	Accumulated Amortization	\$ (21,489)	\$ (314)	\$	\$ (21,803)
					0
					0
					0
	Total Accumulated Amortization	\$ (21,489)	\$ (314)	\$ 0	\$ (21,803)
	Net Acquisition Adjustments	\$ (827,951)	\$ (20,764)	\$ 0	\$ (848,716)

UTILITY NAME: **HC Waterworks, Inc.**

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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	\$ 695,399	\$ 282,709	\$	\$ 978,108
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 133,525	\$ 8,643	\$	\$ 142,168
Account 108.2 (2)	_____	_____	_____	0
Account 108.3 (2)	_____	_____	_____	0
Other Accounts (specify):	_____	_____	_____	0
	_____	_____	_____	0
Salvage	_____	_____	_____	0
Other Credits (Specify):	_____	_____	_____	0
	_____	_____	_____	0
Total Credits	\$ 133,525	\$ 8,643	\$ 0	\$ 142,168
Debits during year:				
Book cost of plant retired	_____	_____	_____	0
Cost of Removal	_____	_____	_____	0
Other Debits (specify):	_____	_____	_____	0
	_____	_____	_____	0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	<u>\$ 828,924</u>	<u>\$ 291,352</u>	<u>\$ 0</u>	<u>\$ 1,120,276</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 166	\$ 238	\$	\$ 404
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$ 146	\$ 33	\$	\$ 179
Other Accounts (specify):	_____	_____	_____	0
	_____	_____	_____	0
Total credits	\$ 146	\$ 33	\$ 0	\$ 179
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>\$ 312</u>	<u>\$ 272</u>	<u>\$ 0</u>	<u>\$ 584</u>

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

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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.

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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	\$ 140,205	
Wastewater	_____	
Other	_____	
Total Customer Accounts Receivable		\$ 140,205
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ 0
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ 0
Total Accounts and Notes Receivable		\$ 140,205
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ 0	
Add: Provision for uncollectibles for current year	\$ 16,307	
Collection of accounts previously written off	_____	
Utility Accounts	_____	
Others	_____	
_____	_____	
Total Additions	\$ 16,307	
Deduct accounts written off during year:		
Utility Accounts	_____	
Others	_____	
_____	_____	
Total accounts written off	\$ 0	
Balance end of year		\$ 16,307
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 123,898

UTILITY NAME: HC Waterworks, Inc.

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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145**

Report each account receivable from associated companies separately.

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

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
_____	_____ %	\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ <u>0</u>

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174**

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

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.

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**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)		
<u>Deferred Rate Case Expense</u>	\$ _____	\$ _____ 4,500
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ _____ 0	\$ _____ 4,500
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	\$ _____ 4,500

UTILITY NAME: HC Waterworks, Inc.

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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	%	\$ 100
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.

STATEMENT OF RETAINED EARNINGS

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- 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	\$ (64,879)
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	\$ 37,364
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ 0
215	Year end Balance	\$ (27,515)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
	Total Retained Earnings	\$ (27,515)
Notes to Statement of Retained Earnings:		

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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	4.25 %	FIXED	\$ 776,552
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
Total			\$ <u>776,552</u>

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

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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 December 31, 2014
--

**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 <u>BANK OF TAMPA</u> _____ _____	\$ <u>0</u>	427	\$ <u>32,743</u>	\$ <u>32,743</u>	\$ _____
Total Account 237.1	\$ <u>0</u>		\$ <u>32,743</u>	\$ <u>32,743</u>	\$ <u>0</u>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities <u>Customer Deposits</u> _____ _____	\$ _____	427	\$ <u>2</u>	\$ <u>2</u>	\$ _____
Total Account 237.2	\$ <u>0</u>		\$ <u>2</u>	\$ <u>2</u>	\$ <u>0</u>
Total Account 237 (1)	\$ <u>0</u>		\$ <u>32,745</u>	\$ <u>32,745</u>	\$ <u>0</u>
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ <u>32,745</u>		
Less Capitalized Interest Portion of AFUDC: _____ _____					
Net Interest Expensed to Account No. 427 (2)			\$ <u>32,745</u>		

(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.

YEAR OF REPORT December 31, 2014
--

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
241.2 · Accounting	\$ 3,000
241.6 · Officer Salaries	25,500
Total Miscellaneous Current and Accrued Liabilities	\$ 28,500

**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
					0
					0
					0
					0
					0
					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, 2014
--

**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	\$ _____	\$ _____

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
--

**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>845,820</u>	\$ <u>292,150</u>	\$ _____	\$ <u>1,137,970</u>
Add credits during year:	\$ <u>3,820</u>	\$ <u>6,600</u>	\$ _____	\$ <u>10,420</u>
Less debit charged during the year	\$ <u>0</u>	\$ <u>0</u>	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>849,640</u></u>	\$ <u><u>298,750</u></u>	\$ <u><u>0</u></u>	\$ <u><u>1,148,390</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>469,196</u>	\$ <u>240,967</u>	\$ _____	\$ <u>710,163</u>
Debits during the year:	\$ <u>27,582</u>	\$ <u>6,638</u>	\$ _____	\$ <u>34,221</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>496,778</u></u>	\$ <u><u>247,605</u></u>	\$ <u><u>0</u></u>	\$ <u><u>744,384</u></u>

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
--

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

- The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- 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>37,364</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>37,364</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
<u>HC Waterworks/Highlands County</u>	<u>422-W</u>	<u></u>
<u>Lake Josephine/Highlands County</u>	<u>422-W</u>	<u>N/A</u>
<u>Sebring Lakes/Highlands County</u>	<u>422-W</u>	<u>N/A</u>
<u>Leisure Lakes/Highlands County</u>	<u>422-W</u>	<u>N/A</u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
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<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
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<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2014

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)	\$ 3,817,293
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	828,924
110	Accumulated Amortization	F-8	312
271	Contributions in Aid of Construction	W-7	849,640
252	Advances for Construction	F-20	
Subtotal			\$ 2,138,417
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 496,778
Subtotal			\$ 2,635,195
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		37,217
	Other (Specify):		
WATER RATE BASE			\$ 2,672,412
WATER OPERATING INCOME		W-3	\$ 30,770
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			1.15%

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.

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	\$ 467,716
469	Less: Guaranteed Revenue and AFPI	W-9	209
	Net Operating Revenues		\$ 467,507
401	Operating Expenses	W-10(a)	\$ 297,733
403	Depreciation Expense	W-6(a)	133,525
	Less: Amortization of CIAC	W-8(a)	27,582
	Net Depreciation Expense		\$ 105,942
406	Amortization of Utility Plant Acquisition Adjustment	F-7	(21,489)
407	Amortization Expense (Other than CIAC)	F-8	146
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		21,115
408.11	Property Taxes		33,288
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 54,404
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		\$ 436,737
	Utility Operating Income		\$ 30,770
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 209
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		\$ 30,979

YEAR OF REPORT

December 31, 2014

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	\$ 5,107	845		\$ 5,952
302	Franchises	298			298
303	Land and Land Rights	25,450			25,450
304	Structures and Improvements	1,143,226			1,143,226
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	190,973	19,064		210,037
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	66,369			66,369
310	Power Generation Equipment	123,123	5,125		128,248
311	Pumping Equipment	158,241	2,493		160,734
320	Water Treatment Equipment	840,627	756		841,383
330	Distribution Reservoirs and Standpipes	215,652			215,652
331	Transmission and Distribution Mains	618,425			618,425
333	Services	91,582	10,261		101,843
334	Meters and Meter Installations	250,251	3,216		253,467
335	Hydrants	18,345	3,144		21,489
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	4,870			4,870
348	Other Tangible Plant	0			0
TOTAL WATER PLANT		\$ 3,772,389	\$ 44,904	\$ 0	\$ 3,817,293

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	\$ 5,952	\$ 5,952				
302	Franchises	298	298				
303	Land and Land Rights	25,450		25,450			
304	Structures and Improvements	1,143,226		1,143,226			
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	210,037		210,037			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	66,369		66,369			
310	Power Generation Equipment	128,248		128,248			
311	Pumping Equipment	160,734		160,734			
320	Water Treatment Equipment	841,383			841,383		
330	Distribution Reservoirs and Standpipes	215,652				215,652	
331	Transmission and Distribution Mains	618,425				618,425	
333	Services	101,843				101,843	
334	Meters and Meter Installations	253,467				253,467	
335	Hydrants	21,489				21,489	
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	4,870					4,870
348	Other Tangible Plant	0					
TOTAL WATER PLANT		\$ 3,817,293	\$ 6,250	\$ 1,734,064	\$ 841,383	\$ 1,214,071	\$ 21,525

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.

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2014

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	\$ 196,608	\$ 35,726	\$	\$ 35,726
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	58,276	6,669		6,669
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	29,519	1,896		1,896
310	Power Generation Equipment	56,170	6,210		6,210
311	Pumping Equipment	57,749	8,032		8,032
320	Water Treatment Equipment	132,972	38,223		38,223
330	Distribution Reservoirs and Standpipes	43,283	5,828		5,828
331	Transmission and Distribution Mains	88,832	14,382		14,382
333	Services	11,050	2,322		2,322
334	Meters and Meter Installations	36,501	12,569		12,569
335	Hydrants	11,187	428		428
336	Backflow Prevention Devices	255	37		37
339	Other Plant Miscellaneous Equipment	909	106		106
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	(20,000)	0		0
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	(20,399)	189		189
344	Laboratory Equipment	6,324	908		908
345	Power Operated Equipment	0			0
346	Communication Equipment	0			0
347	Miscellaneous Equipment	6,163	0		0
348	Other Tangible Plant				0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 695,399	133,525	0	133,525

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

W-6(a)
GROUP _____

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
--

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)
304	Structures and Improvements	\$ _____	\$ _____	\$ _____	\$ 0	\$ 232,334
305	Collecting and Impounding Reservoirs	_____	_____	_____	0	0
306	Lake, River and Other Intakes	_____	_____	_____	0	0
307	Wells and Springs	_____	_____	_____	0	64,945
308	Infiltration Galleries and Tunnels	_____	_____	_____	0	0
309	Supply Mains	_____	_____	_____	0	31,415
310	Power Generation Equipment	_____	_____	_____	0	62,380
311	Pumping Equipment	_____	_____	_____	0	65,781
320	Water Treatment Equipment	_____	_____	_____	0	171,195
330	Distribution Reservoirs and Standpipes	_____	_____	_____	0	49,111
331	Transmission and Distribution Mains	_____	_____	_____	0	103,214
333	Services	_____	_____	_____	0	13,372
334	Meters and Meter Installations	_____	_____	_____	0	49,070
335	Hydrants	_____	_____	_____	0	11,615
336	Backflow Prevention Devices	_____	_____	_____	0	292
339	Other Plant Miscellaneous Equipment	_____	_____	_____	0	1,015
340	Office Furniture and Equipment	_____	_____	_____	0	0
341	Transportation Equipment	_____	_____	_____	0	(20,000)
342	Stores Equipment	_____	_____	_____	0	0
343	Tools, Shop and Garage Equipment	_____	_____	_____	0	(20,210)
344	Laboratory Equipment	_____	_____	_____	0	7,232
345	Power Operated Equipment	_____	_____	_____	0	0
346	Communication Equipment	_____	_____	_____	0	0
347	Miscellaneous Equipment	_____	_____	_____	0	6,163
348	Other Tangible Plant	_____	_____	_____	0	_____
TOTAL WATER ACCUMULATED DEPRECIATION		\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>828,924</u>

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2014

SYSTEM NAME / COUNTY :

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>845,820</u>
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>3,820</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
Total Credits		\$ <u>3,820</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>849,640</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, 2014

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	2	\$ 210	\$ 420
Plant capacity charge	2	700	1,400
Service installation charge	2	1,000	2,000
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
Total Credits			\$ <u>3,820</u>

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 469,196
Debits during the year:	
Accruals charged to Account 272	\$ 27,582
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 27,582
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>496,778</u>

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	927	947	430,501
461.2	Sales to Commercial Customers	7	8	25,370
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		934	955	\$ 455,871
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection			
Total Fire Protection Revenue		0	0	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		934	955	\$ 455,871
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 209
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			11,636
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 11,845
Total Water Operating Revenues				\$ 467,716

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

UTILITY NAME: HC Waterworks, Inc.

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	9,120		
604	Employee Pensions and Benefits	0		
610	Purchased Water	0		
615	Purchased Power	45,339	45,339	
616	Fuel for Power Production	0		
618	Chemicals	24,332	24,332	
620	Materials and Supplies	86	86	
631	Contractual Services-Engineering	0		
632	Contractual Services - Accounting	3,025		
633	Contractual Services - Legal	148		
634	Contractual Services - Mgt. Fees	0		
635	Contractual Services - Testing	0		
636	Contractual Services - Other	198,923	3,933	20,152
641	Rental of Building/Real Property	0		
642	Rental of Equipment	0		
650	Transportation Expenses	0		
656	Insurance - Vehicle	0		
657	Insurance - General Liability	1,786		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	0		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	9,516		
675	Miscellaneous Expenses	5,459	579	
Total Water Utility Expenses		\$ 297,733	\$ 74,268	\$ 20,152

UTILITY NAME:

HC Waterworks, Inc.

SYSTEM NAME / COUNTY :

WATER UTILITY EXPENSE ACCOUNT MATRIX

<p>.3 WATER TREATMENT EXPENSES - OPERATIONS (f)</p>	<p>.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)</p>	<p>.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)</p>	<p>.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)</p>	<p>.7 CUSTOMER ACCOUNTS EXPENSE (j)</p>	<p>.8 ADMIN. & GENERAL EXPENSES (k)</p>
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	9,120
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	3,025
_____	_____	_____	_____	_____	148
_____	_____	_____	_____	_____	_____
45,653	_____	_____	51,572	29,876	47,736
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	1,786
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	9,516	_____
0	2,920	148	_____	_____	1,813
\$ <u>45,653</u>	\$ <u>2,920</u>	\$ <u>148</u>	\$ <u>51,572</u>	\$ <u>39,392</u>	\$ <u>63,628</u>

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2014

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	4,684		2,226	2,458	2,134
February	4,089		1,830	2,259	2,345
March	5,095		1,856	3,239	2,122
April	4,119		1,677	2,441	2,441
May	3,852		1,604	2,247	2,123
June	3,952		1,820	2,132	2,173
July	3,875		1,983	1,891	1,812
August	4,155		2,117	2,037	1,958
September	5,374		2,161	3,213	2,066
October	5,078		1,890	3,188	1,939
November	4,581		2,121	2,460	2,134
December	4,130		1,619	2,511	1,910
Total for Year	52,982	0	22,905	30,077	25,157

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	336,000		Ground
Sebring Lakes - Well #2	336,000		Ground
_____	_____	_____	_____

W-11

GROUP _____

SYSTEM _____

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2014

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):

600,000

Location of measurement of capacity
(i.e. Wellhead, Storage Tank):

Wellhead

Type of treatment (reverse osmosis,
(sedimentation, chemical, aerated, etc.):

Chloramination - AdEdge Hydrogen Sulfide Removal Filters

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon):

N/A

Manufacturer:

N/A

FILTRATION

Type and size of area: (6) AdEdge Filters - 48 f3/filter 3 at each wtp

Pressure (in square feet):

100 psi

Manufacturer:

AdEdge

Gravity (in GPM/square feet):

8 - 15 gpm/f2

Manufacturer:

AdEdge

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2014

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	1,823		532	1,291	493
February	1,805		543	1,262	660
March	2,035		523	1,512	572
April	2,100		541	1,559	649
May	2,426		583	1,842	533
June	2,318		614	1,704	414
July	2,186		552	1,634	334
August	1,720		296	1,424	298
September	1,491		178	1,313	320
October	1,667		317	1,350	302
November	1,525		153	1,371	420
December	1,977		707	1,270	462
Total for Year	23,073	0	5,542	17,531	5,457

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 _____

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT
December 31, 2014

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 and AdEdge Hydrogen Sulfide Filters</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>

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
--

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	641	641
3/4"	Displacement	1.5	2	3
1"	Displacement	2.5	2	5
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	2	16
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				<u>670</u>

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, 2014

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. 649

2. Maximum number of ERCs * which can be served. 702

3. Present system connection capacity (in ERCs *) using existing lines. 649

4. Future connection capacity (in ERCs *) upon service area buildout. 702

5. Estimated annual increase in ERCs *. 0

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? _____

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, 2014

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	306	306
3/4"	Displacement	1.5	1	2
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				<u>308</u>

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, 2014

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. 307

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:

9. When did the company last file a capacity analysis report with the DEP? Feb-15

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 # 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, 2014
--

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)	\$ 387,672
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	291,352
110	Accumulated Amortization	F-8	272
271	Contributions in Aid of Construction	S-7	298,750
252	Advances for Construction	F-20	
Subtotal			\$ (202,701)
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 247,605
Subtotal			\$ 44,904
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		9,408
	Other (Specify):		
WASTEWATER RATE BASE			\$ 54,312
WASTEWATER OPERATING INCOME		S-3	\$ 39,130
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			72.05%

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, 2014

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)	\$ 122,337
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 122,337
401	Operating Expenses	S-10(a)	\$ 75,266
403	Depreciation Expense	S-6(a)	8,643
	Less: Amortization of CIAC	S-8(a)	6,638
Net Depreciation Expense			\$ 2,005
406	Amortization of Utility Plant Acquisition Adjustment	F-7	(314)
407	Amortization Expense (Other than CIAC)	F-8	33
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		5,505
408.11	Property Taxes		713
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 6,218
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			\$ 83,208
Utility Operating Income			\$ 39,130
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			\$ 39,130

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT

December 31, 2014

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	\$ 750	\$ 267	\$	\$ 1,017
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			0
361	Collection Sewers - Gravity	167,963			167,963
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	29,607			29,607
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission and Distribution System	0			0
380	Treatment and Disposal Equipment	113,609			113,609
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		\$ 387,405	\$ 267	\$ 0	\$ 387,672

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, 2014

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 (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
351	Organization	\$ 1,017	\$	\$	\$	\$	\$	\$
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							
361	Collection Sewers - Gravity		167,963					
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							
370	Receiving Wells			11,836				
371	Pumping Equipment			29,607				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment				113,609			
381	Plant Sewers							
382	Outfall Sewer Lines				934			
389	Other Plant Miscellaneous Equipment				2,126			
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							984
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
Total Wastewater Plant		\$ 1,315	\$ 227,261	\$ 41,443	\$ 116,669	\$ 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, 2014
--

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.

YEAR OF REPORT

December 31, 2014

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	7,288	897		897
360	Collection Sewers - Force	0			0
361	Collection Sewers - Gravity	116,451	3,733		3,733
362	Special Collecting Structures	0			0
363	Services to Customers	10,406	707		707
364	Flow Measuring Devices	6,390	1,411		1,411
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	10,880	39		39
371	Pumping Equipment	18,076	1,645		1,645
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	113,609			0
381	Plant Sewers	0			0
382	Outfall Sewer Lines	(6,048)	31		31
389	Other Plant Miscellaneous Equipment	709	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	368	62		62
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		\$ 282,709	\$ 8,643	\$ 0	\$ 8,643

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
--

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) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
354	Structures and Improvements	\$ _____	\$ _____	\$ _____	0	4,580
355	Power Generation Equipment	_____	_____	_____	0	8,185
360	Collection Sewers - Force	_____	_____	_____	0	0
361	Collection Sewers - Gravity	_____	_____	_____	0	120,184
362	Special Collecting Structures	_____	_____	_____	0	0
363	Services to Customers	_____	_____	_____	0	11,113
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	10,919
371	Pumping Equipment	_____	_____	_____	0	19,721
374	Reuse Distribution Reservoirs	_____	_____	_____	0	0
375	Reuse Transmission/Distribution Sys.	_____	_____	_____	0	0
380	Treatment and Disposal Equipment	_____	_____	_____	0	113,609
381	Plant Sewers	_____	_____	_____	0	0
382	Outfall Sewer Lines	_____	_____	_____	0	(6,017)
389	Other Plant Miscellaneous Equipment	_____	_____	_____	0	827
390	Office Furniture and Equipment	_____	_____	_____	0	0
391	Transportation Equipment	_____	_____	_____	0	0
392	Stores Equipment	_____	_____	_____	0	0
393	Tools, Shop and Garage Equipment	_____	_____	_____	0	430
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		\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>291,352</u>

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

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>292,150</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>6,600</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	<u>0</u>
Total Credits		\$ <u>6,600</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>298,750</u>

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
--

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	2	\$ 1,300	\$ 2,600
Service installation charge	2	2,000	4,000
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
_____	_____	_____	0
Total Credits			\$ <u>6,600</u>

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 240,967
Debits during the year:	
Accruals charged to Account 272	\$ 6,638
Other debits (specify) :	_____
_____	_____
Total debits	\$ 6,638
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>247,605</u>

YEAR OF REPORT December 31, 2014
--

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
		\$ _____

Total Credits		\$ _____ 0

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
--

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	<u>0</u>	<u>0</u>	\$ <u>0</u>
Measured Revenues:				
522.1	Residential Revenues	299	298	122,337
522.2	Commercial Revenues	1	_____	_____
522.3	Industrial Revenues	_____	_____	_____
522.4	Revenues From Public Authorities	_____	_____	_____
522.5	Multiple Family Dwelling Revenues	_____	_____	_____
522	Total Measured Revenues	<u>300</u>	<u>298</u>	\$ <u>122,337</u>
523	Revenues From Public Authorities	_____	_____	_____
524	Revenues From Other Systems	_____	_____	_____
525	Interdepartmental Revenues	_____	_____	_____
Total Wastewater Sales		<u>300</u>	<u>298</u>	\$ <u>122,337</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				\$ <u>0</u>

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

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2014
--

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>122,337</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. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION EXPENSES- MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 0	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders	2,880						
704	Employee Pensions and Benefits	0						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	3,780					3,780	
715	Purchased Power	4,234					4,234	
716	Fuel for Power Production	0						
718	Chemicals	2,592					2,592	
720	Materials and Supplies	413						413
731	Contractual Services-Engineering	0						
732	Contractual Services - Accounting	975						
733	Contractual Services - Legal	47						
734	Contractual Services - Mgt. Fees	0						
735	Contractual Services - Testing	0						
736	Contractual Services - Other	58,328		11,463			19,165	8,364
741	Rental of Building/Real Property	0						
742	Rental of Equipment	0						
750	Transportation Expenses	0						
756	Insurance - Vehicle	0						
757	Insurance - General Liability	575						
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	451						
775	Miscellaneous Expenses	991						
Total Wastewater Utility Expenses		\$ 75,266	\$ 0	\$ 11,463	\$ 0	\$ 0	\$ 29,771	\$ 8,777

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.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	_____	2,880	_____	_____	_____	_____
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	_____	975	_____	_____	_____	_____
733	Contractual Services - Legal	_____	47	_____	_____	_____	_____
734	Contractual Services - Mgt. Fees	_____	_____	_____	_____	_____	_____
735	Contractual Services - Testing	_____	_____	_____	_____	_____	_____
736	Contractual Services - Other	5,373	13,964	_____	_____	_____	_____
741	Rental of Building/Real Property	_____	_____	_____	_____	_____	_____
742	Rental of Equipment	_____	_____	_____	_____	_____	_____
750	Transportation Expenses	_____	_____	_____	_____	_____	_____
756	Insurance - Vehicle	_____	_____	_____	_____	_____	_____
757	Insurance - General Liability	_____	575	_____	_____	_____	_____
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	451	_____	_____	_____	_____	_____
775	Miscellaneous Expenses	_____	991	_____	_____	_____	_____
Total Wastewater Utility Expenses		\$ <u>5,824</u>	\$ <u>19,431</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

UTILITY NAME: HC Waterworks, Inc.

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	50,000	_____	_____
Average Daily Flow	31,000	_____	_____
Total Gallons of Wastewater Treated	11,315,000	_____	_____
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.

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	_____	294
2. Maximum number of ERCs* which can be served	_____	297
3. Present system connection capacity (in ERCs*) using existing lines	_____	297
4. Future connection capacity (in ERCs*) upon service area buildout	_____	297
5. Estimated annual increase in ERCs*	_____	None
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system	_____	
	None	

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.