

Line No.	Original Cost Rate Base	RCND	Fair Value Rate Base	
	[A]	[B]	[C]	
1	\$ 43,560,607	\$ 58,489,818	\$ 51,025,213	Average ([A] + [B])
2				
3	\$ 1,150,421	\$ 1,150,421	\$ 1,150,421	(b)
4				
5	2.64%	1.97%	2.25%	Line [3] / Line [1]
6				
7	\$ 3,275,819	\$ 3,275,819	\$ 3,275,819	Line [1] * Line [11]
8				
9	7.33%	7.33%	7.33%	(d)
10	0.19%	-1.73%	-0.91%	(d)
11	7.52%	5.60%	6.42%	Sum Line [9-10]
12				
13	\$ 2,125,398	\$ 2,125,398	\$ 2,125,398	Line [7] - Line [3]
14				
15	1.65	1.65	1.65	(c)
16				
17	\$ 3,506,906	\$ 3,506,906	\$ 3,506,906	Line [13] * Line [15]
18				
19				
20	Customer	Annualized	Proposed	Dollar
21	Classification	Rates (e)	Rates (e)	Increase
22		[A]	[B]	[C] = [B] - [A]
23	Residential	\$ 8,953,391	\$ 11,749,824	\$ 2,796,433
24	Commercial	1,616,680	2,092,895	476,215
25	Commercial Large	835,876	1,063,944	228,068
26	Other	4,868	6,574	1,705
27	Private Fire	19,487	26,310	6,823
28	Irrigation	5,608	9,662	4,054
29	Raw Water	186,972	168,429	(18,543)
30				
31				
32	Total Water Revenues	\$ 11,622,882	\$ 15,117,638	\$ 3,494,755
33				30.07%
34	Other Revenues	\$ 171,287	\$ 183,437	\$ 12,151
35				7.09%
36	Total Revenues	\$ 11,794,169	\$ 15,301,075	\$ 3,506,906
37				29.73%
38		Sch C-2 [AP]	Sch C-2 [AR]	
39	Check From Sch C-2	\$ 11,794,169	\$ 15,301,075	
40		\$ (0)	\$ -	Line [39] - Line [36]
41				
42				
43	Supporting Schedules			
44	(a) B-1			
45	(b) C-1			
46	(c) C-3			
47	(d) D-1			
48	(e) H-1			
49				
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Sun City Water  
Test Year Ended December 31, 2016  
Summary of Results of Operations

Exhibit  
Schedule A-2  
Page 1  
Witness: Hubbard

Line No.	Description	Prior Years Ended		Test Year		Projected Year		
		<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Actual 12/31/2016</u>	<u>Adjusted 12/31/2016</u>	<u>Present Rates 12/31/2017</u>	<u>Proposed Rates 12/31/2017</u>	
1	Gross Revenues	(b) \$ 10,359,114	\$ 10,427,571 (b)	(b) \$ 11,778,563	\$ 11,794,169 (a)	(e) \$ 11,794,169	\$ 15,301,075 (e)	
2								
3	Revenue Deductions and							
4	Operating Expenses	(b) \$ 9,243,099	\$ 10,593,959 (b)	(b) \$ 11,764,592	\$ 12,403,008 (a)	(e) \$ 12,403,008	\$ 12,021,884 (e)	
5								
6	Operating Income	\$ 1,116,014	\$ (166,388)	\$ 13,971	\$ (608,839)	\$ (608,839)	\$ 3,279,190	Line [1] - Line [4]
7								
8	Other Income and							
9	Deductions	(b) \$ (117,579)	\$ (179,524) (b)	(b) \$ (178,833)	\$ (178,833) (a)	(e) \$ (178,833)	\$ (178,833) (e)	
10								
11	Interest Expense	(b) \$ 1,172,367	\$ 1,170,506 (b)	(b) \$ 1,177,896	\$ 971,402 (a)	(e) \$ 971,402	\$ 971,402 (e)	
12								
13	Net Income	\$ 61,226	\$ (1,157,370)	\$ (985,093)	\$ (1,401,408)	\$ (1,401,408)	\$ 2,486,622	Line [6] - [9] - [11]
14								
15	Earned Per Average							
16	Common Share	\$ 1	\$ (22)	\$ (19)	\$ (27)	\$ (27)	\$ 47	
17								
18	Dividends Per							
19	Common Share	\$ 18.90	\$ 16.47	\$ 7.51	\$ 7.51	\$ 7.51	\$ 7.51	
20								
21	Payout Ratio	1622.54%	-74.81%	-40.07%	-28.16%	-28.16%	15.87%	
22								
23	Return on Average							
24	Invested Capital	(d) -0.14%	-3.18% (d)	(d) -2.71%	-3.68% (d)	(d) -3.68%	5.38% (d)	
25								
26	Return on Year End Capital	(d) -0.13%	-3.17% (d)	(d) -2.67%	-3.62% (d)	(d) -3.63%	5.30% (d)	
27								
28	Return on Average							
29	Common Equity	(c) -0.30%	-6.92% (c)	(c) -5.75%	-7.81% (c)	(c) -7.81%	11.40% (c)	
30								
31	Return on Year End							
32	Common Equity	(c) -0.29%	-6.85% (c)	(c) -5.55%	-7.54% (c)	(c) -7.54%	11.01% (c)	
33								
34	Times Bond Interest Earned							
35	Before Income Taxes	1.16	0.63	1.16	1.48	1.48	5.03	
36								
37	Times Total Interest and							
38	Preferred Dividends Earned							
39	After Income Taxes	0.57	0.01	0.12	(0.31)	(0.31)	2.53	
40								
41								
42								
43								
44	Supporting Schedules							
45	(a) C-1 (d) D-1							
46	(b) E-2 (e) F-1							
47	(c) E-4							
48								
49	Workpapers and Supporting Documents							
50	\2016 Sun City Water.xlsm							

Line No.	Description	Prior Years Ended		Test Year	Projected Year	
		12/31/2014	12/31/2015	12/31/2016	12/31/2017	
1	Short-Term Debt	\$ 8,560,000	\$ 8,560,000	\$ 8,560,000 (b)	\$ -	
2	Long-Term Debt	(c) \$ 235,850,144	\$ 235,021,858	(c) \$ 234,897,306 (b)	\$ 242,820,000	
3						
4	Total Debt	\$ 244,410,144	\$ 243,581,858	\$ 243,457,306	\$ 242,820,000	Line [1] + Line [2]
5						
6						
7	Preferred Stock	\$ -	\$ -	\$ -	\$ -	
8						
9	Common Equity	(c) \$ 205,334,783	\$ 209,807,571	(c) \$ 225,225,834 (a)	\$ 225,225,834	
10						
11						
12	Total Capital & Debt	<u>\$ 449,744,927</u>	<u>\$ 453,389,429</u>	<u>\$ 468,683,140</u>	<u>\$ 468,045,834</u>	Line [4] + Line [9]
13						
14						
15	Capitalization Ratios:					
16	Short-Term Debt	1.90%	1.89%	1.83%	0.00%	Line [1] / Line [12]
17	Long-Term Debt	<u>52.44%</u>	<u>51.84%</u>	<u>50.12%</u>	<u>51.88%</u>	Line [2] / Line [12]
18						
19	Total Debt	54.34%	53.72%	51.94%	51.88%	Line [16] + Line [17]
20						
21						
22	Preferred Stock	0.00%	0.00%	0.00%	0.00%	Line [7] / Line [12]
23						
24	Common Equity	<u>45.66%</u>	<u>46.28%</u>	<u>48.06%</u>	<u>48.12%</u>	Line [9] / Line [12]
25						
26						
27	Total Capital	100.00%	100.00%	100.00%	100.00%	Line [19] + Line [24]
28						
29	Weighted Cost of					
30	Short-Term Debt	(a) 0.01%	0.01% (a)	0.01% (a)	0.00%	
31						
32	Weighted Cost of					
33	Long-Term Debt	(a) 2.16%	2.16% (a)	2.16% (a)	2.16%	
34						
35	Weighted Cost of					
36	Senior Capital	(a) 2.16%	2.16% (a)	2.16% (a)	2.16%	
37						
38						
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40						
41						
42						
43	Supporting Schedules					
44	(a) D-1					
45	(b) D-2					
46	(c) E-1					
47						
48	Workpapers and Supporting Documents					
49						
50	\2016 Sun City Water.xlsm					

**Sun City Water**

Test Year Ended December 31, 2016

Construction Expenditures and Gross Utility Plant in Service

Exhibit  
Schedule A-4  
Page 1  
Witness: Hubbard

Line No.			Construction Expenditures		Net Plant Placed in Service		Gross Utility Plant in Service
			[A]		[B]		[C]
2	Prior Year Ended	12/31/2014	(a) \$ 6,995,884		\$ 8,475,059	(a) \$	88,798,063
4	Prior Year Ended	12/31/2015	(a) \$ 7,372,021	[C] Line [4] - [C] Line [2]	\$ 6,729,755	(a) \$	95,527,818
6	Test Year Ended	12/31/2016	(a) \$ 10,012,477	[C] Line [6] - [C] Line[4]	\$ 6,320,047	(a) \$	101,847,865
8	Projected Year Ended	12/31/2017	(b) \$ 11,042,968	[C] Line [8] - [C] Line[6]	\$ 6,756,238	[C] Line [6] + [B] Line [8]	\$ 108,604,102
10	Projected Year Ended	12/31/2018	(b) \$ 7,568,116	[C] Line [10] - [C] Line [8]	\$ 6,951,390	[C] Line [8] + [B] Line [10]	\$ 115,555,492
12	Projected Year Ended	12/31/2019	(b) \$ 9,118,552	[C] Line [12] - [C] Line [10]	\$ 8,375,481	[C] Line [10] + [B] Line [12]	\$ 123,930,974
13							
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40							
41	Supporting Schedules						
42	(a) E-1						
43	(b) \2016-2025 Capital Budget.xlsx						
44							
45	Workpapers and Supporting Documents						
46	\2016-2025 Capital Budget.xlsx						
47							
48							
49							
50	\2016 Sun City Water.xlsm						

Line No.	Prior Year Ended (a) <u>12/31/2014</u>	Prior Year Ended (a) <u>12/31/2015</u>	Test Year Ended (a) <u>12/31/2016</u>	Projected Year	
				Present Rates (b) <u>12/31/2017</u>	Proposed Rates (b) <u>12/31/2017</u>
5	<u>Source of Funds</u>				
6	From Operations				
7	\$ 61,226	\$ (1,157,370)	\$ (985,093)	\$ 357,853	\$ 2,486,622
8	2,081,353	1,999,648	2,320,355	3,901,006	3,901,006
9	-	-	-	-	-
10	209,856	1,256,147	1,728,574	1,728,574	1,728,574
11	-	-	-	-	-
12	<u>\$ 2,352,436</u>	<u>\$ 2,098,425</u>	<u>\$ 3,063,837</u>	<u>\$ 5,987,432</u>	<u>\$ 8,116,202</u>
					Sum Lines [7-11]
13	From Financing				
14	(2,166,112)	1,397,401	4,434,908	4,434,908	4,434,908
15	7,572,251	(93,848)	(4,920,153)	(4,920,153)	(4,920,153)
16	(4,424)	1,186,988	(4,786)	(4,786)	(4,786)
17	(Decrease) / Increase in Net Amounts				
18	(2,566,537)	(275,369)	1,453,582	1,453,582	1,453,582
19	<u>\$ 2,835,178</u>	<u>\$ 2,215,171</u>	<u>\$ 963,552</u>	<u>\$ 963,552</u>	<u>\$ 963,552</u>
					Sum Lines [14-18]
21	<u>\$ 5,187,614</u>	<u>\$ 4,313,596</u>	<u>\$ 4,027,388</u>	<u>\$ 6,950,984</u>	<u>\$ 9,079,753</u>
					Line [12] + Line [19]
23	<u>Application of Funds</u>				
24	6,995,884	7,372,021	10,012,477	11,042,968	11,042,968
25	-	-	-	121,868	121,868
26	1,696,113	1,478,303	673,852	673,852	673,852
27	(690)	(280,533)	16,385	16,385	16,385
28	<u>\$ 8,691,308</u>	<u>\$ 8,569,792</u>	<u>\$ 10,702,714</u>	<u>\$ 11,855,073</u>	<u>\$ 11,855,073</u>
					Sum Lines [24-27]
43	Supporting Schedules				
44	(a) E-3				
45	(b) F-2				
47	Workpapers and Supporting Documents				
50	\2016 Sun City Water.xlsm				