

**CLASS "A" OR "B"**

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

**ANNUAL REPORT**

OF

HC WATERWORKS, INC. *WS968*  
Exact Legal Name of Respondent

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

Submitted To The  
STATE OF FLORIDA



FOR THE  
YEAR ENDED DECEMBER 31, 2022

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# **EXECUTIVE SUMMARY**

UTILITY NAME: HC WATERWORKS, INC.

**YEAR OF REPORT**  
December 31, 2022

**CERTIFICATION OF ANNUAL REPORT**

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

YES  NO

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES  NO

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.


YES  NO

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.

YES  NO

4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

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

  
\_\_\_\_\_  
(Signature of Chief Executive Officer of the utility) \*

1.	2.	3.	4.
X	X	X	X

  
\_\_\_\_\_  
(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, 2022

HC WATERWORKS, INC.  
(Exact Name of Utility)

County: Highlands

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

4939 Cross Bayou Blvd.  
New Port Richey, FL 34652

Telephone: (727) 848-8292

E Mail Address: trendell@uswatercorp.net

WEB Site: www.mywaterservice.com

Sunshine State One-Call of Florida, Inc. Member Number AU-1914, FWS-632, AU-1915

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

Troy Rendell  
Vice President - Investor Owned Utilities

Telephone: (727) 848-8292

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

4939 Cross Bayou Blvd.  
New Port Richey, FL 34652

Telephone: (727) 848-8292

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

Larry C. Sealles, CPA, PA  
5320 Main St.  
New Port Richey, FL 34652

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	21%
3.	David Shultz, Sr.	8%
4.	Joseph Gabay	7%
5.	Jeffrey Dupont	7%
6.	Aaron Voss	7%
7.		
8.		
9.		
10.		

UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b>
December 31, 2022

**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
Troy Rendell	Vice President Invest Owned Util	U.S. Water Services Corporation, Inc.	All Matters
Gary Deremer	President	U.S. Water Services Corporation, Inc.	General Business
Joseph Gabay	Accounting Manager	U.S. Water Services Corporation, Inc.	Accounting / RAFs
Sharon Purviance	Utility Manager	U.S. Water Services Corporation, Inc.	Operations

- (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.

<b>YEAR OF REPORT</b> December 31, 2022
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### 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.

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.



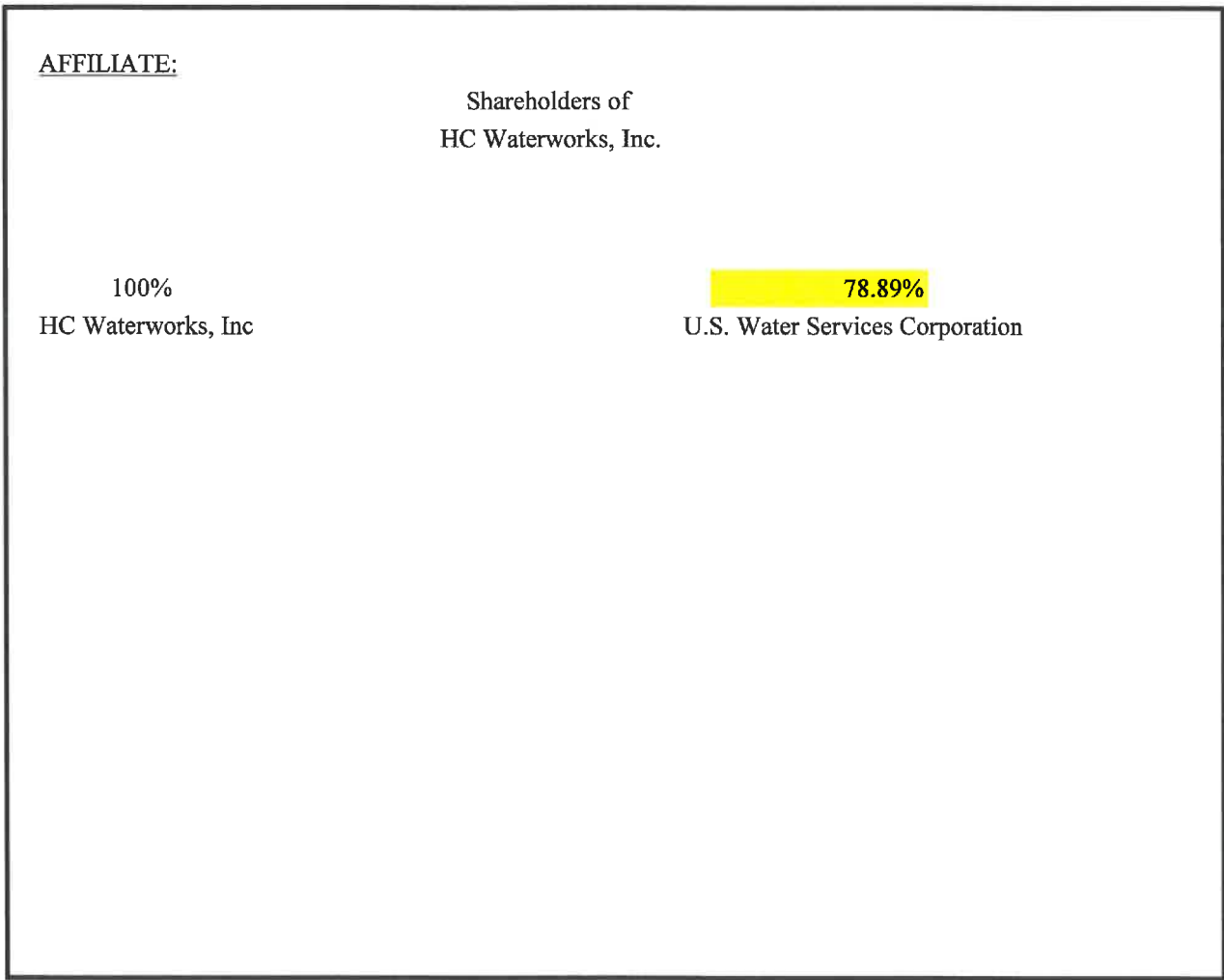
UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b> December 31, 2022
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**PARENT / AFFILIATE ORGANIZATION CHART**

Current as of 12/31/22

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



UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b> December 31, 2022
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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	8%	\$ 21,200

**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)
Gary Deremer	President	1 - Annual	\$ 0

UTILITY NAME: HC WATERWORKS, INC.

**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

\* 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.

UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b> December 31, 2022
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**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.

<b>NAME (a)</b>	<b>PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)</b>	<b>AFFILIATION OR CONNECTION (c)</b>	<b>NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)</b>
Gary Deremer	President	Shareholder	U.S. Water Services Corporation

**UTILITY NAME: HC WATERWORKS, INC.**

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

<b>BUSINESS OR SERVICE CONDUCTED (a)</b>	<b>ASSETS</b>		<b>REVENUES</b>		<b>EXPENSES</b>	
	<b>BOOK COST OF ASSETS (b)</b>	<b>ACCOUNT NUMBER (c)</b>	<b>REVENUES GENERATED (d)</b>	<b>ACCOUNT NUMBER (e)</b>	<b>EXPENSES INCURRED (f)</b>	<b>ACCOUNT NUMBER (g)</b>
N/A	\$	\$	\$	\$	\$	\$

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.

UTILITY NAME: HC WATERWORKS, INC.

### BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

- Enter in this part all transactions involving services and products received or provided.
- Below are some types of transactions to include:
  - management, legal and accounting services
  - computer services
  - engineering & construction services
  - repairing and servicing of equipment
  - material and supplies furnished
  - leasing of structures, land, and equipment
  - rental transactions
  - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
U.S. Water Services Corporation	Operations/Management Maint/Cust Service	1/1/2022 Monthly	P	\$
	Financial			
		Water		\$ 291,222
		Wastewater		\$ 81,488

**UTILITY NAME:** HC WATERWORKS, INC.

**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

<b>Part II. Specific Instructions: Sale, Purchase and Transfer of Assets</b>					
1.	Enter in this part all transactions relating to the purchase, sale, or transfer of assets.	3.	The columnar instructions follow:		
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	(a)	(b)	(c)	(d)
		(a)	(b)	(c)	(d)
		(e)	(f)	(g)	(h)
NONE	NONE	\$	\$	\$	\$

# **FINANCIAL SECTION**



UTILITY NAME: HC WATERWORKS, INC.

**YEAR OF REPORT**  
December 31, 2022

**COMPARATIVE BALANCE SHEET  
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 6,208,488	\$ 6,271,504
108-110	Less: Accumulated Depreciation and Amortization	F-8	(2,210,555)	(2,404,440)
Net Plant			\$ 3,997,934	\$ 3,867,064
114-115	Utility Plant Acquisition adjustment (Net)	F-7	(291,168)	(273,377)
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 3,706,766	\$ 3,593,686
<b>OTHER PROPERTY AND INVESTMENTS</b>				
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
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		\$ 266,424	\$ 369,626
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	193,259	239,368
145	Accounts Receivable from Associated Companies	F-12	0	
146	Notes Receivable from Associated Companies	F-12	0	
151-153	Material and Supplies			
161	Stores Expense			
162	Prepayments		10,436	9,998
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues			
174	Miscellaneous Current and Accrued Assets	F-12	1,917	0
Total Current and Accrued Assets			\$ 472,036	\$ 618,992

\* Not Applicable for Class B Utilities

UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b> December 31, 2022
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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
182	Extraordinary Property Losses	F-13	_____	_____ 0
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Miscellaneous Deferred Debits	F-14	_____ 14,469	_____ 21,110
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		_____	_____
Total Deferred Debits			\$ _____ 14,469	\$ _____ 21,110
TOTAL ASSETS AND OTHER DEBITS			\$ _____ 4,193,271	\$ _____ 4,233,788

\* Not Applicable for Class B Utilities

<p><b>NOTES TO THE BALANCE SHEET</b></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, 2022

**COMPARATIVE BALANCE SHEET  
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 571,093	\$ 571,093
204	Preferred Stock Issued	F-15	0	0
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		730,007	730,007
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	487,715	613,705
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 1,788,815	\$ 1,914,805
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		0
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		0
224	Other Long Term Debt	F-17	1,800,434	1,673,683
Total Long Term Debt			\$ 1,800,434	\$ 1,673,683
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		12,944	11,930
232	Notes Payable	F-18	0	
233	Accounts Payable to Associated Companies	F-18	0	
234	Notes Payable to Associated Companies	F-18	0	
235	Customer Deposits		45,328	44,343
236	Accrued Taxes	W/S-3	0	
237	Accrued Interest	F-19	0	
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	155,885	170,160
Total Current & Accrued Liabilities			\$ 214,157	\$ 226,433

\* Not Applicable for Class B Utilities

UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b> December 31, 2022
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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)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____ 0
252	Advances For Construction	F-20	_____	_____ 0
253	Other Deferred Credits	F-21	_____	_____ 0
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			\$ _____ 0	\$ _____ 0
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves			
Total Operating Reserves			\$ _____ 0	\$ _____ 0
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	\$ 1,413,680	\$ 1,496,014
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,023,815	1,077,146
Total Net CIAC			\$ 389,864	\$ 418,868
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
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
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			\$ 4,193,270	\$ 4,233,788

UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b> December 31, 2022
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**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)	\$ 861,835	\$ 933,591
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	3,581	2,273
Net Operating Revenues			\$ 858,254	\$ 931,317
401	Operating Expenses	F-3(b)	\$ 462,925	\$ 495,704
403	Depreciation Expense:	F-3(b)	\$ 208,430	\$ 218,750
	Less: Amortization of CIAC	F-22	42,620	(53,330)
Net Depreciation Expense			\$ 165,810	\$ 165,419
406	Amortization of Utility Plant Acquisition Adjustm	F-3(b)	(37,410)	(17,790)
407	Amortization Expense (Other than CIAC)	F-3(b)	3,238	4,321
408	Taxes Other Than Income	W/S-3	73,423	81,217
409	Current Income Taxes	W/S-3		0
410.1	Deferred Federal Income Taxes	W/S-3		0
410.1	Deferred State Income Taxes	W/S-3		0
411.1	Provision for Deferred Income Taxes - Credit	W/S-3		0
412.1	Investment Tax Credits Deferred to Future Period	W/S-3		0
412.1	Investment Tax Credits Restored to Operating Inc	W/S-3		0
Utility Operating Expenses			\$ 667,985	\$ 728,871
Net Utility Operating Income			\$ 190,269	\$ 202,446
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	3,581	2,273
413	Income From Utility Plant Leased to Others		0	0
414	Gains (losses) From Disposition of Utility Property		1,174	1,489
420	Allowance for Funds Used During Construction			0
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 195,024	\$ 206,209

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

UTILITY NAME: FLORIDA COMMUNITY WATER SYST

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

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 834,438 <u>2,273</u>	\$ 99,152 <u>0</u>	\$ _____
\$ 832,165 <u>          </u>	\$ 99,152 <u>          </u>	\$ 0 <u>          </u>
\$ 391,752	\$ 103,952	\$ _____
<u>199,626</u> (35,595)	<u>19,124</u> (17,736)	_____
\$ 164,031 <u>          </u>	\$ 1,389 <u>          </u>	\$ 0 <u>          </u>
<u>(17,146)</u> 4,270 <u>67,385</u> 0 0 0 0 0 0 0	<u>(644)</u> 51 <u>13,832</u> 0 0 0 0 0 0 0	_____ _____ _____ _____ _____ _____ _____ _____ _____ _____
\$ 610,292 <u>          </u>	\$ 118,579 <u>          </u>	\$ 0 <u>          </u>
\$ 221,873 <u>          </u>	\$ (19,427) <u>          </u>	\$ 0 <u>          </u>
<u>2,273</u> 0 <u>1,489</u> 0	<u>0</u> 0 <u>0</u> 0	_____ _____ _____ _____
\$ 225,635 <u>          </u>	\$ (19,427) <u>          </u>	\$ 0 <u>          </u>

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

UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b> December 31, 2022
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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)]			\$ 195,024	\$ 206,209
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		_____	_____
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 0	\$ 0
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.2	Taxes Other Than Income		\$ _____	\$ _____
409.2	Income Taxes		_____	_____
410.2	Provision for Deferred Income Taxes		_____	_____
411.2	Provision for Deferred Income Taxes - Credit		_____	_____
412.2	Investment Tax Credits - Net		_____	_____
412.3	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ 0	\$ 0
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	\$ 53,412	\$ 692
428	Amortization of Debt Discount & Expense	F-13	_____	0
429	Amortization of Premium on Debt	F-13	_____	0
Total Interest Expense			\$ 53,412	\$ 692
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.3	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ 0	\$ 0
<b>NET INCOME</b>			\$ 141,612	\$ 205,517

Explain Extraordinary Income:

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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	\$ 5,789,173	\$ 482,331
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	(2,036,052)	(365,666)
110	Accumulated Amortization	F-8	(1,983)	(740)
271	Contributions in Aid of Construction	F-22	(1,038,504)	(457,510)
252	Advances for Construction	F-20		
Subtotal			\$ 2,712,634	\$ (341,584)
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	759,842	317,304
Subtotal			\$ 3,472,476	\$ (24,280)
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7	(809,041)	(14,994)
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	537,924	12,734
	Working Capital Allowance (3)		48,969	12,994
	Other (Specify):			
	_____			
	_____			
	_____			
RATE BASE			\$ 3,250,327	\$ (13,546)
NET UTILITY OPERATING INCOME			\$ 221,873	\$ (19,427)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			6.83%	143.42%

**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)**

<b>CLASS OF CAPITAL (a)</b>	<b>DOLLAR AMOUNT (2) (b)</b>	<b>PERCENTAGE OF CAPITAL (c)</b>	<b>ACTUAL COST RATES (3) (d)</b>	<b>WEIGHTED COST (c x d) (e)</b>
Common Equity	\$ 1,914,805	52.71%	9.40%	4.96%
Preferred Stock	0	0.00%		0.00%
Long Term Debt	1,673,683	46.07%	3.25%	1.50%
Customer Deposits	44,343	1.22%	2.00%	0.02%
Tax Credits - Zero Cost	0	0.00%		0.00%
Tax Credits - Weighted Cost	0	0.00%		0.00%
Deferred Income Taxes	0	0.00%		0.00%
Other (Explain)	0	0.00%		0.00%
	0	0.00%		0.00%
<b>Total</b>	<b>\$ 3,632,830</b>	<b>100.00%</b>		<b>6.48%</b>

- (1) If the utility's capital structure is not used, explain which capital structure is used.  
\_\_\_\_\_
- (2) Should equal amounts on Schedule F-6, Column (g).
- (3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.  
Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

**APPROVED RETURN ON EQUITY**

Current Commission Return on Equity: <u>6.10% + (1.74 / Equity Ratio)</u>
Commission order approving Return on Equity: <u>PSC-2022-0208-PAA-WS</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

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

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

UTILITY NAME: HC WATERWORKS, INC.

**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	\$ 1,914,805	\$	\$	\$	\$	\$ 1,914,805
Preferred Stock						0
Long Term Debt	1,673,683					1,673,683
Customer Deposits	44,343					44,343
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes						0
Other (Explain)						0
Total	\$ 3,632,830	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,632,830

(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	\$ 5,789,173	\$ 482,331	\$ _____	\$ 6,271,504
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	\$ 5,789,173	\$ 482,331	\$ 0	\$ 6,271,504

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

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

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ (809,041)	\$ (14,994)	\$ _____	\$ (824,035)
		_____	_____	_____	0
		_____	_____	_____	0
		_____	_____	_____	0
	Total Plant Acquisition Adjustments	\$ (809,041)	\$ (14,994)	\$ 0	\$ (824,035)
115	Accumulated Amortization	\$ 537,924	\$ 12,734	\$ _____	\$ 550,658
		_____	_____	_____	0
		_____	_____	_____	0
		_____	_____	_____	0
	Total Accumulated Amortization	\$ 537,924	\$ 12,734	\$ 0	\$ 550,658
	Net Acquisition Adjustments	\$ (271,117)	\$ (2,260)	\$ 0	\$ (273,377)

UTILITY NAME: HC WATERWORKS, INC.

**YEAR OF REPORT**  
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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)
<b>ACCUMULATED DEPRECIATION</b>				
<b>Account 108</b>				
Balance first of year	\$ 1,856,465	\$ 351,582	\$	\$ 2,208,047
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 199,626	\$ 19,124	\$	\$ 218,750
Account 108.2 (2)				0
Account 108.3 (2)				0
Other Accounts (specify):				0
				0
				0
Salvage				0
Other Credits (Specify):				0
				0
Total Credits	\$ 199,626	\$ 19,124	\$ 0	\$ 218,750
Debits during year:				
Book cost of plant retired	20,039	5,041		25,079
Cost of Removal				0
Other Debits (specify):				0
				0
Total Debits	\$ 20,039	\$ 5,041	\$ 0	\$ 25,079
Balance end of year	\$ 2,036,052	\$ 365,666	\$ 0	\$ 2,401,718
<b>ACCUMULATED AMORTIZATION</b>				
<b>Account 110</b>				
Balance first of year	\$ 1,818	\$ 689	\$	\$ 2,507
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$ 164	\$ 51	\$	\$ 215
Other Accounts (specify):				0
WUP Amortization				0
Total credits	\$ 164	\$ 51	\$ 0	\$ 215
Debits during year:				
Book cost of plant retired				0
Other debits (specify):				0
				0
Total Debits	\$ 0	\$ 0	\$ 0	\$ 0
Balance end of year	\$ 1,983	\$ 740	\$ 0	\$ 2,722

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

UTILITY NAME: HC WATERWORKS, INC.

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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)
HC Rate Case and LIMP	\$ _____	666	\$ 2,252
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ <u>0</u>		\$ <u>2,252</u>

**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)
NONE	\$ _____	\$ _____	\$ _____	\$ 0
_____	_____	_____	_____	0
_____	_____	_____	_____	0
_____	_____	_____	_____	0
Total Nonutility Property	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

**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): NONE	\$ _____
_____	_____
_____	_____
Total Special Deposits	\$ <u>0</u>
OTHER SPECIAL DEPOSITS (Account 133):	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ <u>0</u>

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>

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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 & Wastewater	\$ 140,840
Other	
Total Customer Accounts Receivable	\$ 140,840
OTHER ACCOUNTS RECEIVABLE (Account 142):	
Unbilled Revenue	\$ 102,306
Total Other Accounts Receivable	\$ 102,306
NOTES RECEIVABLE (Account 144):	
	\$
Total Notes Receivable	\$ 0
Total Accounts and Notes Receivable	\$ 243,146
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)	
Balance first of year	\$
Add: Provision for uncollectibles for current year	\$ (3,778)
Collection of accounts previously written off	
Utility Accounts	
Others	
Total Additions	\$ (3,778)
Deduct accounts written off during year:	
Utility Accounts	
Others	
Total accounts written off	\$ 0
Balance end of year	\$ (3,778)
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET</b>	<b>\$ 239,368</b>

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)
None	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____ -

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
None	_____ %	\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ _____ 0

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS**  
**ACCOUNT 174**

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



UTILITY NAME: HC WATERWORKS, INC.

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**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):		
_____	\$ _____	\$ _____
None	_____	_____
_____	_____	_____
_____	_____	_____
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)
_____	\$ _____
None	_____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ <u>0</u>

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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)		
	\$ 2,252	\$ 2,448
<b>Total Deferred Rate Case Expense</b>	<u>\$ 2,252</u>	<u>\$ 2,448</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$	\$
<b>Total Other Deferred Debits</b>	<u>\$ 0</u>	<u>\$ 0</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
186.2 · Deferred - Hydrotank Recoat	\$ 1,083	\$ 11,917
186.3 · Deferred WUP	3,023	6,746
<b>Total Regulatory Assets</b>	<u>\$ 4,106</u>	<u>\$ 18,663</u>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	<u>\$ 6,358</u>	<u>\$ 21,110</u>

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

DESCRIPTION (a)	RATE (b)	TOTAL (c)
<b>COMMON STOCK</b>		
Par or stated value per share	%	\$
Shares authorized		1,000
Shares issued and outstanding		1,000
Total par value of stock issued	%	\$ 571,093
Dividends declared per share for year	%	\$
<b>PREFERRED STOCK</b>		
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.)

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**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	\$ 487,715
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	\$ 152,105
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ 0
437	Dividends Declared: Preferred Stock Dividends Declared _____	(26,115)
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ (26,115)
215	Year end Balance	\$ 613,705
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ 0
	Total Retained Earnings	\$ 613,705
Notes to Statement of Retained Earnings:		

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**ADVANCES FROM ASSOCIATED COMPANIES  
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ 0
Total	\$ 0

**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	3.25 %	FIXED	\$ 1,673,683
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 1,673,683

\* 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): NONE	%		\$ 0
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
Total Account 232			\$ <u>0</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
_____	%		\$ 0
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
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)
_____	\$ 0
NONE	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>0</u>

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**UTILITY NAME: HC WATERWORKS, INC.**

**ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt Bank of Tampa	\$ _____		\$ 53,412	\$ 53,412	\$ _____
Total Account 237.1	\$ _____		\$ 53,412	\$ 53,412	\$ _____
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Customer Deposits	\$ _____		\$ 692	\$ 692	\$ _____
Total Account 237.2	\$ _____		\$ 692	\$ 692	\$ _____
Total Account 237 (1)	\$ _____		\$ 54,103	\$ 54,103	\$ _____
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 54,103		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			\$ 54,103		

(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

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**UTILITY NAME: HC WATERWORKS, INC.**

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES**  
**ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
241.5 - Regulatory Assessment Fees	\$ 22,460
241.6 - Officer Salaries	147,700
Total Miscellaneous Current and Accrued Liabilities	\$ 170,160

**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)		
NONE	\$	\$		\$	0
					0
					0
					0
					0
					0
Total	\$ 0	\$	0	\$ 0	0

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



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**OTHER DEFERRED CREDITS  
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
None	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
None	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ _____	\$ _____

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**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>(1,005,310)</u>	\$ <u>(408,370)</u>	\$ _____	\$ <u>(1,413,680)</u>
Add credits during year:	\$ <u>(33,194)</u>	\$ <u>(49,140)</u>	\$ _____	\$ <u>(82,334)</u>
Less debit charged during the year	\$ _____ 0	\$ _____ 0	\$ _____	\$ _____ 0
Total Contribution In Aid of Construction	\$ <u>(1,038,504)</u>	\$ <u>(457,510)</u>	\$ _____ 0	\$ <u>(1,496,014)</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>724,247</u>	\$ <u>299,568</u>	\$ _____	\$ <u>1,023,815</u>
Debits during the year:	\$ <u>35,595</u>	\$ <u>17,736</u>	\$ _____	\$ <u>53,330</u>
Credits during the year	\$ _____ 0	\$ _____ 0	\$ _____	\$ _____ 0
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>759,842</u>	\$ <u>317,304</u>	\$ _____ 0	\$ <u>1,077,146</u>

UTILITY NAME: HC WATERWORKS, INC.

<b>YEAR OF REPORT</b> December 31, 2022
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.		
2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.		
DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 202,446
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>202,446</u>
Computation of tax :  <p align="center">N/A</p>		

**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
Lake Josephine/Highlands County	422-W	N/A
Sebring Lakes/Highlands County	422-W	N/A
Leisure Lakes/Highlands County	422-W	N/A

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : Highlands

**SCHEDULE OF YEAR END WATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 5,789,173
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	2,036,052
110	Accumulated Amortization	F-8	1,983
271	Contributions in Aid of Construction	W-7	1,038,504
252	Advances for Construction	F-20	
Subtotal			\$ <u>2,712,634</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 759,842
Subtotal			\$ <u>3,472,476</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		48,969
	Other (Specify):		
WATER RATE BASE			\$ <u>3,521,445</u>
WATER OPERATING INCOME		W-3	\$ <u>205,769</u>
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>5.84%</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.

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

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**WATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 834,438
469	Less: Guaranteed Revenue and AFPI	W-9	2,273
	Net Operating Revenues		\$ 832,165
401	Operating Expenses	W-10(a)	\$ 391,752
403	Depreciation Expense	W-6(a)	199,626
	Less: Amortization of CIAC	W-8(a)	35,595
	Net Depreciation Expense		\$ 164,031
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	3,229
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		37,617
408.11	Property Taxes		29,768
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 67,385
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		\$ 626,396
	Utility Operating Income		\$ 205,769
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ 2,273
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		\$ 208,042

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b>
December 31, 2022

SYSTEM NAME / COUNTY : Highlands

**WATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 6,577	\$	\$	\$ 6,577
302	Franchises	0			0
303	Land and Land Rights	25,450			25,450
304	Structures and Improvements	1,157,351	4,762		1,162,113
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	215,332			215,332
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	155,732			155,732
310	Power Generation Equipment	193,003	2,136		195,139
311	Pumping Equipment	178,073	3,694	(2,770)	178,997
320	Water Treatment Equipment	1,674,820	32,093	(6,292)	1,700,620
330	Distribution Reservoirs and Standpipes	528,079	5,713	0	533,793
331	Transmission and Distribution Mains	1,161,404	3,707	(1,208)	1,163,903
333	Services	120,228	0	0	120,228
334	Meters and Meter Installations	275,542	14,928	(9,768)	280,702
335	Hydrants	24,724			24,724
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	1,143			1,143
347	Miscellaneous Equipment	4,871			4,871
348	Other Tangible Plant	0			0
<b>TOTAL WATER PLANT</b>		<b>\$ 5,742,179</b>	<b>\$ 67,033</b>	<b>\$ (20,039)</b>	<b>\$ 5,789,173</b>

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

W-4(a)  
GROUP \_\_\_\_\_



YEAR OF REPORT  
December 31, 2022

UTILITY NAME:  
HC Waterworks, Inc.

SYSTEM NAME / COUNTY :  
Highlands

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1 INTANGIBLE PLANT	.2 SOURCE OF SUPPLY AND PUMPING PLANT	.3 WATER TREATMENT PLANT	.4 TRANSMISSION AND DISTRIBUTION PLANT	.5 GENERAL PLANT
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
301	Organization	\$ 6,577	\$ 6,577	\$	\$	\$	\$
302	Franchises	0	0				
303	Land and Land Rights	25,450		25,450			
304	Structures and Improvements	1,162,113			1,162,113		
305	Collecting and Impounding Reservoirs	0					
306	Lake, River and Other Intakes	0					
307	Wells and Springs	215,332		215,332			
308	Infiltration Galleries and Tunnels	0					
309	Supply Mains	155,732		155,732			
310	Power Generation Equipment	195,139		195,139			
311	Pumping Equipment	178,997		178,997			
320	Water Treatment Equipment	1,700,620			1,700,620		
330	Distribution Reservoirs and Standpipes	533,793				533,793	
331	Transmission and Distribution Mains	1,163,903				1,163,903	
333	Services	120,228				120,228	
334	Meters and Meter Installations	280,702				280,702	
335	Hydrants	24,724				24,724	
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	1,143					1,143
347	Miscellaneous Equipment	4,871					4,871
348	Other Tangible Plant	0					0
TOTAL WATER PLANT		\$ 5,789,173	\$ 6,577	\$ 770,650	\$ 2,862,733	\$ 2,126,545	\$ 22,668

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b>
December 31, 2022

SYSTEM NAME / COUNTY : Highlands

**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	10		10.00%
339	Other Plant Miscellaneous Equipment	25		4.00%
340	Office Furniture and Equipment	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment	18		5.56%
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment	15		6.67%
345	Power Operated Equipment	12		8.33%
346	Communication Equipment	10		10.00%
347	Miscellaneous Equipment	5		20.00%
348	Other Tangible Plant	10		10.00%
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.

SYSTEM NAME / COUNTY :  
Highlands

**ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRAUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 478,746	\$ 36,273	\$	\$ 36,273
305	Collecting and Impounding Reservoirs	0			0
306	Lake, River and Other Intakes	0			0
307	Wells and Springs	106,296	7,178		7,178
308	Infiltration Galleries and Tunnels	0			0
309	Supply Mains	48,901	4,449		4,449
310	Power Generation Equipment	105,676	9,708		9,708
311	Pumping Equipment	114,183	8,946		8,946
320	Water Treatment Equipment	546,860	77,043		77,043
330	Distribution Reservoirs and Standpipes	102,302	14,303		14,303
331	Transmission and Distribution Mains	202,688	27,019		27,019
333	Services	32,055	3,006		3,006
334	Meters and Meter Installations	79,264	13,945		13,945
335	Hydrants	12,096	549		549
336	Backflow Prevention Devices	547	0		0
339	Other Plant Miscellaneous Equipment	1,756	106		106
340	Office Furniture and Equipment	0			0
341	Transportation Equipment	2,778	(1,945)		(1,945)
342	Stores Equipment	0			0
343	Tools, Shop and Garage Equipment	2,421	189		189
344	Laboratory Equipment	13,590	34		34
345	Power Operated Equipment	0			0
346	Communication Equipment	143	114		114
347	Miscellaneous Equipment	6,163	(1,292)		(1,292)
348	Other Tangible Plant				0
<b>TOTAL WATER ACCUMULATED DEPRECIATION</b>		<b>\$ 1,856,465</b>	<b>199,626</b>	<b>0</b>	<b>199,626</b>

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

YEAR OF REPORT  
December 31, 2022

UTILITY NAME:  
HC Waterworks, Inc.

SYSTEM NAME / COUNTY :  
Highlands

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)	BALANCE AT END OF YEAR (c+f-j) (k)
304	Structures and Improvements	\$	\$	\$	\$	\$ 515,019
305	Collecting and Impounding Reservoirs				0	0
306	Lake, River and Other Intakes				0	0
307	Wells and Springs				0	113,474
308	Infiltration Galleries and Tunnels				0	0
309	Supply Mains				0	53,350
310	Power Generation Equipment				0	115,384
311	Pumping Equipment	2,770			2,770	120,359
320	Water Treatment Equipment	6,292			6,292	617,610
330	Distribution Reservoirs and Standpipes				0	116,605
331	Transmission and Distribution Mains	1,208			1,208	228,499
333	Services	0			0	35,061
334	Meters and Meter Installations	9,768			9,768	83,440
335	Hydrants				0	12,646
336	Backflow Prevention Devices				0	548
339	Other Plant Miscellaneous Equipment				0	1,862
340	Office Furniture and Equipment				0	0
341	Transportation Equipment				0	833
342	Stores Equipment				0	0
343	Tools, Shop and Garage Equipment				0	2,610
344	Laboratory Equipment				0	13,624
345	Power Operated Equipment				0	0
346	Communication Equipment				0	257
347	Miscellaneous Equipment				0	4,871
348	Other Tangible Plant				0	0
TOTAL WATER ACCUMULATED DEPRECIATION						\$ 2,036,052

W-6(b)  
GROUP \_\_\_\_\_

Use ( ) to denote reversal entries.

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : Highlands

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>1,005,310</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>33,194</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>0</u>
Total Credits		\$ <u>33,194</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>1,038,504</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:

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UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
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SYSTEM NAME / COUNTY : Highlands

**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)
Main Extension	14	\$ 446	\$ 6,244
Meter Installation	15	210	3,150
Plant Capacity	14	700	9,800
Service Installation	14	1,000	14,000
			0
			0
			0
			0
Total Credits			\$ 33,194

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 724,247
Debits during the year:	
Accruals charged to Account 272	\$ 35,595
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 35,595
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ 759,842

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2022

SYSTEM NAME / COUNTY : Highlands

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

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
NONE		\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Credits		\$ _____ 0

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**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			\$
	Metered Water Revenue:			
461.1	Sales to Residential Customers	1,006	1,026	723,902
461.2	Sales to Commercial Customers	13	14	98,733
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		1,019	1,040	\$ 822,636
	Fire Protection Revenue:			
462.1	Public Fire Protection	1	1	
462.2	Private Fire Protection			
Total Fire Protection Revenue		1	1	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		1,020	1,041	\$ 822,636
	Other Water Revenues:			
469	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 2,273
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			9,530
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 11,803
Total Water Operating Revenues				\$ 834,438

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



UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**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	17,000		
604	Employee Pensions and Benefits	0		
610	Purchased Water	0		
615	Purchased Power	29,067	29,067	
616	Fuel for Power Production	0		
618	Chemicals	33,632	33,632	
620	Materials and Supplies	0		
631	Contractual Services-Engineering	3,903		
632	Contractual Services - Accounting	238		
633	Contractual Services - Legal	150		
634	Contractual Services - Mgt. Fees	0		
635	Contractual Services - Testing	1,212		
636	Contractual Services - Other	291,222	3,522	16,625
641	Rental of Building/Real Property	0		
642	Rental of Equipment	0		
650	Transportation Expenses	0		
656	Insurance - Vehicle	0		
657	Insurance - General Liability	2,400		
658	Insurance - Workman's Comp.	0		
659	Insurance - Other	0		
660	Advertising Expense	0		
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	2,252		
667	Regulatory Commission Exp.-Other	0		
668	Water Resource Conservation Exp.	0		
670	Bad Debt Expense	2,812		
675	Miscellaneous Expenses	7,865		
<b>Total Water Utility Expenses</b>		<b>\$ 391,752</b>	<b>\$ 66,221</b>	<b>\$ 16,625</b>

W-10(a)

GROUP \_\_\_\_\_

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2022

SYSTEM NAME / COUNTY : Highlands

**WATER UTILITY EXPENSE ACCOUNT MATRIX**

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT & EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	17,000
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	3,903
_____	_____	_____	_____	_____	238
_____	_____	_____	_____	_____	150
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	1,212
83,800	6,550	_____	86,497	23,070	71,157
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	2,400
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	2,252
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	2,812	_____
_____	_____	_____	_____	_____	7,865
\$ <u>83,800</u>	\$ <u>6,550</u>	\$ <u>0</u>	\$ <u>86,497</u>	\$ <u>25,882</u>	\$ <u>106,176</u>

W-10(b)  
GROUP \_\_\_\_\_

UTILITY NAME:

HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

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		2,789	248	2,541	2,245
February		3,028	50	2,979	2,691
March		2,913	90	2,823	2,463
April		2,965	316	2,649	2,668
May		3,059	327	2,732	2,703
June		2,526	181	2,345	2,443
July		2,845	144	2,701	2,204
August		4,494	1,371	3,123	2,260
September		3,111	92	3,019	2,102
October		4,242	669	3,573	2,343
November		3,912	329	3,583	2,395
December		3,376	142	3,234	3,020
Total for Year	0	39,260	3,958	35,302	29,537

If water is purchased for resale, indicate the following:

Vendor \_\_\_\_\_  
Point of delivery \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SOURCE OF SUPPLY**

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

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2022

SYSTEM NAME / COUNTY :

Lake Josephine / Sebring Lakes

### WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

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

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT December 31, 2022
-------------------------------------

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		1,060	311	749	467
February		959	134	825	621
March		1,308	356	951	594
April		1,052	272	780	566
May		1,109	405	704	581
June		1,191	592	599	402
July		1,572	1,095	477	335
August		761	275	486	410
September		692	172	520	352
October		714	181	532	387
November		689	206	483	380
December		895	239	656	444
Total for Year	0	12,001	4,239	7,762	5,539

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
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

UTILITY NAME:

HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2022

SYSTEM NAME / COUNTY :

Leisure Lakes

**WATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each water treatment facility

<b>Permitted Capacity of Plant (GPD):</b>	<u>72,000</u>		
<b>Location of measurement of capacity (i.e. Wellhead, Storage Tank):</b>	<u>Wellhead</u>		
<b>Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):</b>	<u>Chloramination; Forced Draft Aeration &amp; Adedge Filtration</u>		
<b>LIME TREATMENT</b>			
Unit rating (i.e., GPM, pounds per gallon):	<u>N/A</u>	Manufacturer:	<u>N/A</u>
<b>FILTRATION</b>			
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.

<b>YEAR OF REPORT</b> December 31, 2022
--

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	670	670
3/4"	Displacement	1.5	0	
1"	Displacement	2.5	4	10
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0	1	8
3"	Displacement	15.0	1	15
3"	Compound	16.0	0	
3"	Turbine	17.5	0	
4"	Displacement or Compound	25.0	0	
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				703

**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, 2022

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. 703
- 2. Maximum number of ERCs \* which can be served. 703
- 3. Present system connection capacity (in ERCs \*) using existing lines. 703
- 4. Future connection capacity (in ERCs \*) upon service area buildout. 703
- 5. Estimated annual increase in ERCs \*. 3
- 6. Is the utility required to have fire flow capacity? Yes  
If so, how much capacity is required? 750
- 7. Attach a description of the fire fighting facilities.
- 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system:  
\_\_\_\_\_  
\_\_\_\_\_
- 9. When did the company last file a capacity analysis report with the DEP? Dec-18
- 10. If the present system **does not** meet the requirements of DEP rules:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP? \_\_\_\_\_
  - c. When will construction begin? \_\_\_\_\_
  - d. Attach plans for funding the required upgrading.
  - e. Is this system under any Consent Order with DEP? \_\_\_\_\_
- 11. Department of Environmental Protection ID # 6280162
- 12. Water Management District Consumptive Use Permit # 204167.003
  - a. Is the system in compliance with the requirements of the CUP? Yes
  - b. If not, what are the utility's plans to gain compliance? \_\_\_\_\_

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



UTILITY NAME:

HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

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	332	332
3/4"	Displacement	1.5	0	
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				332

**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:  
 $ERC = ( \text{Total SFR gallons sold (Ormit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$

ERC Calculation:

UTILITY NAME:

HC Waterworks, Inc.

YEAR OF REPORT  
December 31, 2022

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. 332

2. Maximum number of ERCs \* which can be served. 332

3. Present system connection capacity (in ERCs \*) using existing lines. 332

4. Future connection capacity (in ERCs \*) upon service area buildout. 332

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? 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:  
Odor control at water treatment plant.

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

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

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

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? No

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.

### WASTEWATER LISTING OF SYSTEM GROUPS

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

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

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

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

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Leisure Lakes/Highlands County	359-S	N/A

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**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)	\$ 482,332
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	<u>365,666</u>
110	Accumulated Amortization	F-8	<u>740</u>
271	Contributions in Aid of Construction	S-7	<u>457,510</u>
252	Advances for Construction	F-20	
Subtotal			\$ <u>(341,583)</u>
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 317,304
Subtotal			\$ <u>(24,279)</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	<u>(14,994)</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>12,734</u>
	Working Capital Allowance (3)		<u>12,994</u>
	Other (Specify):		
WASTEWATER RATE BASE			\$ <u>(13,545)</u>
WASTEWATER OPERATING INCOME		S-3	\$ <u>(19,427)</u>
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u>143.42%</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.

UTILITY NAME: HC Waterworks, Inc.

YEAR OF REPORT December 31, 2022
-------------------------------------

SYSTEM NAME / COUNTY : Highlands

**WASTEWATER OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 99,152
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	0
Net Operating Revenues			\$ 99,152
401	Operating Expenses	S-10(a)	\$ 103,952
403	Depreciation Expense	S-6(a)	19,124
	Less: Amortization of CIAC	S-8(a)	17,736
Net Depreciation Expense			\$ 1,389
406	Amortization of Utility Plant Acquisition Adjustment	F-7	(644)
407	Amortization Expense (Other than CIAC)	F-8	51
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		4,462
408.11	Property Taxes		9,370
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		
408	Total Taxes Other Than Income		\$ 13,832
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			\$ 118,579
Utility Operating Income			\$ (19,427)
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			\$ (19,427)

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**WASTEWATER UTILITY PLANT ACCOUNTS**

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 2,034	\$	\$	\$ 2,034
352	Franchises	298			298
353	Land and Land Rights	2,200			2,200
354	Structures and Improvements	7,032	13,382		20,414
355	Power Generation Equipment	17,947			17,947
360	Collection Sewers - Force	2,895			2,895
361	Collection Sewers - Gravity	226,654	(50,081)		176,572
362	Special Collecting Structures	0			0
363	Services to Customers	26,876	3,941		30,817
364	Flow Measuring Devices	7,695	2,737	2,053	8,379
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	11,836			11,836
371	Pumping Equipment	30,813	3,984	2,988	31,809
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission and Distribution System	0			0
380	Treatment and Disposal Equipment	122,083	51,003		173,085
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
<b>Total Wastewater Plant</b>		<b>\$ 462,407</b>	<b>\$ 24,966</b>	<b>\$ 5,041</b>	<b>\$ 482,332</b>

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

S-4(a)  
GROUP \_\_\_\_\_

YEAR OF REPORT  
December 31, 2022

UTILITY NAME: HC Waterworks, Inc.  
SYSTEM NAME / COUNTY: Highlands

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$ 2,034						
352	Franchises	298						
353	Land and Land Rights				2,200			
354	Structures and Improvements				20,414			
355	Power Generation Equipment				17,947			
360	Collection Sewers - Force		2,895					
361	Collection Sewers - Gravity		176,572					
362	Special Collecting Structures		0					
363	Services to Customers		30,817					
364	Flow Measuring Devices		8,379					
365	Flow Measuring Installations		0					
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			11,836				
371	Pumping Equipment			31,809				
374	Reuse Distribution Reservoirs			0				
375	Reuse Transmission and Distribution System			0				
380	Treatment and Disposal Equipment				173,085			
381	Plant Sewers				0			
382	Outfall Sewer Lines				934			
389	Other Plant Miscellaneous Equipment				2,126			
390	Office Furniture and Equipment							0
391	Transportation Equipment							0
392	Stores Equipment							0
393	Tools, Shop and Garage Equipment							984
394	Laboratory Equipment							0
395	Power Operated Equipment							0
396	Communication Equipment							0
397	Miscellaneous Equipment							0
398	Other Tangible Plant							0
	Total Wastewater Plant	\$ 2,332	\$ 218,664	\$ 43,645	\$ 216,707	\$ 0	\$ 0	\$ 984

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



UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**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	30		3.33%
361	Collection Sewers - Gravity	45		2.22%
362	Special Collecting Structures	40		2.50%
363	Services to Customers	38		2.63%
364	Flow Measuring Devices	5		20.00%
365	Flow Measuring Installations	38		2.63%
366	Reuse Services	40		2.50%
367	Reuse Meters and Meter Installations	20		5.00%
370	Receiving Wells	30		3.33%
371	Pumping Equipment	15		6.67%
374	Reuse Distribution Reservoirs	37		2.70%
375	Reuse Transmission/Distribution Sys.	43		2.33%
380	Treatment and Disposal Equipment	18		5.56%
381	Plant Sewers	35		2.86%
382	Outfall Sewer Lines	30		3.33%
389	Other Plant Miscellaneous Equipment	18		5.56%
390	Office Furniture and Equipment	15		6.67%
391	Transportation Equipment	6		16.67%
392	Stores Equipment	18		5.56%
393	Tools, Shop and Garage Equipment	16		6.25%
394	Laboratory Equipment	15		6.67%
395	Power Operated Equipment	12		8.33%
396	Communication Equipment	10		10.00%
397	Miscellaneous Equipment	15		6.67%
398	Other Tangible Plant	10		10.00%
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.

YEAR OF REPORT  
December 31, 2022

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : Highlands

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRAUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$ 4,928	\$ 476	\$	\$ 476
355	Power Generation Equipment	14,467	897		897
360	Collection Sewers - Force	234	107		107
361	Collection Sewers - Gravity	147,604	4,063		4,063
362	Special Collecting Structures	0			0
363	Services to Customers	16,064	770		770
364	Flow Measuring Devices	7,801	1,536		1,536
365	Flow Measuring Installations	0			0
366	Reuse Services	0			0
367	Reuse Meters and Meter Installations	0			0
370	Receiving Wells	11,196	39		39
371	Pumping Equipment	28,007	1,763		1,763
374	Reuse Distribution Reservoirs	0			0
375	Reuse Transmission/Distribution Sys.	0			0
380	Treatment and Disposal Equipment	118,537	9,262		9,262
381	Plant Sewers	0			0
382	Outfall Sewer Lines	231	31		31
389	Other Plant Miscellaneous Equipment	1,654	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	860	61		61
394	Laboratory Equipment	0			0
395	Power Operated Equipment	0			0
396	Communication Equipment	0			0
397	Miscellaneous Equipment	0			0
398	Other Tangible Plant	0			0
Total Depreciable Wastewater Plant in Service		\$ 351,582	\$ 19,124	\$ 0	\$ 19,124

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

S-6(a)  
GROUP \_\_\_\_\_

YEAR OF REPORT  
December 31, 2022

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : Highlands

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	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	\$	\$	\$	\$	\$ 5,404
355	Power Generation Equipment					15,364
360	Collection Sewers - Force					341
361	Collection Sewers - Gravity					151,667
362	Special Collecting Structures					0
363	Services to Customers					16,834
364	Flow Measuring Devices	2,053			2,053	7,284
365	Flow Measuring Installations					0
366	Reuse Services					0
367	Reuse Meters and Meter Installations					0
370	Receiving Wells					11,235
371	Pumping Equipment	2,988			2,988	26,781
374	Reuse Distribution Reservoirs					0
375	Reuse Transmission/Distribution Sys.					0
380	Treatment and Disposal Equipment					127,798
381	Plant Sewers					0
382	Outfall Sewer Lines					262
389	Other Plant Miscellaneous Equipment					1,772
390	Office Furniture and Equipment					0
391	Transportation Equipment					0
392	Stores Equipment					0
393	Tools, Shop and Garage Equipment					921
394	Laboratory Equipment					0
395	Power Operated Equipment					0
396	Communication Equipment					0
397	Miscellaneous Equipment					0
398	Other Tangible Plant					0
Total Depreciable Wastewater Plant in Service						\$ 365,666

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

S-6(b)  
GROUP \_\_\_\_\_

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>408,370</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8(a)	\$ <u>49,140</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	<u>0</u>
Total Credits		\$ <u>49,140</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ <u>457,510</u>

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

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UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
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SYSTEM NAME / COUNTY : Highlands

**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)
Main Extension	13	\$ 480	\$ 6,240
Plant Capacity	13	1,300	16,900
Service Installation	13	2,000	26,000
			0
			0
			0
			0
			0
<b>Total Credits</b>			\$ <u>49,140</u>

**ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 299,568
Debits during the year:	
Accruals charged to Account 272	\$ 17,736
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 17,736
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>317,304</u>

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2022

SYSTEM NAME / COUNTY : Highlands

**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)
NONE.		\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Credits		\$ _____ 0

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
521.1	Flat Rate Revenues: Residential Revenues			\$
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues	0	0	\$ 0
522.1	Measured Revenues: Residential Revenues	327	339	98,992
522.2	Commercial Revenues		1	160
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues	327	340	\$ 99,152
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		327	340	\$ 99,152
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues			
Total Other Wastewater Revenues				\$ 0

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

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: 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
541.1	Measured Reuse Revenues: 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>99,152</u>

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



YEAR OF REPORT  
December 31, 2022

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : Highlands

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	4,200						
704	Employee Pensions and Benefits	0						
710	Purchased Sewage Treatment	0						
711	Sludge Removal Expense	2,200					2,200	
715	Purchased Power	9,293					9,293	
716	Fuel for Power Production	0						
718	Chemicals	4,140					4,140	
720	Materials and Supplies	0						
731	Contractual Services-Engineering	0						
732	Contractual Services - Accounting	238						
733	Contractual Services - Legal	150						
734	Contractual Services - Mgt. Fees	0						
735	Contractual Services - Testing	0						
736	Contractual Services - Other	81,488		25,914	1,255		17,502	23,018
741	Rental of Building/Real Property	0						
742	Rental of Equipment	0						
750	Transportation Expenses	0						
756	Insurance - Vehicle	0						
757	Insurance - General Liability	639						
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	129						
775	Miscellaneous Expenses	1,476						
Total Wastewater Utility Expenses		\$ 103,952	\$ 0	\$ 25,914	\$ 1,255	\$ 0	\$ 33,135	\$ 23,018

S-10(a)  
GROUP \_\_\_\_\_

YEAR OF REPORT  
December 31, 2022

UTILITY NAME: HC Waterworks, Inc.

SYSTEM NAME / COUNTY : Highlands

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (i)	.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		4,200				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering		238				
732	Contractual Services - Accounting		150				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other	3,166	10,632				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability		639				
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	129					
775	Miscellaneous Expenses		1,476				
Total Wastewater Utility Expenses		\$ 3,295	\$ 17,334	\$ 0	\$ 0	\$ 0	\$ 0

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS**

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
Residential & Commercial		1.0		0
5/8"	Displacement	1.0	340	340
3/4"	Displacement	1.5		0
1"	Displacement	2.5		0
1 1/2"	Displacement or Turbine	5.0		0
2"	Displacement, Compound or Turbine	8.0		0
3"	Displacement	15.0		0
3"	Compound	16.0		0
3"	Turbine	17.5		0
4"	Displacement or Compound	25.0		0
4"	Turbine	30.0		0
6"	Displacement or Compound	50.0		0
6"	Turbine	62.5		0
8"	Compound	80.0		0
8"	Turbine	90.0		0
10"	Compound	115.0		0
10"	Turbine	145.0		0
12"	Turbine	215.0		0
Total Wastewater System Meter Equivalents				340

**CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS**

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

Use one of the following methods:

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

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

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

For wastewater only utilities:

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

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

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

ERC Calculation:
------------------

UTILITY NAME: HC Waterworks, Inc.

<b>YEAR OF REPORT</b> December 31, 2022
--

SYSTEM NAME / COUNTY : Highlands

**WASTEWATER TREATMENT PLANT INFORMATION**

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	50,000		
Basis of Permit Capacity (1)	AADF		
Manufacturer	Defiance		
Type (2)	Ext. Aeration		
Hydraulic Capacity	.050 MGD		
Average Daily Flow	19,926		
Total Gallons of Wastewater Treated	7,273,000		
Method of Effluent Disposal	Percolation Ponds		

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

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME: HC Waterworks, Inc.

**YEAR OF REPORT**  
December 31, 2022

SYSTEM NAME / COUNTY : Highlands

**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	<u>340</u>
2. Maximum number of ERCs* which can be served	<u>340</u>
3. Present system connection capacity (in ERCs*) using existing lines	<u>340</u>
4. Future connection capacity (in ERCs*) upon service area buildout	<u>340</u>
5. Estimated annual increase in ERCs*	<u>5 - 6</u>
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system	   
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.	  
8. If the utility does not engage in reuse, has a reuse feasibility study been completed?	<u>No</u>
If so, when?	<u>N/A</u>
9. Has the utility been required by the DEP or water management district to implement reuse?	<u>No</u>
If so, what are the utility's plans to comply with this requirement?	<u>N/A</u>
10. When did the company last file a capacity analysis report with the DEP?	<u>Apr-13</u>
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?	<u>N/A</u>
c. When will construction begin?	<u>N/A</u>
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order with DEP?	<u>No</u>
12. Department of Environmental Protection ID #	<u>FLA014388</u>

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

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

**Company: HC WATERWORKS, INC.  
For the Year Ended December 31, 2022**

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ _____	\$ _____	\$ _____
Total Metered Sales (461.1 - 461.5)	822,636	822,636	0
Total Fire Protection Revenue (462.1 - 462.2)	_____	_____	_____
Other Sales to Public Authorities (464)	_____	_____	_____
Sales to Irrigation Customers (465)	_____	_____	_____
Sales for Resale (466)	_____	_____	_____
Interdepartmental Sales (467)	_____	_____	_____
Total Other Water Revenues (469 - 474)	11,803	11,803	0
<b>Total Water Operating Revenue</b>	<b>834,438</b>	<b>834,438</b>	<b>0</b>
<b>LESS: Expense for Purchased Water from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Water Operating Revenues</b>	<b>\$834,438</b>	<b>\$834,438</b>	<b>\$0</b>

Explanations:

**Instructions:**

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

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

**Company: HC WATERWORKS, INC.  
For the Year Ended December 31, 2022**

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. S-9	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate Revenues (521.1 - 521.6)	\$ _____	\$ _____	_____
Total Measured Revenues (522.1 - 522.5)	99,152	99,152	0
Revenues from Public Authorities (523)	_____	_____	_____
Revenues from Other Systems (524)	_____	_____	_____
Interdepartmental Revenues (525)	_____	_____	_____
Total Other Wastewater Revenues (530 - 536)	_____	_____	_____
Reclaimed Water Sales (540.1 - 544)	_____	_____	_____
<b>Total Wastewater Operating Revenue</b>	<b>99,152</b>	<b>99,152</b>	<b>0</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Wastewater Operating Revenues</b>	<b>\$99,152</b>	<b>\$99,152</b>	<b>\$0</b>

Explanations:

**Instructions:**

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