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PUBLIC UTILITY COMMISSION  
1111 RICE STREET, SUITE 1000  
AUSTIN, TEXAS 78701



**CLASS "B" WATER COMPANY  
PUC ANNUAL REPORT  
OF**

CCN Number  
10835

Official Company Name:

Suburban Utility Company, Inc.

D/B/A Name(s)

None

**TO THE  
PUBLIC UTILITY COMMISSION  
OF TEXAS**

*For the Year Ended* \_\_\_\_ **2015**

104

**GENERAL INSTRUCTIONS-Class B Utilities Only**

1. This annual report (earnings report) is required by 16 TAC §24.73 and is used to monitor utility earnings and compile annual financial information to monitor financial conditions of Texas investor owned utilities. Each utility shall submit its report to the Commission in the form and manner prescribed herein. The reported information should reflect the 12-month period ending December 31. The report shall be filed not later than June 1 of the following year. Only one report needs to be completed for each Certificate of Convenience and Necessity (CCN) Number regardless of the number of Public Water Systems and/or number of Sewer Systems affiliated with each CCN. However, if you have multiple water CCNs or multiple sewer CCNs, a separate report must be submitted for each CCN, along with a summary report for all Texas water and sewer operations for affiliated entities. The summary should be submitted along with all the affiliated reports. If the utility possesses a water and sewer CCN (not multiples), then the utility may combine the water and sewer operations into one report, although water and sewer operations must be separately reported within that report.
2. Four copies of this report shall be prepared by each utility. Three copies should be mailed or delivered to the Filing Clerk of Central Records at the Commission's offices in Austin, TX by June 1 of the year following the calendar year. The other copy should be retained by the utility for reference. Additionally, the utility shall file an unaltered electronic version (i.e. in native Microsoft Excel format) with all cell references, formulas, links and other electronic information intact) of the information contained in the required schedules and report along with the hard copies. All water and sewer utilities are required by statute to complete and file this annual report. Note, if a utility has a water and sewer CCN and provides both water and sewer service, the utility shall file one annual report which contains information for both the water and sewer utility service. Each sheet of the Excel file is pre-formatted to calculate certain items based on company specific inputs. Any supporting documents or workpapers filed in PDF format should be searchable. For specific instructions regarding the electronic filing of the report, please visit the Commission's website at: <http://www.puc.state.tx.us/industry/filings/FilingProceed.aspx>, and 16 TAC §22.72(g).
3. Pencil entries will not be permitted on hard copy.
4. All accounting terms and phrases used in this report are to be interpreted in accordance with the effective applicable NARUC Uniform System of Accounts prescribed by this Commission, as set forth in 16 TAC §24.72 with detailed sub accounts listed in the form. The Texas Water Code defines Class B utility as a public utility providing retail water or sewer utility service to at least 500 but less than 10,000 taps or connections. Class B utilities must use the NARUC system of accounts for NARUC Class B utilities.
5. Standard accounting procedures shall apply in determining the nature of any entry (e.g. entries of a reverse or contrary character shall be indicated by a parentheses around the number).
6. The report shall be filed consisting of data relative to a calendar year basis (December 31 year end. Revenues and expenses shall include a column for normalization adjustments to produce a normalized net income. All normalization adjustments must be explained with all assumptions defined and rational/best practices referenced.
7. If this report is made for a period less than the calendar year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where the period covered is shown. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes). Provide a full explanation.
8. All instructions shall be followed and each question shall be answered fully and accurately. Sufficient answers shall appear to show that no question or schedule has been overlooked. The expression "none" or "not applicable" shall be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. Where information called for herein is not given, state fully the reason for its omission.

## GENERAL INSTRUCTIONS

(Continued)

9. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different figures were used.
10. If an audit is performed on the books and records of the utility by a certified public accountant, please submit a copy with this form. If the utility is a member of a controlled group, both parent and subsidiary's annual report should be submitted.
11. Throughout this report money items will be rounded off to the nearest dollar.
12. In the space provided at the top of each page insert the name of the utility and the year to which this report relates.
13. On Schedule 3, column (c), the reporting entity is required to make adjustments to normalize income and expenses for the purpose of determining positive differences between the annual revenues and costs of each utility. Adjusting normalization entries should include adjustments to
  - (1) avoid double counting in affiliates or entities under common control,
  - (2) to record depreciation at the commission's approved rates, amortization at the amount approved in the utility's last rate proceeding in which deferred costs and the amortization of deferred costs are established,
  - (3) to remove any expenses not allowed by the Texas Water Code, or disallowed in previous dockets.
  - (4) other normalization adjustments must be accompanied by all best practice references and an explanation.
14. IF YOU ARE UNDER COMMON CONTROL with other water or sewer utilities operating in Texas, you must file a consolidated income statement and balance sheet including all entities under common control in Texas. These statements should be in addition to the attached schedules for the reporting utility.
15. Unless otherwise indicated, the information required in this report shall be taken from the reporting entity's financial statements, accounts and other records. Any deviation from records must be explained.

### EXCERPT FROM TEXAS WATER CODE

#### CHAPTER 13.136(b)

(b) The utility commission by rule shall require each utility to annually file a service, financial, and normalized earnings report in a form and at times specified by utility commission rule. The report must include information sufficient to enable the utility commission to properly monitor utilities in this state. The utility commission shall make available to the public information in the report the utility does not file as confidential.

PUBLIC UTILITY COMMISSION OF TEXAS  
1701 N. CONGRESS AVE., PO BOX 13326, AUSTIN, TX 78711-3326

**Annual Report for Class B Water and/or Sewer Systems**  
Pursuant to TWC § 13.136 and Title 16 Texas Administrative Code (TAC) Chapter 24

**I. UTILITY INFORMATION**

- A. Utility Name: Suburban Utility Company, Inc.  
List all assumed name(s) or d/b/a names: None
- B. Street Address, City or Town & Zip code: P.O. Box 455, Spring, TX 77383-0455  
County: Harris CCN No.: 10835
- C. List All PWS System names and numbers: See Attached List
- D. List All WQ Permitted system names and numbers: \_\_\_\_\_
- E. Type of Ownership:  
Corporation: \_\_\_\_\_ X Partnership: \_\_\_\_\_ Individual: \_\_\_\_\_ Other: \_\_\_\_\_
- F. If a corporation list names of the officers. If an individual or partnership list the name of the individual or each partner.  
Mitchell Martin Jr. - Director Michael Martin Sr. - Director
- g. If the controlling ownership of this utility changed during the last twelve (12) months, state the date of ownership change and the name and address of the prior owner.  
N/A
- H. Date the utility was formed or incorporated: 18-Nov-10
- I. Is the utility commonly owned or controlled by another corporation? Y N  
If yes, by whom? \_\_\_\_\_

**PERSON TO CONTACT REGARDING THE INFORMATION SUPPLIED ON THESE FORMS**

- A. Name and Title: Bret W. Fenner, P.E.
- B. Street Address, city, zip code: 913 Hyde Park Dr. Round Rock, TX 78665
- C. Telephone Number with Area Code: 512-917-7541  
Cell Phone Number with Area Code: N/A  
Fax Number with Area Code: 512-692-1967  
e-mail address: bretfenner@yahoo.com
- D. If not an officer, owner or employee, give name of firm employed by:  
B & D Environmental, Inc.
- E. List all entities under common control or ownership with this utility by entity name, CCN No(s)., Public Water System (PWS) No(s). and name(s) of water system(s) owned and Water Quality (WQ) Discharge Permit No(s). and name(s) of wastewater systems owned, and contact information. See Attached List
- F. List all affiliates of the utility by entity name(s), CCN No(s). if any, PWS No. for each system owned and WQ Discharge Permit No. for each wastewater systems owned, including contact information.  
See Attached List
- G. If the utility owner owns multiple CCN's, please list all CCN numbers owned: \_\_\_\_\_

Name of Utility:

Suburban Utility Company, Inc.

Year End:

2015

**2. BALANCE SHEETS****ASSETS****UTILITY PLANT**

101 Utility Plant in Service	
103 Property held for Future Use	
105 Construction Work In Progress	
114, 115 Net Utility Plant Acquisition Adjustment	
<b>TOTAL UTILITY PLANT</b>	
108 Less: Accumulated Depreciation	
110 Less: Accumulated Amortization	
<b>NET UTILITY PLANT</b>	

End of Year  
12/31/2015End of Prior Year  
12/31/2014

\$	414,151	\$	414,151
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	414,151	\$	414,151
\$	264,879	\$	251,437
\$	149,272	\$	162,714
\$	10,679	\$	1,246
\$	1,000	\$	0
\$	0	\$	0
\$	0	\$	0
\$	1,000	\$	0
\$	0	\$	0
\$	0	\$	0
\$	12,679	\$	1,246
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	161,951	\$	163,960

**CURRENT ASSETS**

131-135 Cash	
141-143 Accounts Receivable	
144 Notes Receivable	
144-145 Accounts Receivable-Affiliates/Common Ownership	
151 Plant Materials and Supplies	
162 Prepayments	
171-174 Other Current Assets	
<b>TOTAL CURRENT ASSETS</b>	

**OTHER ASSETS and DEFERRED CHARGES**

181 Deferred Debt Expense	
182-186 Deferred Charges/Debits	
190 Accum Deferred Income Taxes	
<b>TOTAL OTHER ASSETS and DEFERRED CHARGES</b>	

**TOTAL ASSETS****LIABILITIES & EQUITY****STOCKHOLDERS' EQUITY**

201 Common Stock	
211 Other paid in capital	
215 Retained Earnings	
<b>TOTAL STOCKHOLDERS' EQUITY</b>	

**LONG-TERM DEBT**

224 Long-term debt, excluding current portion	
---	--

**CURRENT LIABILITIES**

Current Portion of Long-term Debt	
231 Accounts Payable	
232 Notes Payable	
233, 234 Payables to Affiliates/Common Ownership	
236 Accrued Taxes	
237 Accrued Interest	
241.0 Other Current Liabilities	
<b>TOTAL CURRENT LIABILITIES</b>	

**OTHER LIABILITIES and DEFERRED CREDITS**

252 Advances for Construction	
253 Other Deferred Credits	
255 Deferred Investment Tax Credits	
271-272 Net Contributions in Aid of Construction	
281-283 Accumulated Deferred Inc. Taxes	
<b>TOTAL OTHER LIABILITIES and DEFERRED CREDITS</b>	

**TOTAL LIABILITIES & EQUITY**End of Year  
12/31/2015End of Prior Year  
12/31/2014

\$	1,000	\$	1,000
\$	71,982	\$	71,982
\$	(193,372)	\$	(110,370)
\$	(120,390)	\$	(37,388)
\$	0	\$	0
\$	13,293	\$	9,705
\$	0	\$	0
\$	25,415	\$	0
\$	178,508	\$	178,508
\$	0	\$	0
\$	36,825	\$	13,135
\$	254,041	\$	201,348
\$	28,300	\$	0
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	28,300	\$	0
\$	161,951	\$	163,960

Name of Utility:

Suburban Utility Company, Inc.

Year End:

2015

**3. STATEMENT OF REVENUES**

(Actual Revenues for the report year)

Water CUSTOMER CLASS	Prior Year Reported 2014 (A)	Current Reporting Year 2015 (B)	Earnings Report adjustments (C)	Totals For Earnings Report Adjustments (D=B+C)
Metered Sales:				
5/8" or 3/4"	\$ 550,670	\$ 553,167	\$ 0	\$ 553,167
3/4"				
1"	\$ 2,302	\$ 2,312	\$ 0	\$ 2,312
1 1/2"	\$ 8,631	\$ 8,670	\$ 0	\$ 4,300
2"	\$ 13,810	\$ 13,873	\$ 0	\$ 5,017
List all additional meter sizes				
SUB-TOTAL	\$ 575,413	\$ 578,022	\$ 0	\$ 578,022

Unmetered Sales:

	\$ 0	\$ 0	\$ 0	\$ 0
				\$ -
				\$ -
				\$ -
				\$ -
List and explain if any rates are set				\$ -
on a basis other than meter size				\$ -
				\$ -
	\$ 0	\$ 0	\$ 0	\$ 0

470.0 Late fees - Water

\$ 22,438

\$ 24,720

\$ 24,720

471-474 Other Revenue

\$ 11,052

\$ 12,175

\$ 12,175

**TOTAL WATER REVENUE****\$ 608,903****\$ 614,917****\$ 0****\$ 614,917**

To Statement of Income

Sewer CUSTOMER CLASS	Prior Year Reported 2014 (A)	Current Reporting Year 2015 (B)	Earnings Report adjustments (C)	Totals For Earnings Report Adjustments (D=B+C)
Metered (measured) Sales (if any):				
				\$ 0
				\$ -
				\$ -
				\$ -
				\$ -
SUB-TOTAL	\$ 0	\$ 0	\$ -	\$ 0
Unmetered (flat rate) Sales				
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
SUB-TOTAL	\$ 0	\$ 0	\$ -	\$ 0
470.0 Late fees - Sewer				\$ -
536 Other Revenue				\$ -
<b>TOTAL SEWER REVENUE</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ 0</b>
<b>TOTAL REVENUE</b>	<b>\$ 608,903</b>	<b>\$ 614,917</b>	<b>\$ 0</b>	<b>\$ 614,917</b>

To Statement of Income

**4. Statements of Income**

	Water Test Year 2015	Sewer Test Year N/A	Total - Water and Sewer	Earnings Report adjustments	Adjusted for Earnings Report
	(a)	(b)	(c)	(d)	(e)=(c)+(d)
1 <b>Total Revenue:</b> 1	\$ 614,917	\$ 0	\$ 614,917	\$ 0	\$ 614,917
	XXXX	XXXX	XXXX	XXXX	XXXX
<b>Operating Expenses:</b>	XXXX	XXXX	XXXX	XXXX	XXXX
2 601.1/701.1 O & M Salaried Labor	\$ 0		\$ 0		\$ 0
3 604/704 Employee Benefits	\$ 0		\$ 0		\$ 0
4 6/731, 6/735, 6/736 O & M Contract labor	\$ 382,974		\$ 382,974		\$ 382,974
5 620/720 Operating/Maint Supplies	\$ 106,688		\$ 106,688		\$ 106,688
6 610/710 Purchased Water	\$ 0		\$ 0		\$ 0
7 615/715 Purchased Power	\$ 45,796		\$ 45,796		\$ 45,796
8 635/735 Testing Expense	\$ 16,807		\$ 16,807		\$ 16,807
9 618/718 Chemicals	\$ 7,921		\$ 7,921		\$ 7,921
10 656-659/756-759 Insurance	\$ 0		\$ 0		\$ 0
11 601.2/701.2 General Office Salaries	\$ 0		\$ 0		\$ 0
12 650/750 Transportation	\$ 0		\$ 0		\$ 0
13 675 General Office Expenses	\$ 66,709		\$ 66,709		\$ 66,709
14 632, 633, 634 Contract Acctg, legal, Mgmt	\$ 110,439		\$ 110,439		\$ 110,439
15 666 Amortization- Rate Case Expense	\$ 0		\$ 0		\$ 0
16 403 Depreciation Expense	\$ 13,442		\$ 13,442		\$ 13,442
17 667-675 Other Misc. Expenses	\$ 43,124		\$ 43,124		\$ 43,124
<b>Taxes:</b>			XXXX	XXXX	XXXX
18 409 Federal Income Taxes	\$ 0		\$ 0		\$ 0
19 409 State Franchise Taxes/Reg Assess.	\$ 6,447		\$ 6,447		\$ 6,447
20 408 All Other Taxes	\$ 20,444		\$ 20,444		\$ 20,444
21 <b>Total Expenses</b>	\$ 820,791	\$ -	\$ 820,791	\$ -	\$ 820,791
			XXXX	XXXX	XXXX
22 <b>Net Operating Income</b>	\$ (205,874)	\$ 0	\$ (205,874)		\$ (205,874)
			XXXX	XXXX	XXXX
23 421, 433 Non-Operating Income	\$ 36,895				
24 <b>Non-Operating Deductions:</b>			XXXX	XXXX	XXXX
25 426 Other	\$ 61,140		\$ 24,618		\$ 24,618
26 427 Interest	\$ 0				
27 Net Income	\$ (230,119)	\$ 0	\$ (230,492)	\$ -	\$ (230,492)

1. Carried over from Statements of Revenues

**F**

[illegible]

## A

Date Plant  
Installed/Retired  
mm/yyyy



**List Major Items by account number and Class**

C

Report Year  
Beginning  
Balance

D

Plant Additions  
Amounts

**[Y]**

Plant Retirements  
Amounts

L

Plant  
Adjustments  
(plus or minus)

11

Total change during report year	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037	2037-2038	2038-2039	2039-2040	2040-2041	2041-2042	2042-2043	2043-2044	2044-2045	2045-2046	2046-2047	2047-2048	2048-2049	2049-2050	2050-2051	2051-2052	2052-2053	2053-2054	2054-2055	2055-2056	2056-2057	2057-2058	2058-2059	2059-2060	2060-2061	2061-2062	2062-2063	2063-2064	2064-2065	2065-2066	2066-2067	2067-2068	2068-2069	2069-2070	2070-2071	2071-2072	2072-2073	2073-2074	2074-2075	2075-2076	2076-2077	2077-2078	2078-2079	2079-2080	2080-2081	2081-2082	2082-2083	2083-2084	2084-2085	2085-2086	2086-2087	2087-2088	2088-2089	2089-2090	2090-2091	2091-2092	2092-2093	2093-2094	2094-2095	2095-2096	2096-2097	2097-2098	2098-2099	2099-2100	2100-2101	2101-2102	2102-2103	2103-2104	2104-2105	2105-2106	2106-2107	2107-2108	2108-2109	2109-2110	2110-2111	2111-2112	2112-2113	2113-2114	2114-2115	2115-2116	2116-2117	2117-2118	2118-2119	2119-2120	2120-2121	2121-2122	2122-2123	2123-2124	2124-2125	2125-2126	2126-2127	2127-2128	2128-2129	2129-2130	2130-2131	2131-2132	2132-2133	2133-2134	2134-2135	2135-2136	2136-2137	2137-2138	2138-2139	2139-2140	2140-2141	2141-2142	2142-2143	2143-2144	2144-2145	2145-2146	2146-2147	2147-2148	2148-2149	2149-2150	2150-2151	2151-2152	2152-2153	2153-2154	2154-2155	2155-2156	2156-2157	2157-2158	2158-2159	2159-2160	2160-2161	2161-2162	2162-2163	2163-2164	2164-2165	2165-2166	2166-2167	2167-2168	2168-2169	2169-2170	2170-2171	2171-2172	2172-2173	2173-2174	2174-2175	2175-2176	2176-2177	2177-2178	2178-2179	2179-2180	2180-2181	2181-2182	2182-2183	2183-2184	2184-2185	2185-2186	2186-2187	2187-2188	2188-2189	2189-2190	2190-2191	2191-2192	2192-2193	2193-2194	2194-2195	2195-2196	2196-2197	2197-2198	2198-2199	2199-2200	2200-2201	2201-2202	2202-2203	2203-2204	2204-2205	2205-2206	2206-2207	2207-2208	2208-2209	2209-2210	2210-2211	2211-2212	2212-2213	2213-2214	2214-2215	2215-2216	2216-2217	2217-2218	2218-2219	2219-2220	2220-2221	2221-2222	2222-2223	2223-2224	2224-2225	2225-2226	2226-2227	2227-2228	2228-2229	2229-2230	2230-2231	2231-2232	2232-2233	2233-2234	2234-2235	2235-2236	2236-2237	2237-2238	2238-2239	2239-2240	2240-2241	2241-2242	2242-2243	2243-2244	2244-2245	2245-2246	2246-2247	2247-2248	2248-2249	2249-2250	2250-2251	2251-2252	2252-2253	2253-2254	2254-2255	2255-2256	2256-2257	2257-2258	2258-2259	2259-2260	2260-2261	2261-22
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**TOTALS**

\$0

**S**

9

3



Name of Utility:

Suburban Utility Company, Inc

Year End:

2015

**6(a). Capital Structure**

Year Ended 12/31/2015

	Per Books	Adjustments for Earnings Report	Per Books Post Adjustment	Ratio
232 00 Short-Term Debt	\$ -	\$ -	\$ -	0.00%
224 0 Long-Term Debt	\$ 0	\$ -	\$ 0	0.00%
Common Equity:				
201 0 Common Stock	\$ 1,000	\$ -	\$ 1,000	
218 0 Proprietary Capital				
211 0 Misc Paid-in-Capital	\$ 71,982	\$ -	\$ 71,982	
215 0 Retained Earnings	\$ (193,372)	\$ -	\$ (193,372)	
216 0 Reacquired Stock	\$ -	\$ -	\$ -	
Total Equity	\$ (120,390)	\$ -	\$ (120,390)	100.00%
Total Capital	\$ (120,390)	\$ -	\$ (120,390)	100.00%

**Debt Detail**

Type	Principal Amount	Cost Rates	Interest Expense
232 0 Short Term Debt:			
(Lender name A)	\$ -	0.00%	\$ -
(Lender name B)	\$ -	0.00%	\$ -
(Lender name C)	\$ -	0.00%	\$ -
Total Short-Term Debt	\$ 0	100.00%	\$ 0
224 0 Long-Term Debt			
(Lender name D)		0.00%	\$ -
(Lender name E)		0.00%	\$ -
(Lender name F)		0.00%	\$ -
Total Long-Term Debt	\$ 0	1000.00%	\$ 0

**6(b). RATE BASE AND EARNINGS CALCULATION**

## RATE BASE SUMMARY

Description	Water (a)	Sewer (b)	Total (c) = (a) + (b)	Reference (schedule)
1 Additions	xxxx	0	xxxx	
2 Utility plant	414,151		414,151	5(a) & 5(b)
3 Materials and supplies	0		0	2
4 Working cash (capital) (attach schedule)	62,565		62,565	4
5 Prepayments	0		0	2
6 Other (attach schedule or itemize)	0		0	5(a) & 5(b)
7 TOTAL ADDITIONS (Add Lines 2 through 6)	476,716		476,716	
8 Deductions	xxxx		xxxx	
9 Reserve for depreciation (Accumulated)	264,879		264,879	2
10 Advances for construction	0		0	2
11 Contributions in aid of construction	0		0	2
12 Accumulated deferred income taxes	0		0	2
13 Accumulated deferred investment tax credits	0		0	2
14 Other (attach schedule or itemize)	0		0	2
15 TOTAL DEDUCTIONS (Add lines 9 through 14)	264,879		264,879	
16 RATE BASE (Line 7, less Line 15)	211,837		211,837	

**EARNINGS CALCULATION**

17 Return (Note 1)	(230,492)
18 Rate of Return (Line 17/Line 16)	-108.81%
19 <u>Earned</u> Return on Ending Equity (Notes 2, 3)	-108.81%

Note 1 Schedule 4 *Statements of Income*, line 26 plus line 27Note 2 Based on reported capital structure in Schedule 6 *Capital Structure Earnings*Note 3 Line 19 (above) will automatically calculate correctly only after Schedule 4 *Statements of Income*, Schedule 7 *Rate of Return*, and the above portions of this schedule (tab) have been completed

Name of Utility: Suburban Utility Company, Inc. Year End: 2015

### 7. Rate of Return

Year Ended 12/31/2015

	Balance	Capital Structure %	Cost Rates	Weighted Cost of Capital
	(a)	(b)	(c)	(c)=(a) x (b)
224.0 Long-Term Debt	0	0.00%	1000.00%	0.00%
Common Equity*	211,837	100.00%	11.55%	11.55%
Total		100.00%		11.55%

\*If the company currently has an authorized return on equity (ROE), enter that ROE in column (c) and provide the docket number in which that ROE was granted here ==>>>

N/A

If the company does not currently have an authorized ROE, enter in column (c) the ROE Moody's BAA Bond rating plus 6 percentage points. Utilities may obtain the current Moody's BAA Bond rating by emailing the PUC at [water@puc.state.tx.us](mailto:water@puc.state.tx.us) (this will in virtually every circumstance be different from the ROE that is actually earned) and place an "X" here ==>>>

11.55

Name of Utility: Suburban Utility Company, Inc. Year End: 2015

## 8. Connection Count

### METERED CUSTOMERS BY METER SIZE

Number of Customers

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Line	Meter Size description	End of Prior Year	Additions or change	End of Report Year	Meter Ratios	Meter Equivalencies	
<b>Water</b>				(C + D)		(E x F)	
1	5/8" x 3/4"	1369	-25	1344	1	1354	
2	3/4"				1.5		
3	1"	2	0	2	2.5	2.5	
4	1 1/2"	4	0	4	5	10	
5	2"	4	0	4	8	8	
6	List all Additional meter sizes						
7	Unmetered						
8		1379	-25	1354		1374.5	Total Water
<b>Sewer</b>							
9							
10							
11							
12							
13		0	0	0		0	Total Sewer

**Name of Utility:** Suburban Utility Company, Inc. **Year End: 2015**

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## 9. VOLUMETRIC INFORMATION

	(Report in 1,000 gallons)	Report Year
	Description	
1.	Water Pumped	158,390
2.	Purchased Water	0
3.	Total Water Produced (1. + 2.)	158,390
4.	Total Water Sold	91,904
5.	Water Lost (3 - 4)	66,486

2015

VERIFICATION

OATH

(To be made by the officer having control of the accounting of the respondent)

State of \_\_\_\_\_ as  
County of \_\_\_\_\_

\_\_\_\_\_ makes oath and says that he/she is \_\_\_\_\_  
(Name of affiant) (Official title of affiant)

of \_\_\_\_\_  
(Exact legal title or name of the respondent)

The signed officer has reviewed the report

Based on the officer's knowledge, the report does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading

Based on such officer's knowledge, the financial statements and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of the issuer as of, and for, the periods presented in the report

He/she swears that all other statements contained in the said report are true and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including \_\_\_\_\_ to and including \_\_\_\_\_

Subscribed and sworn to and before me, a \_\_\_\_\_  
in and for the State and County above-named, this \_\_\_\_\_ day of \_\_\_\_\_  
(Signature of affiant)

My commission expires \_\_\_\_\_  
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of TEXAS as  
County of MONIGOMERY

MITCHELL M MARTIN JR mak PRESIDENT  
(Name of affiant) (Official title of affiant)

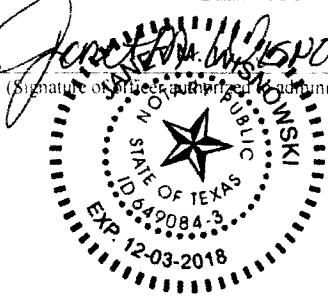
of SUBURBAN UTILITY COMPANY, INC.  
(Exact legal title or name of the respondent)

that he/she has carefully examined the foregoing report, that he/she swears that all statements of fact contained in the said report are true and that the said report is a correct statement of the business and affairs of the above named respondent during the period of time from and including JANUARY 1, 2015 to and including DECEMBER 31, 2015

Subscribed and sworn to before me, a Mitchell M. Martin Jr.  
in and for the State and County above-named, this 26th day of May 2016

Mitchell M. Martin Jr.  
(Signature of affiant)

My commission expires \_\_\_\_\_  
(Signature of officer authorized to administer oaths)



Name of Utility:

Consolidated

Year End:

2015

**2. BALANCE SHEETS****ASSETS****UTILITY PLANT**

101 Utility Plant in Service	
103 Property held for Future Use	
105 Construction Work In Progress	
114, 115 Net Utility Plant Acquisition Adjustment	
<b>TOTAL UTILITY PLANT</b>	
108 Less: Accumulated Depreciation	
110 Less: Accumulated Amortization	
<b>NET UTILITY PLANT</b>	

End of Year  
12/31/2015End of Prior Year  
12/31/2014

\$	1,626,611	\$	1,626,611
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	1,626,611	\$	1,626,611
\$	1,088,983	\$	1,088,983
\$	537,628	\$	537,628
\$	104,316	\$	42,396
\$	4,000	\$	0
\$	0	\$	0
\$	0	\$	0
\$	1,000	\$	0
\$	0	\$	0
\$	106,942	\$	35,476
\$	216,258	\$	77,872
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	0	\$	0
\$	753,886	\$	615,500

**CURRENT ASSETS**

131-135 Cash	
141-143 Accounts Receivable	
144 Notes Receivable	
144-145 Accounts Receivable-Affiliates/Common Ownership	
151 Plant Materials and Supplies	
162 Prepayments	
171-174 Other Current Assets	
<b>TOTAL CURRENT ASSETS</b>	

**OTHER ASSETS and DEFERRED CHARGES**

181 Deferred Debt Expense	
182-186 Deferred Charges/Debits	
190 Accum Deferred Income Taxes	
<b>TOTAL OTHER ASSETS and DEFERRED CHARGES</b>	

**TOTAL ASSETS****LIABILITIES & EQUITY****STOCKHOLDERS' EQUITY**

201 Common Stock	
211 Other paid in capital	
215 Retained Earnings	
<b>TOTAL STOCKHOLDERS' EQUITY</b>	

End of Year  
12/31/2015End of Prior Year  
12/31/2014

\$	5,000	\$	5,000
\$	387,915	\$	387,915
\$	(532,065)	\$	(458,043)
\$	(139,150)	\$	(65,128)
\$	0	\$	0
\$	0	\$	0
\$	264,080	\$	179,730
\$	0	\$	0
\$	59,012	\$	33,597
\$	309,773	\$	317,051
\$	124,929	\$	114,774
\$	757,794	\$	645,152
\$	28,300	\$	0
\$	0	\$	0
\$	0	\$	0
\$	106,942	\$	35,476
\$	0	\$	0
\$	135,242	\$	35,476
\$	753,886	\$	615,500

**LONG-TERM DEBT**

224 Long-term debt, excluding current portion	
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**CURRENT LIABILITIES**

Current Portion of Long-term Debt	
231 Accounts Payable	
232 Notes Payable	
233, 234 Payables to Affiliates/Common Ownership	
236 Accrued Taxes	
237 Accrued Interest	
241.0 Other Current Liabilities	
<b>TOTAL CURRENT LIABILITIES</b>	

**OTHER LIABILITIES and DEFERRED CREDITS**

252 Advances for Construction	
253 Other Deferred Credits	
255 Deferred Investment Tax Credits	
271-272 Net Contributions in Aid of Construction	
281-283 Accumulated Deferred Inc. Taxes	
<b>TOTAL OTHER LIABILITIES and DEFERRED CREDITS</b>	

**TOTAL LIABILITIES & EQUITY**

Add National Association of Regulatory Utility Commissioners (NARUC) accounts as needed, and if not shown above  
PUC Water Annual Report

**4. Statements of Income**

	Water Test Year 2015	Sewer Test Year 2015	Total - Water and Sewer	Earnings Report adjustments	Adjusted for Earnings Report
	(a)	(b)	(c)	(d)	(e)=(c)+(d)
1 <b>Total Revenue: 1</b>	\$ 2,140,221	\$ 30,174	\$ 2,170,395	\$ 0	\$ 2,170,395
	XXXX	XXXX	XXXX	XXXX	XXXX
	XXXX	XXXX	XXXX	XXXX	XXXX
2 <b>Operating Expenses:</b>					
2 601.1/701.1 O & M Salaried Labor	\$ 0	\$ 0	\$ 0		\$ 0
3 604/704 Employee Benefits	\$ 0	\$ 0	\$ 0		\$ 0
4 6/731, 6/735, 6/736 O & M Contract labor	\$ 1,075,074	\$ 21,001	\$ 1,096,075		\$ 1,096,075
5 620/720 Operating/Maint Supplies	\$ 295,849	\$ 1,693	\$ 297,542		\$ 297,542
6 610/710 Purchased Water	\$ 116,786	\$ 0	\$ 116,786		\$ 116,786
7 615/715 Purchased Power	\$ 106,902	\$ 2,490	\$ 109,392		\$ 109,392
8 635/735 Testing Expense	\$ 53,874	\$ 4,859	\$ 58,733		\$ 58,733
9 618/718 Chemicals	\$ 21,686	\$ 0	\$ 21,686		\$ 21,686
10 656-659/756-759 Insurance	\$ 0	\$ 0	\$ 0		\$ 0
11 601.2/701.2 General Office Salaries	\$ 0	\$ 0	\$ 0		\$ 0
12 650/750 Transportation	\$ 0	\$ 0	\$ 0		\$ 0
13 675 General Office Expenses	\$ 182,294	\$ 1,095	\$ 183,389		\$ 183,389
14 632, 633, 634 Contract Acctg, legal, Mgmt	\$ 257,397	\$ 250	\$ 257,647		\$ 257,647
15 666 Amortization- Rate Case Expense	\$ 0	\$ 0	\$ 0		\$ 0
16 403 Depreciation Expense	\$ 44,406	\$ 569	\$ 44,975		\$ 44,975
17 667-675 Other Misc. Expenses	\$ 178,945	\$ 0	\$ 178,945		\$ 178,945
<b>Taxes:</b>			XXXX	XXXX	XXXX
18 409 Federal Income Taxes	\$ 0	\$ 0	\$ 0		
19 409 State Franchise Taxes/Reg Assess.	\$ 9,222	\$ 0	\$ 9,222		\$ 9,222
20 408 All Other Taxes	\$ 40,958	\$ 376	\$ 41,334		\$ 41,334
21 <b>Total Expenses</b>	\$ 2,383,393	\$ 32,333	\$ 2,415,726		\$ 2,415,726
			XXXX	XXXX	XXXX
22 <b>Net Operating Income</b>	\$ (243,172)	\$ (2,159)	\$ (245,331)		\$ (245,331)
			XXXX	XXXX	XXXX
23 421, 433 Non-Operating Income	\$ 189,723		\$ 189,723		\$ 189,723
24 <b>Non-Operating Deductions:</b>			XXXX	XXXX	XXXX
25 426 Other	\$ 241,131	\$ 0	\$ 241,131		\$ 241,131
26 427 Interest	\$ 0	\$ 0			
27 <b>Net Income</b>	\$ (294,580)	\$ (2,159)	\$ (296,739)		\$ (296,739)

1. Carried over from Statements of Revenues

**Community Utility Company – CCN No. 10350**

System Name	TCEQ PWS ID #
Forest Manor Subdivision	1010264
Heathergate Public Utility	1011302
Sweetgum Forest	1700113

**Consumers Water, Inc. - CCN No. 13047**

System Name	TCEQ PWS ID #
Greengate Acres	1010132
Highland Mobile Home Sub.	1010285
Highland Ridge	1010157
Huffman Heights	1010700
Joy Village	1700021
Lakewood Colony	1700029
Meadowlake Estates	1010287
Peach Creek Oaks	1700051
Pioneer Trails	1700114
Porter Terrace	1700161
Spring Forest	1700033
Springmont	1010255
Tall Cedars Mobile Home Sub.	1010219
Urban Acres	1010252

**Patton Village Water Company, Inc. – CCN No. 11193**

System Name	TCEQ PWS ID #
Peach Creek Colony	1700055
Patton Village East	1700503
Patton Village West	1700032

**Suburban Utility Company, Inc. – CCN No. 10835**

System Name	TCEQ PWS ID #
Beaumont Place	1010098
Castlewood	1010111
Cypress Bend	1010400
Reservoir Acres	1010197

**Stone Hedge Utility Company, Inc. – CCN No. 12642 & 20754**

System Name	TCEQ PWS ID #
Stone Hedge	1700102
System Name	TCEQ
Stone Hedge	WQ Discharge Permit No. 14709001