

Control Number: 45185



Item Number: 152

Addendum StartPage: 0

45185



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

CCN Number
11484

Official Company Name:

Kerrville South Water Co., Inc.

D/B/A Name(s)

Aqua Utilities, Inc.

Address:

1106 Clayton Lane, Suite 400W Austin, TX 78723
Address City State Zip

**TO THE
PUBLIC UTILITY COMMISSION
OF TEXAS**

For the Year Ended 12/31/2015

Telephone Number 512-990-4400

Fax Number 512-990-4410

E-Mail kascheibelhut@aquaamerica.com

Web Site Address aqua-texas.com

Officer to whom correspondence
concerning this report should be addressed:

Crandal McDougall
First Name Last Name

Controller
Title

1106 Clayton Lane, Suite 400W Austin, TX 78723
Address City State Zip

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GENERAL INSTRUCTIONS-Class A 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 A utility as a public utility that provides retail water or sewer utility service through 10,000 or more taps or connections. Class A utilities must use the NARUC system of accounts for utilities with operating revenues exceeding \$1 million.
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 references.
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. One copy of the latest annual financial report issued by a certified public accountant should be submitted with this report. If the utility is a member of a 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 400, column (g), 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 information provided in the-schedules for the utility reporting.
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 fully 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.

GENERAL UTILITY INFORMATION

1. Name and title of officer having custody of the general books of account and address of the office where such books are kept.

Crandal McDougall, Controller - 1106 Clayton Lane, Suite 400W, Austin, TX 78723

2. Name of State under the laws of which the utility is incorporated and the date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.

Kerrville South Water Co., Inc. (75-1332258) A Texas Company, 11/28/1968

3. If at any time during the year the property of the utility was held by a receiver or trustee, give: (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created and, (d) date when possession by receiver or trustee ceased.

None

4. State the type(s) of utility service(s) and provide a list of other service(s) furnished by the utility during the year by state and country in each state and country where the utility provides service.

Regulated Water and Sewer Utility, Non-Regulated Water and Sewer Operations - Texas

5. Provide a list of all affiliates including name(s), address(es), state(s) and country(ies) in which the affiliate does business, and contact information.

Name of Company	Street Address	City	State	Zip
Aqua Texas, Inc.	1106 Clayton Lane, Suite 400W	Austin	TX	78723
Aqua Utilities, Inc.	1106 Clayton Lane, Suite 400W	Austin	TX	78723
Aqua Development, Inc.	1106 Clayton Lane, Suite 400W	Austin	TX	78723
Aqua Operations, Inc.	1106 Clayton Lane, Suite 400W	Austin	TX	78723
Harper Water Company, Inc.	1106 Clayton Lane, Suite 400W	Austin	TX	78723
Aqua Services, Inc	762 West Lancaster Ave.	Bryn Mawr	PA	19010
Aqua America, Inc.	762 West Lancaster Ave.	Bryn Mawr	PA	19010

6. Provide a list of all entities under common control with the reporting utility including name(s), address(es), and contact information for each states or country in which the entity does business.

See Form 101 Affiliates - Companies Controlled by Reporting Entity

7. Provide a general description of improvements completed since the last annual report for water and wastewater systems.

Water:

Capital Expenditures in 2015 for Water Systems: \$21,531

(Company Name)

MATERIAL CHANGES DURING YEAR

Hereunder give particulars concerning the items indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry must be answered. However, if the word "None" states the fact, it may be used in answering any inquiry, or if information is given elsewhere in the report which answers any inquiry, reference to such other schedule will be sufficient.

1. Changes in, and additions to franchise rights; describing (a) the actual consideration given therefore, and (b) from whom acquired. If acquired without the payment of any consideration, state that fact.
2. Acquisition of other companies, reorganization, merger or consolidation with other companies; give names of companies involved, particulars concerning the transactions, and reference to commission authorization, including docket numbers for commission reviewed transactions.
3. Purchase or sale of operating units, such as sources, treatment & storage facilities, transmission & distribution systems, etc., specify items, parties, effective dates and also reference to Commission authorization, including docket numbers for commission reviewed transactions.
4. Material leaseholds acquired, given, assigned, or surrendered, effective dates, lengths of terms, names of parties, rents, Commission authorization, (docket numbers), if any, and other conditions.
5. Material extensions of systems, including Commission authorization (docket number), giving location, new territory covered by distribution system, and dates of beginning operations. Give, also the number of new customers of each class, and for each class of customers the estimated annual revenues.

(Company Name)

Material Changes During Year

- | | |
|---|------|
| 1 | None |
| 2 | None |
| 3 | None |
| 4 | None |
| 5 | None |
| 6 | None |
| 7 | None |
| 8 | None |

DEFINITIONS

“Accounts” means the accounts prescribed in the National Association of Regulatory Utility Commissioners (NARUC) System of Accounts.

“Amortization” means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, which may be over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

“Book Cost” means the amount at which property is recorded in the applicable account without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

“Control” (including the terms; “controlling,” “controlled by,” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, affiliated companies, contract or any other direct or indirect means.

“Cost” means the amount of money actually paid for property or service. When the consideration given is other than cash, the value of such consideration shall be determined on a cash basis.

“Debt Expense” means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen or marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

“Depreciation”, as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of the utility plant in the course of providing service. This includes causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of regulatory bodies.

“Distribution Mains”, mean any pipes whose primary purpose is to distribute treated water throughout a community, and whose components include arterial or primary feeders, secondary feeders, and the distribution grid works.

(Company Name)

DEFINITIONS (Continued)

“Investment Advances” means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

“Minor Items of Property” means the associated parts or items of which retirement units are composed.

“Net Salvage Value” means the salvage value of property retired less the cost of removal.

“NARUC” means the National Association of Regulatory Utility Commissioners

“Nominally Issued”, as applied to securities issued or assumed by the utility means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued directly to trustees of sinking funds in accordance with contractual requirements.

“Original Cost”, as applied to utility plant, means the actual money cost, or the actual money value of any consideration paid other than money, of the property at the time it was dedicated to public use, whether by the utility that is the present owner or by a predecessor.

“Property Retired”, as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

“Replacing or Replacement”, when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.

“Retained Earnings” means the accumulated net income of the utility less distributions to stockholders and transfers to other capital accounts, and other adjustments.

“Salvage Value” means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

“Straight-Line Remaining Life Method”, as applied to depreciation accounting, means the plan under which the service value of property is charged to operating expenses (and to clearing accounts if used), and credited to the accumulated depreciation account through equal annual changes during its service life. "Remaining Life" implies that estimates of the future life and salvage shall be reexamined periodically and that depreciation rates will be corrected to reflect any changes in these estimates.

DEFINITIONS
(Continued)

“Supply Main” means any main, pipe, or aqueduct or canal whose primary purpose is to convey raw untreated water from one unit to another unit in the source of supply and pumping plant, and to the water treatment equipment.

“Transmission Main” means any pipes whose primary purpose is to convey treated water from the water treatment equipment or pumping station to the distribution system serving a community and generally provides no service connections with customers.

“Utility” as used herein and when not otherwise indicated in the context, means any public utility to which the uniform system of accounts is applicable.

(Company Name)

101. AFFILIATES - COMPANIES CONTROLLED BY REPORTING ENTITY

Show below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by at any time during the reporting year.

1. If control ceased prior to end of the year, give particulars in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediates involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Street Address (c)	City (d)	State (e)	Zip (f)	Voting % of Stock (g)	Footnote Ref. (h)
1	Aqua Texas, Inc.	Regulated	1106 Clayton Lane, Suite 400W	Austin	TX	78723		
2	Aqua Development, Inc.	Regulated	1106 Clayton Lane, Suite 400W	Austin	TX	78723		
3	Aqua Operations, Inc.	Non-Regulated	1106 Clayton Lane, Suite 400W	Austin	TX	78723		
4	Harper Water Company, Inc.	Regulated	1106 Clayton Lane, Suite 400W	Austin	TX	78723		
5	Aqua Services, Inc.	Non-Regulated	762 West Lancaster Ave.	Bryn Mawr	PA	19010		
6	Aqua America, Inc.	Regulated - Parent	762 West Lancaster Ave.	Bryn Mawr	PA	19010		
7								
8								
9								
10								

4. If the reporting entity is **controlled by** another entity or entities not listed above, list the controlling entity(ies) below.

1	Aqua Utilities, Inc.	Regulated	1106 Clayton Lane, Suite 400W	Austin	TX	78723	100%	
2								
3								

FOOTNOTES:

1. Direct control is that which is exercised without interposition of an intermediary
2. Indirect control is that which is exercised without interposition of an intermediary which exercises direct control. Control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the NARUC System of Accounts, regardless of the relative voting rights of each party.
3. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the NARUC System of Accounts, regardless of the relative voting rights of each party.

102. OFFICERS

Line No.	Official Title & Name (a)	Principal Business Address						Email (h)
		Street Address (b)	City (c)	State (d)	Zip (e)	Telephone (f)	Fax (g)	
1	President							
2	Robert L. Laughman	1106 Clayton Lane, Suite 400W	Austin	TX	78723	512-990-4400	512-990-4410	RLLaughman@aquaaamerica.com
3	Vice-President, Operations							
4	Dan Rimann	1106 Clayton Lane, Suite 400W	Austin	TX	78723	512-990-4400	512-990-4410	DERimann@aquaaamerica.com
5								
6								
7								
8	Treasurer							
9	Diana Moy Kelly	762 West Lancaster Ave	Bryn Mawr	PA	19010	610-525-1400	610-645-1055	DMoyKelly@aquaaamerica.com
10	Assistant Treasurer							
11	Stan Szczygiel	762 West Lancaster Ave	Bryn Mawr	PA	19010	610-525-1400	610-645-1055	Szczygiel@aquaaamerica.com
12	Comptroller							
13	Robert A. Kopas	6650 South Avenue	Boardman	OH	44512	330-397-0772	330-726-8003	RAKopas@aquaaamerica.com
14	Crandal McDougall	1106 Clayton Lane, Suite 400W	Austin	TX	78723	512-990-4400	512-990-4410	KCMcDougall@aquaaamerica.com
15								
16	Auditor							
17	Price Waterhouse Coopers	762 West Lancaster Ave	Bryn Mawr	PA	19010	610-525-1400	610-645-1055	
18	Engineer							
19	William C. Ross	762 West Lancaster Ave	Bryn Mawr	PA	19010	610-525-1400	610-645-1055	WCRoss@aquaaamerica.com
20								
21	General Manager							
22								
23								
24								

150. RATE BASE AND EARNINGS CALCULATION

RATE BASE SUMMARY

Line No.	Description	Water (a)	Sewer (b)	Total (c)=(a) + (b)	Reference
1	Additions:	xxxx	xxxx	xxxx	
2	Utility plant	3,917,052	-	3,917,052	201
3	Materials and supplies	8,953	-	8,953	200
4	Working cash (capital) (attach schedule)	38,573	-	38,573	200-1
5	Prepayments	5,195	-	5,195	200
6	Other (attach schedule or itemize)	1,557,624	-	1,557,624	
7	TOTAL ADDITIONS (Add Lines 2 through 6)	5,527,397	-	5,527,397	
8	Deductions:	xxxx	xxxx	xxxx	
9	Reserve for depreciation (Accumulated)	1,300,944	-	1,300,944	202
10	Advances for construction	-	-	-	200
11	Contributions in aid of construction	12,884	-	12,884	200
12	Accumulated deferred income taxes	557,987	-	557,987	200
13	Accumulated deferred investment tax credits	-	-	-	200
14	Other (attach schedule or itemize)	5,005	-	5,005	
15	TOTAL DEDUCTIONS (Add lines 9 through 14)	1,876,820	-	1,876,820	
16	RATE BASE (Line 7, less Line 15)	3,650,577	-	3,650,577	

EARNINGS CALCULATION(Except for the cells in **blue** below, the values in this table will populate automatically after completion of Schedules 400 and 200-3.)

17	Return (Note 1)	475,358
18	Rate of Return (Line 17/Line 16)	13.02%
19	<u>Earned</u> Return on Ending Equity (Notes 2, 3)	20.71%

Note 1: [Schedule 400, Line 59, Column (h)] + [Schedule 400, Line 51, Column (h)] - [Schedule 400, Line 45, Column (h)] - [Schedule 400, Line 58, Column (h)]

Note 2: Based on reported capital structure on Schedule 200.3 as reflected in "Capital Structure" section below.

Note 3: Line 19 (above) will automatically calculate correctly only after Schedule 200.3, Schedule 400, and the rate-base portion of this schedule (above) have been completed.

Capital Structure & Weighted-Average Cost of Capital

	Balance	Percent of Total	Cost	Weighted Cost of Capital
	(a)	(b)	(c)	(d)=(b) x (c)
Long-Term Debt (balance carries over from tab 200-3)	1,686,546	49.55%	5.18%	2.57%
Common Equity* (balance carries over from tab 200-3)	1,717,490	50.45%	12.00%	6.05%
Total	3,404,036	100.00%		8.62%

*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 =====>> **TCEQ Docket Nos. 2004-1671-UCR and 2004-1120-UCR**

If the company does not currently have an authorized ROE, enter in column (c) the average of the most current ROE values for all other Class A Utilities with authorized ROE values.

If the company does not currently have an authorized ROE, enter in the box that follows the ROE that the company believes reflects its current cost of equity (this will in virtually every circumstance be different from the ROE that is actually earned) and place an "X" here====>>

(Company Name)

200-1. BALANCE SHEET
UTILITY PLANT AND OTHER DEBITS

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule No. (b)	Balance End of Year (d)	Balance Beginning of Year (e)
1	UTILITY PLANT		xxx	
2	101.0 Utility Plant in Service	201	3,917,052	3,776,602
3	102.0 Utility Plant Leased To Others	202		
4	103.0 Property Held for Future Use	203		
5	104.0 Utility Plant Purchased or Sold		262	
6	105.0 Construction Work in Progress	204	31,303	28,615
7	106.0 Completed Construction Not Classified		15,291	55,472
8	Total Utility Plant		3,963,907	3,860,688
9	ACCUMULATED DEPRECIATION		xxx	xxx
10	108.1 Utility Plant in Service	205	1,300,944	1,273,131
11	108.2 Utility Plant Leased to Others	205		
12	108.3 Property Held for Future Use	205		
13	Total Accumulated Depreciation		1,300,944	1,273,131
14	ACCUMULATED AMORTIZATION		xxx	xxx
15	110.1 Utility Plant In Service			
16	110.2 Utility Plant Leased to Others			
17	Total Accumulated Amortization			
18	UTILITY PLANT ADJUSTMENTS		xxx	xxx
19	114.0 Utility Plant Acquisition Adjustments	203		
20	115.0 Accumulated Amortization of Utility Plant Acquisition Adjustments			
21	116.0 Other Utility Plant Adjustments		1,506,184	1,506,184
22	Total Utility Plant Adjustments		1,506,184	1,506,184
23	117.0 Pending Reclass of Utility Plant			
24	TOTAL NET UTILITY PLANT		4,169,147	4,093,741
25	OTHER PROPERTY AND INVESTMENTS		xxx	xxx
26	OTHER PROPERTY		xxx	xxx
27	121.0 Non-Utility Property			
28	122.0 Accumulated Depreciation & Amortization of Non-Utility Property			
29	Total Other Property			
30	INVESTMENTS		xxx	xxx
31	123.0 Investments in Affiliated Companies			
32	123.1 Other Investments			
33	123.2 Sinking Funds			
34	123.3 Other Special Funds			
35	124.0 Utility Investments			
36	125.0 Other Investments			
37	126.0 Sinking Funds			
38	127.0 Other Special Funds			
39	Total Investments			
40	TOTAL OTHER PROPERTY AND INVESTMENTS			

(Company Name)

200-2. BALANCE SHEET
CURRENT ASSETS AND OTHER DEBITS

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule No. (b)	Balance End of Year (d)	Balance Beginning of Year (d)
1	CURRENT AND ACCRUED ASSETS		XXX	XXX
2	131.1 Cash on Hand			
3	131.2 Cash in Bank		1,697	3,330
4	132.0 Special Deposits - Interest and Dividends			
5	133.0 Other Special Deposits			
6	134.0 Working Funds			
7	135.0 Temporary Cash Investments			
8	141.0 Customers Accounts Receivable		59,249	58,072
9	142.0 Other Accounts Receivable			
10	143.0 Accumulated Provision for Uncollectible Accounts-Credit		(2,021)	(1,258)
11	144.0 Notes Receivable			
12	145.0 Accounts Receivable from Affiliated Company		127,076	(945,395)
13	146.0 Notes Receivable from Affiliated Company			
14	151.0 Plant Materials and Supplies		8,953	8,644
15	152.0 Merchandise			
16	153.0 Other Materials and Supplies			
17	161.0 Stores Expense			
18	162.0 Prepayments		5,195	5,917
19	171.0 Accrued Interest & Dividends Receivable			
20	172.0 Rents Receivable			
21	173.0 Accrued Utility Revenues		61,660	61,397
22	174.0 Miscellaneous Current & Accrued Assets		430	3,931
23	TOTAL CURRENT & ACCRUED ASSETS		262,239	(805,360)
24	DEFERRED DEBITS		XXX	XXX
25	181.0 Unamortized Debt Discount and Expense			
26	182.0 Extraordinary Property Losses		2,390	2,502
27	183.0 Preliminary Survey and Investigation Charges			
28	184.0 Clearing Accounts	204		
29	185.0 Temporary Facilities			
30	186.1 Deferred Rate Case Expense			
31	186.2 Other Deferred Debits			
32	186.3 Regulatory Assets		4,584	4,614
33	187.0 Research & Development Expenditures			
34	190.1 Accumulated Deferred Federal Income Taxes			
35	190.2 Accumulated Deferred State Income Taxes			
36	TOTAL DEFERRED DEBITS		6,974	7,116
37	TOTAL ASSETS & OTHER DEBITS		4,438,361	3,295,497

(Company Name)

200-3. BALANCE SHEET
EQUITY AND LONG TERM LIABILITIES

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule No. (b)	Balance End of Year (d)	Balance Beginning of Year (d)
1	EQUITY CAPITAL & LIABILITIES		XXX	XXX
2	EQUITY CAPITAL		XXX	XXX
3	201.0 Common Stock Issued			
4	202.0 Common Stock Subscribed			
5	203.0 Common Stock Liability for Conversion			
6	207.0 Premium on Capital Stock		2,944,779	1,809,238
7	209.0 Reduction in Par or Stated Value of Capital Stock			
8	210.0 Gain on Resale or Cancellation of Reacquired Capital Stock			
9	211.0 Other Paid-In Capital		(2,594,858)	(1,407,612)
10	212.0 Discount on Capital Stock			
11	213.0 Capital Stock Expense			
12	214.0 Appropriated Retained Earnings	205		
13	215.0 Unappropriated Retained Earnings	205	1,367,569	979,117
14	216.0 Reacquired Capital Stock			
15	218.0 Proprietary Capital (proprietorships & partnerships)			
16	TOTAL EQUITY CAPITAL		1,717,490	1,380,743
17	LONG-TERM DEBT		XXX	XXX
18	221.0 Bonds		1,563,326	963,307
19	222.0 Reacquired Bonds			
20	223.0 Advances from Affiliated Companies	208		
21	224.0 Other Long-term Debt	206	123,220	81,611
22	TOTAL LONG-TERM DEBT		1,686,546	1,044,918

(Company Name)

200-4. BALANCE SHEET
CURRENT LIABILITIES AND OTHER CREDITS

Balances at Beginning of Year must be consistent with balances at end of previous year

Line No.	Account Number and Title (a)	Schedule No. (b)	Balance End of Year (d)	Balance Beginning of Year (d)
1	CURRENT AND ACCRUED LIABILITIES		XXX	XXX
2	231.00 Accounts Payable		36,312	72,775
3	232.00 Notes Payable	206		
4	233.00 Accounts Payable to Affiliated Companies	208		
5	234.00 Notes Payable to Affiliated Companies	206		
6	235.00 Customers' Deposits-Billing		5,005	4,703
7	236.11 Accrued Taxes, Taxes Other Than Income		3,972	949
8	236.12 Accrued Taxes, Income Taxes		390,340	245,711
9	236.20 Accrued Taxes, Other Income & Deductions			
10	237.10 Accrued Interest on Long-term Debt			
11	237.20 Accrued Interest on Other Liabilities		41	57
12	238.00 Accrued Dividends			
13	239.00 Matured Long-term Debt			
14	240.00 Matured Interest			
15	241.00 Miscellaneous Current and Accrued Liabilities		14,755	15,875
16	TOTAL CURRENT AND ACCRUED LIABILITIES		450,425	340,070
17	DEFERRED CREDITS		XXX	XXX
18	251.00 Unamortized Premium on Debt			
19	252.00 Advances for Construction			
20	252.10 Accumulated Amortization of Advances for Construction			
21	253.00 Other Deferred Credits		10,042	10,403
22	255.10 Accumulated Deferred Investment Tax Credit (Utility Operations)			
23	255.20 Accumulated Deferred Investment Tax Credit (Non-Utility Operations)			
24	TOTAL DEFERRED CREDITS		10,042	10,403
25	OPERATING RESERVES		XXX	XXX
26	261.00 Property Insurance Reserve			
27	262.00 Injuries & Damages Reserve			
28	263.00 Pensions & Benefits Reserve		2,986	1,954
29	265.00 Miscellaneous Operating Reserve			
30	TOTAL OPERATING RESERVES		2,986	1,954
31	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)		XXX	XXX
32	271.10 Customer Contributions		16,487	4,800
33	271.20 Developer Contributions			
34	271.30 Grant(s) in Aid			
35	271.40 Other			
36	272.00 Accumulated Amortization		(3,603)	(3,260)
37	TOTAL NET (CIAC)		12,884	1,540
38	ACCUMULATED DEFERRED INCOME TAXES		XXX	XXX
39	281.00 Accelerated Amortization			
40	282.00 Liberalized Depreciation		553,088	514,661
41	283.00 Other		4,899	1,207
42	TOTAL ACCUMULATED DEFERRED INCOME TAXES		557,987	515,868
43	TOTAL LIABILITIES & OTHER CREDITS		4,438,361	3,295,497

(Company Name)

201-W. WATER UTILITY PLANT IN SERVICE - Account No. 101.0

1. Report by prescribed accounts the original cost of utility plant in service and the additions and retirements of such plant during the year.
2. Do not include as adjustments, corrections to additions and retirements for the current or preceding year. Such items should be included in appropriate Column (c) or (d)
3. Credit adjustments in Column (e) should be shown in red, or in black enclosed in parenthesis. State in a footnote the general character of any adjustments in Column (e)
4. Submit, in a footnote, an explanation of amounts included in Columns (e) and/or (f), Line 34, for lowering or changing the location of mains.

Line No.	Account Number and Title (a)	Balance Previous Year (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Balance End of Year (f)
1	.1 INTANGIBLE PLANT	XXX	XXX	XXX	XXX	XXX
2	301.10 Organization					-
3	302.10 Franchises					-
4	339.10 Other Plant and Miscellaneous Equipment					-
5	Total Intangible Plant	-	-	-	-	-
6	.2 SOURCE OF SUPPLY AND PUMPING PLANT	XXX	XXX	XXX	XXX	XXX
7	303.20 Land and Land Rights	4,975				4,975
8	304.20 Structures and Improvements	24,976				24,976
9	305.20 Collection and Impounding Reservoirs					-
10	306.20 Lake, Rivers and Other Intakes					-
11	307.20 Wells and Springs	344,528	15,906	5,982		354,452
12	308.20 Infiltration Galleries and Tunnels					-
13	309.20 Supply Mains	1,069	10,677	476		11,270
14	310.20 Power Generation Equipment					-
15	311.20 Pumping Equipment	67,929	43,829	36,760		74,998
16	339.20 Other Plant and Miscellaneous Equipment					-
17	Total Source of Supply and Pumping Plant	443,477	70,412	43,218	-	470,670
18	.3 WATER TREATMENT EQUIPMENT	XXX	XXX	XXX	XXX	XXX
19	303.30 Land and Land Rights					-
20	304.30 Structures and Improvements	19,787				19,787
21	310.30 Power Generation Equipment					-
22	311.30 Pumping Equipment					-
23	320.30 Water Treatment Equipment	36,410	1,546	705		37,251
24	339.30 Other Plant and Miscellaneous Equipment					-
25	349.30 Instrumentation					-
26	350.30 Sewer Treatment Equipment					-
27	Total Water Treatment Equipment	56,196	1,546	705	-	57,037
28	.4 TRANSMISSION AND DISTRIBUTION PLANT	XXX	XXX	XXX	XXX	XXX
29	303.40 Land and Land Rights	20,967				20,967
30	304.40 Structures and Improvements	40,542				40,542
31	310.30 Power Generation Equipment					-
32	311.40 Pumping Equipment	51,521	13,754	21,398		43,878
33	330.40 Distribution Reservoirs and Standpipes	213,876	6,819	1,501		219,194
34	331.40 Transmission and Distribution Mains	2,200,311	80,076	3,085		2,277,302
35	333.40 Services	107,983	46,271	30,948		123,305
36	334.40 Meters and Meter Installations	352,776	2,554			355,330
37	335.40 Hydrants	93,170				93,170
38	336.40 Backflow Prevention Devices					-
39	339.40 Other Plant and Miscellaneous Equipment					-
40	Total Transmission and Distribution Plant	3,081,146	149,474	56,932	-	3,173,689
41	.5 GENERAL PLANT	XXX	XXX	XXX	XXX	XXX
42	303.50 Land and Land Rights					-
43	304.50 Structures and Improvements	15,926	993			16,918
44	340.50 Office Furniture and Equipment	179,857	18,880			198,737
45	341.50 Transportation Equipment					-
46	342.50 Stores Equipment					-
47	343.50 Tools, Shop and Garage Equipment					-
48	344.50 Laboratory Furniture & Equipment					-
49	345.50 Power Operated Equipment					-
50	346.50 Communication Equipment					-
51	347.50 Miscellaneous Equipment					-
52	348.50 Other Tangible Plant					-
53	Total General Plant	195,783	19,872	-	-	215,655
54	TOTAL WATER PLANT-IN-SERVICE	3,776,602	241,304	100,854	-	3,917,052

201-S. SEWER UTILITY PLANT IN SERVICE - Account No. 101.0

- 1 Report by prescribed accounts the original cost of utility plant in service and the additions and retirements of such plant during the year
- 2 Do not include as adjustments, corrections to additions and retirements for the current or preceding year. Such items should be included in appropriate Column (c) or (d).
- 3 Credit adjustments in Column (e) should be shown in red, or in black enclosed in parenthesis. State in a footnote the general character of any adjustments in Column (e).
- 4 Submit, in a footnote, an explanation of amounts included in Columns (e) and/or (f), Line 34, for lowering or changing the location of mains.

Line No.	Account Number and Title	Balance Previous Year (b)	Additions (c)	Retirements (d)	Adjustments +/- (e)	Balance End of Year (f)
1	.1 INTANGIBLE PLANT	XXX	XXX	XXX	XXX	XXX
2	351 10 Organization					-
3	352 10 Franchises					-
	389 10 Other Plant and Misc. Equipment					-
4	.2 COLLECTION SYSTEM	XXX	XXX	XXX	XXX	XXX
5	353 20 Land and Right-of-Ways					-
6	354.20 Pump Station Structures and Improvements					-
7	355 20 Pump Station Power Generation Equipment					-
8	356 20 Pump Station Power Protection and Control Devices					-
9	359 20 Collection Sewers - Pressure					-
10	360 20 Pump Station Force Mains					-
11	361 20 Collection Sewers - Gravity					-
12	362 20 Special Collection Structures					-
13	363 20 Services to Customers					-
14	364.20 Customer's Flow Measuring Devices					-
15	365 20 Customer's Flow Measuring Installations					-
16	366.20 Customer's Grinder Pump Units					-
17	367 20 Customer's Grinder Pump Unit Installations					-
18	370 20 Receiving Wells					-
19	371.20 Pump Station Pumping Equipment					-
20	389 20 Other Plant and Misc. Equipment					-
21	396.20 Pump Station Communication Equipment					-
22	398 20 Other Tangible Plant					-
23	.3 SYSTEM PUMPING PLANT	XXX	XXX	XXX	XXX	XXX
24	353 30 Land and Right-of-Ways					-
25	354 30 Pump Station Structures and Improvements					-
26	370 30 Receiving Wells					-
27	371 30 Pump Station Pumping Equipment					-
28	389.30 Other Plant and Misc. Equipment					-
29	.4 TREATMENT and DISPOSAL FACILITIES	XXX	XXX	XXX	XXX	XXX
30	353.40 Land and Right-of-Ways					-
31	354 40 Structures and Improvements					-
32	355 40 Power Generation Equipment					-
33	356 40 Power Protection and Control Devices & Appurtenances					-
34	371 40 Pumping Equipment					-
35	380 40 Treatment and Disposal Equipment					-
36	381 40 Yard Piping					-
37	382 40 Outfall Line and Headwall					-
38	385.40 Instrumentation and Computer Equipment					-
39	389 40 Other Plant and Miscellaneous Equipment					-
40	.5 RECLAIMED WATER TREATMENT PLANT	XXX	XXX	XXX	XXX	XXX
41	353 50 Land and Right-of-Ways					-
42	354 50 Pump Station Structures and Improvements					-
43	355 50 Pump Station Power Generation Equipment					-
44	371 50 Pump Station Pumping Equipment					-
45	374 50 Reuse Distribution Reservoirs					-
46	380 50 Treatment and Disposal Equipment					-
47	381 50 Yard Piping					-
48	389 50 Other Plant and Misc. Equipment					-
49	.6 RECLAIMED WATER DISTRIBUTION PLANT	XXX	XXX	XXX	XXX	XXX
50	353 60 Land and Right-of-Ways					-
51	366.60 Customer's Grinder Pump Units					-
52	367 60 Customer's Grinder Pump Unit Installations					-
53	371 60 Pump Station Pumping Equipment					-
54	375 60 Reuse Transmission and Distribution System					-
55	.7 GENERAL PLANT	XXX	XXX	XXX	XXX	XXX
56	353 70 Land and Right-of-Ways					-
57	354 70 Pump Station Structures and Improvements					-
58	385 70 Instrumentation and Computer Equipment					-
59	390 70 Office Furniture and Equipment					-
60	391 70 Transportation Equipment					-
61	392 70 Stores Equipment					-
62	393 70 Tools, Shop and Garage Equipment					-
63	394 70 Laboratory Equipment					-
64	395 70 Power Operated Equipment					-
65	396 70 Communication Equipment					-
66	397 70 Miscellaneous Equipment					-
67	398 70 Other Tangible Plant					-
68	399 70 Safety Equipment					-
69						-
	TOTAL WASTEWATER UTILITY PLANT ACCOUNT	-	-	-	-	-

(Company Name)

202. ACCUMULATED DEPRECIATION OF UTILITY PLANT - WATER AND SEWER

1. Report below an analysis of the changes in accumulated depreciation during the year and the amounts applicable to prescribed functional classifications.
2. Explain and give particulars of important adjustments during the year.

Line No	Item (a)	Water Plant	Sewer Plant
		Water Plant (b)	Sewer Plant (c)
1	Balance Beginning of Year	1,273,131	28,708,900
2	Credits During Year	XXXXXX	XXXXXX
3	Depreciation Provisions charged to:	XXXXXX	XXXXXX
4	403. Depreciation	86,681	1,954,640
5	413. Income from Utility Plant Leased to Others	-	
6		-	
7	Total Depreciation Provisions	86,681	1,954,640
8	Recoveries from Insurance	-	
9	Salvage Realized from Retirements	1,017	22,931
10	Other Credits (Describe)	-	1
11		-	
12	Total Credits During Year	1,017	22,932
13	Total Credits	87,698	1,977,572
14	Debits During Year	XXXXXX	XXXXXX
15	Retirement of Utility Plant	59,885	1,350,395
16	Cost of Removal	-	
17	Other Debits (Describe)		
18		-	
19	Total Debits During Year	59,885	1,350,395
20	Balance at End of Year	1,300,944	29,336,077

Describe the basis upon which depreciation provisions for the year were determined and attach worksheets showing the computations made in arriving at the annual provisions.

203-W. WATER UTILITY PLANT ACQUISITIONS ADJUSTMENTS - Account No. 114.0

Line No.	Item (a)	Project No. 1 Amount (s)	Project No. 2 Amount (c)	Project No. 3 Amount (d)	Project No. 4 Amount (e)	Amount (f)
1	Book Plant - Net					
2	PUC Difference (Ratemaking)					
3	Less Contributions (Net)					
4	Net Utility Plant Acquired					
5	Purchase Price					
6	Acquisition Adjustment					
7						
8						

203-S. SEWER UTILITY PLANT ACQUISITIONS ADJUSTMENTS - Account No. 114.0

Line No.	Item (a)	Project No. 1 Amount (b)	Project No. 2 Amount (c)	Project No. 3 Amount (d)	Project No. 4 Amount (e)	Totals (f)
1	Book Plant - Net					-
2	PUC Difference (Ratemaking)					-
3	Less Contributions (Net)					-
4	Net Utility Plant Acquired					-
5	Purchase Price					-
6	Acquisition Adjustment					-
7						
8						

Kerrville South Water Col, Inc. (CCN: 11484)

For the Year Ended 12/31/2015

(Company Name)

204. CLEARING ACCOUNTS SUPPORTING SCHEDULE - Account No. 184.0

This Schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 184.0 - Clearing Accounts.

Line No.	Account No. (a)	Balance at Beg. of Year (b)	Additions (c)	Reductions or Deletions (d)	Adjustments (e)	Balance at End of Year (f)
1	None					
2						
3						
4						
5						
6						
7						
8	TOTALS					

(Company Name)

205. STATEMENT OF RETAINED EARNINGS SUPPORTING SCHEDULE

Account Nos. 214.0 and 215.0

1. Dividends should be shown for each class and series of capital stock. Show amounts of dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 409.0.

Line No.	Item (a)	Amounts (b)
1	Unappropriated Retained Earnings Account No. 215.0:	XXXXXX
2	Balance Beginning of Year	979,117
3	Changes to Account:	XXXXXX
4	Adjustments to Retained Earnings *	
5	Credits	
6	Debits	
7	Balance Transferred From Income	388,452
8	Total Unappropriated Retained Earnings	1,367,569
9		
10	Appropriated Retained Earnings Account No. 214.0:	XXXXXX
11	Total Appropriations of Retained Earnings	
12	Dividends Declared:	XXXXXX
13	Preferred Stock Dividends Declared	
14	Common Stock Dividend Declared	
15	Total Dividends Declared	-
16	Total Appropriated Retained Earnings	-
17	Total Retained Earnings	1,367,569

* Indicate whether or not the adjustment was Commission Approved.

Notes to Retained Earnings (for any adjusting journal entries other than closing prior year's income):

(Company Name)

206. LONG-TERM DEBT - Account Nos. 221.0, 222.0, and 224.0
(Excluding Advances from Affiliated Companies)

- 1 Give below the particulars indicated of the long-term debt at end of year represented by unmatured obligations issued or assumed by the respondent, exclusive of advances from affiliated companies.
- 2 Group entries according to accounts and show the total for each account.
- 3 For obligations assumed by the respondent show in Column (a) the name of the issuing company and the class and series of such obligations.
- 4 For Receivers' Certificates show the name of the court and date of court order under which such certificates were issued.
- 5 If respondent has pledged any of its long-term debt securities give particulars in a footnote, including name of the pledge and purpose of pledge.
- 6 If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in Column (g).
- 7 If interest has matured but is unpaid on any obligation, state in a footnote the class, series and principal amount of such obligation and the amount of interest matured thereon.

Line No.	Class and Series of Obligations (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet* (e)	Interest For Year		Held By Respondent	
						Rate (f)	Amount (g)	As Reacquired Lg.-Term Debt (h)	In Sinking & Other Funds (i)
1		XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
2	Aqua America, Inc.	6/14/2012	6/14/2027	128,685	160,323	0.0357	5,159		
3	Aqua America, Inc.	12/7/2009	12/17/2019	185,577	185,577	0.0472	8,759		
4	Aqua America, Inc.	7/31/2003	7/31/2016	72,331	-	0.0487	3,229		
5	Aqua America, Inc.	7/31/2003	7/31/2017	72,331	82,119	0.0487	3,761		
6	Aqua America, Inc.	7/31/2003	7/31/2018	72,331	82,119	0.0487	3,761		
7	Aqua America, Inc.	7/31/2003	7/31/2020	108,496	118,414	0.0487	5,525		
8	Aqua America, Inc.	7/31/2003	7/31/2023	72,331	78,943	0.0487	3,684		
9	Aqua America, Inc.	6/24/2010	6/24/2021	26,999	26,999	0.0462	1,247		
10	Aqua America, Inc.	6/24/2010	6/24/2024	116,994	116,994	0.0483	5,651		
11	Aqua America, Inc.	6/24/2010	6/24/2028	134,993	134,993	0.0522	7,047		
12	Aqua America, Inc.	2/3/2005	2/3/2015	-	-	0.0501	-		
13	Aqua America, Inc.	2/3/2005	2/3/2020	131,666	131,666	0.052	6,847		
14	Aqua America, Inc.	12/28/2006	12/31/2017	122,130	122,130	0.0554	6,766		
15	Aqua America, Inc.	12/28/2006	12/31/2018	122,130	122,130	0.0554	6,766		
16	Aqua America, Inc.	2/28/2007	2/28/2022	100,460	100,460	0.0563	5,656		
17	Aqua America, Inc.	2/28/2007	2/28/2037	100,460	100,460	0.0585	5,877		
18	North Channel Water Authority	Various	Various	132,833	123,220	4 16%-5 86%	7,266		
19									
20	TOTAL OBLIGATIONS			1,700,746	1,686,546		86,999		

* Total amount outstanding without reduction for amount held by respondent.

(Company Name)

207. NOTES PAYABLE SUPPORTING SCHEDULE - Account No. 232.0

This schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 232.0 - Notes Payable.

Line No.	Name of Creditor (a)	Description of Transaction (b)	Date of Issue (c)	Date of Maturity (d)	Amount at End of Year (e)	Interest Rate Per Annum (f)
1	None					
2						
3						
4						
5						
6						
7						
8				TOTAL	-	

**208. ACCOUNTS PAYABLE TO AFFILIATED COMPANIES
SUPPORTING SCHEDULE - Account No. 233.0**

This schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 233.0 - Accounts Payable to Affiliated Companies.

Line No.	Name of Affiliated Company (a)	Description of Transaction (b)	Date of Issue (c)	Date of Maturity (d)	Amount at End of Year (e)	Interest Rate Per Annum (f)
1						
2						
3						
4						
5						
6						
7						
8				TOTAL		

(Company Name)

400. INCOME STATEMENT REVENUES AND EXPENSES

Line No.	Account Number and Title (a)	Schedule No. (c)	Balance End of Year (d)	Normalization Adjustment (g)	End of Year Normalized Amount (h)
1	400.0 Operating Revenues-Water	401-W	1,030,913		1,030,913
	500.0 Operating Revenues-Sewer	401-S	-		-
2					
3	UTILITY OPERATING EXPENSES		XXX	XXX	XXX
4	401.0 Operating Expenses		280,126		280,126
5	403.0 Depreciation Expense		86,681		86,681
6	406.0 Amortization of Utility Plant Acquisition Adjustment				-
7	407.1 Amortization of Limited Term Plant				-
8	407.2 Amortization of Property Losses				-
9	407.3 Amortization of Other Utility Plant		(344)		(344)
10	407.4 Amortization of Regulatory Assets				-
11	408.0 Taxes Other Than Income		28,459		28,459
12	409.10 Federal Income Taxes, Utility Operating Income		106,141		106,141
13	409.11 State Income Taxes, Utility Operating Income		13,510		13,510
14	409.12 Local Income Taxes, Utility Operating Income				-
15	410.0 Deferred Income Tax				-
16	410.10 Federal		40,980		40,980
17	410.11 State				-
18	Total Deferred Income Tax		40,980		40,980
19	411.1 Provision for Deferred Income Taxes		XXX	XXX	XXX
	- Credit, Utility Operating Income				-
20	Tax Credits				-
21	412.1 Investment Tax Credit, Deferred to Future Periods, Utility Operating Income		XXX	XXX	XXX
22	412.2 Investment Tax Credits, Restored to Operating Income, Utility Operating Income		XXX	XXX	XXX
23	Total Tax Credits		-		-
24	TOTAL UTILITY OPERATING EXPENSES		555,554		555,554
25					-
26	NET UTILITY OPERATING INCOME (LOSS)		475,358		475,358
27					-
28	OTHER OPERATING INCOME (LOSS)		XXX	XXX	XXX
29	413.0 Income from Utility Plant Leased to Others				-
30	414.0 Gains (Losses) from Disposition of Utility Property				-
31	TOTAL OTHER OPERATING INCOME (LOSS)		-		-
32					-
33	NON-OPERATING INCOME		XXX	XXX	XXX
34	415.0 Revenues from Merchandising, Jobbing and Contract Work		-		-
35	419.0 Interest & Dividend Income		-		-
36	420.0 Allowance for Funds Used During Construction (AFUDC)		844		844
37	421.0 Non-Utility Income		-		-
38	TOTAL NON-OPERATING INCOME		844		844
39					-
40	NON-OPERATING DEDUCTIONS		XXX	XXX	XXX
41	408.2 Taxes Other Than Income, Other Income and Deductions (attach schedule)				-
42	409.2 Income Taxes, Other Income and Deductions				-
43	416.0 Costs & Expenses of Merchandising, Jobbing and Contract Work				-
44	426.0 Miscellaneous Non-Utility Expenses		372		372
45	TOTAL NON-OPERATING INCOME & DEDUCTIONS		472		472
46					-
47	INTEREST EXPENSE		XXX	XXX	XXX
48	427.0 Interest Expense		86,999		86,999
49	428.0 Amortization of Debt Discount & Expenses		378		378
50	429.0 Amortization of Premium on Debt				-
51	TOTAL INTEREST EXPENSE		87,378		87,378
52					-
53	EXTRAORDINARY ITEMS		XXX	XXX	XXX
54	433.0 Income				-
55	434.0 Deductions				-
56	409.3 Income Taxes				-
57	409.4 Other				-
58	TOTAL EXTRAORDINARY ITEMS		-		-
59	NET INCOME (LOSS)		388,452		388,452

1 Attach an explanation and calculations for all normalized adjustments. The reporting entity must use any normalization adjustment methodologies that were approved in the entity's most recent rate proceeding.

(Company Name)

401-W. WATER OPERATING REVENUES SUPPORTING SCHEDULE - Account No. 400.0

This schedule is breakdown of the accounts that constitute the ending balance in Account No. 400.0 - Operating Revenues (Water).

Schedules 401-W and 401-S totals should equal Schedule 400.

Line No.	Account Number and Title (a)	Schedule No. (b)	Balance End of Year (c)	Normalization ¹ Adjustment (e)	Normalized Amount (e)
1	WATER SALES REVENUE				
2	460.0 Unmetered Water Revenue				
3	460.1 Residential				
4	460.2 Commercial				
5	460.3 Industrial				
6	460.4 Public				
7	460.5 Other				
8					
9	Total Unmetered Water Revenue				
10					
11	461.0 Metered Water Revenue				
12	461.1 Residential		867,997		867,997
13	461.2 Commercial		137,693		137,693
14	461.3 Industrial				
15	461.4 Public				
16	461.5 Multiple Family Dwellings				
17	461.6 Other		(1)		(1)
18					
19	Total Metered Water Revenue		1,005,689		1,005,689
20					
21	462.1 Public Fire Protection				
22	462.2 Private Fire Protection				
23	464.0 Other Sales to Public (Special Contracts)	404			
24					
25					
26	TOTAL WATER SALES		1,005,689		1,005,689
27					
28	OTHER WATER REVENUES				
29					
30	466.0 Sales for Resale	405			
31	467.0 Interdepartmental Sales				
32	470.0 Forfeited Discounts				
33	471.0 Miscellaneous Service Revenues		25,224		25,224
34	472.0 Rents from Water Property				
35	473.0 Interdepartmental Rents				
36	474.0 Other Water Revenues	406			
37					
38	TOTAL OTHER WATER REVENUES		25,224		25,224
39					
40	TOTAL WATER SALES & OTHER REVENUES		1,030,913		1,030,913

1 Attach an explanation and calculations for all normalized.

401-S. SEWER OPERATING REVENUES SUPPORTING SCHEDULE - Account No. 400.0

This schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 400.0 - Operating Revenue

Line No.	Account Number and Title (a)	Schedule No. (b)	Balance End of Year (c)	Normalization Adjustment	Normalized Amount
1	SEWER SALES REVENUE		XXX		
2	521.0 Flat Rate Revenues - General Customers	402	XXX		
3	521.1 Residential				0
4	521.2 Commercial				0
5	521.3 Industrial				
6	521.4 Public Authorities				
7	521.5 Multiple Family Dwelling Revenues				
8	521.6 Other Revenues (Availability)				
9					
10	Total Unmetered Sewer Revenue		0		0
11					
12	522.0 Measured Revenues - General Customers	402	XXX		
13	522.1 Residential				
14	522.2 Commercial				0
15	522.3 Industrial				
16	522.4 Public Authorities				
17	522.5 Multiple Family Dwellings Revenues				
18	523.0 Revenues from Public Authorities	404			
19	524.0 Revenues from Other Systems	404			
20	525.0 Interdepartmental Revenues	404			
21					
22	Total Measured Sewer Revenue		0		0
23					
24	OTHER SEWER REVENUES		XXX		
25	530.0 Guaranteed Revenues	406			
26	531.0 Sale of Biosolids				
27	532.0 Forfeited Discounts				0
28	534.0 Rents from Sewer Property	406			
29	535.0 Interdepartmental Rents				
30	536.0 Other Sewer Revenues	406			0
31	536.1 Reserve Capacity Fees				
32	536.2 Sludge Processing Fees				
33	536.3 Sewer Processing Surcharges				
34					
35	TOTAL SEWER SALES ¹		0		0
36					
37	RECLAIMED WATER SALES		XXX		
38	540.0 Flat Rate Reuse Revenues				
39	540.1 Residential Reuse Revenues				
40	540.2 Commercial Reuse Revenues				
41	540.3 Industrial Reuse Revenues				
42	540.4 Reuse Revenues from Public Authorities				
43	541.0 Measured Reuse Revenue				
39	541.1 Residential Reuse Revenues				
40	541.2 Commercial Reuse Revenues				
41	541.3 Industrial Reuse Revenues				
42	541.4 Reuse Revenues from Public Authorities				
43	544.0 Reuse Revenues from Other Systems				
44					
45	Total Reclaimed Water Sales		0		
46					
47	TOTAL SEWER SALES & OTHER REVENUES		0		0

1 This line - Total Water Sales - is to be entered in Section 2 of the Revised Annual Assessment Report (Form GAO-10)

(Company Name)

402-W. OPERATING REVENUES SUPPORTING SCHEDULE - CUSTOMER DATA - WATER

Customers should be reported on the basis of number of meters, (except where multiple customers have one meter) plus number of flat rate accounts. Where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added.

Line No.	Customer Classes (a)	Customers End of Previous Year (b)	Customers End of Current Year (c)	Normalization Adjustment (c)	Normalized Customer Count Current Year (c)
1	Unmetered Sales	XXX	XXX	XXX	XXX
2	Residential				
3	Other (specify):				
4					
5					
6					
12	Total Unmetered Sales				
13					
14	Metered Sales	XXX	XXX	XXX	XXX
15	5/8" or 3/4"	1,254	1,268		
16	3/4"				
17	1"	24	24		
18	1 1/2"	4	4		
19	2"	4	4		
20	3"				
21	4"	2	2		
22	6"				
23	8"				
24	10"				
25	Total Metered Sales	1,288	1,302		

402-S. OPERATING REVENUES SUPPORTING SCHEDULE - CUSTOMER DATA - SEWER

Customers should be reported on the basis of number of meters, (except where multiple customers have one meter) plus number of flat rate accounts. Where separate meter readings are added for billing purposes, one customer shall be counted for each group of meters so added.

Line No.	Customer Classes (a)	Customers End of Previous Year (b)	Customers End of Current Year (c)	Normalization Adjustment (c)	Normalized Customer Count Current Year (c)
1	Unmetered Sales	XXX	XXX	XXX	XXX
2	Residential				
3	Other (specify):				
4	Commercial				
5					
6					
7	Total Unmetered Sales				
8					
9	Metered Sales, if any	XXX	XXX	XXX	XXX
10	5/8" or 3/4"				
11	3/4"				
12	1"				
13	1 1/2"				
14	2"				
15	3"				
16	4"				
17	6"				
18	8"				
19	10"				
20	Total Metered Sales				

(Company Name)

403. OPERATING REVENUES SUPPORTING SCHEDULE - GALLONS SOLD

1. Report below the gallons sold for the current year and the previous year for each customer class.
2. How the quantities of water sold to unmetered flat-rate customers were determined should be explained in a footnote.

Line No.	Account (a)	Gallons Sold Previous Year (000 omitted) (b)	Gallons Sold Current Year (000 omitted) (c)	Normalization Adjustment (000 omitted) (c)	Normalized Gallons Sold Current Year (000 omitted) (c)
1	WATER SALES:				
2	Unmetered Sales	XXX	XXX	XXX	XXX
3	Residential				
4	Non-Residential				
5	Total Unmetered Sales				
6					
7	Metered Sales	XXX	XXX	XXX	XXX
8	5/8" or 3/4"	82,178	79,634		
9	3/4"				
10	1"	4,139	5,242		
11	1 1/2"	711	624		
12	2"	2,761	2,383		
13	3"				
14	4"	3,784	4,841		
15	6"				
16	8"				
17	10"				
18		93,573	92,724		
19	Interdepartmental Sales				
20					
21	Total Water Sales	93,573	92,724		

FOOTNOTES: Please explain any rates set not using meter size.

If metering is provided on sewer service, please provide a similar schedule.

Kerrville South Water Col, Inc. (CCN: 11484)

For the Year Ended 12/31/2015

(Company Name)

405. SALES FOR RESALE SUPPORTING SCHEDULE - Account No. 466.0

- 1 Designate by asterisk in Column (a) purchases which are affiliated with respondent.
- 2 The entries on Lines 1 to 8 under Columns (h) to (s) must correspond to the entries on the same lines under Columns (a) to (g). The totals of Columns (h) to (s), inclusive, must agree with respective quantities reported in Column (e)

Line No	Name of Purchaser (a)	Point of Delivery (b)	Service* Capacity (c)	Quantity of Water Sold (1,000-Gal) (e)	Revenues \$ (f)	Revenue \$ Per (1,000-Gal.) (g)
1	None					
2						
3						
4						
5						
6						
7						
8						
Totals						

* Size of meter from which delivery is made

Kerrville South Water Col, Inc. (CCN: 11484)

For the Year Ended 12/31/2015

(Company Name)

406. OTHER WATER REVENUES SUPPORTING SCHEDULE - Account No. 474.0

Provide a breakdown of Other Water Revenues - Account No. 474.0 not shown in any other revenue account.

Line No.	Description (a)	Amounts (b)
1	None	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17	TOTALS	

(Company Name)

407-W. WATER OPERATION AND MAINTENANCE EXPENSE ACCOUNTS

Line No.	Account Number and Title (a)	Schedule No. (b)	Amount of Operating Expenses			Amount Disallowed previous rate case (f) Docket # _____
			Current Year (c)	Normalized Adjustment (d)	Normalized Amount (e)	
1	Salaries and Wages		XXX	XXX	XXX	
2	601.0 Employees	409	73,388		73,388	
3	603.0 Officers, Directors and Majority Stockholders	409				
4	Total Salaries and Wages		73,388		73,388	
5	604.0 Employee Pensions and Benefits	409-A	27,467		27,467	
6	610.0 Purchased Water	408				
7	615.0 Purchased Power		29,392		29,392	
8	616.0 Fuel for Power Production					
9	618.0 Chemicals		5,246		5,246	
10	620.0 Materials and Supplies		3,932		3,932	
11	Contractual Services		XXX	XXX	XXX	XXX
12	631.0 Engineering		(30)		(30)	
13	632.0 Accounting		1,971		1,971	
14	633.0 Legal		3,997		3,997	
15	634.0 Management Fees		42,530		42,530	
16	635.0 Testing		2,301		2,301	
17	636.0 Other - Maintenance		43,179		43,179	
18	Total Contractual Services		93,948		93,948	
19	641.0 Rental of Building/Real Property		7,512		7,512	
20	642.0 Rental of Equipment		496		496	
21	650.0 Transportation Expenses		7,220		7,220	
22	Insurance		XXX	XXX	XXX	XXX
23	656.0 Vehicle		1,786		1,786	
24	657.0 General Liability		6,207		6,207	
25	658.0 Workman's Compensation		2,976		2,976	
26	659.0 Other		1,919		1,919	
27	Total Insurance		12,888		12,888	
28	660.0 Advertising Expense - Other than Conservation					
29	666.0 Regulatory Commission Expenses-Amort. Rate Case Expense					
30	667.0 Regulatory Commission Expenses-Other					
31	668.0 Water Resource Conservation Expense					
32	670.0 Bad Debt Expense		9,230		9,230	
33	Miscellaneous Expenses		XXX	XXX	XXX	XXX
34	675.0 Miscellaneous Other		3,793		3,793	
35	675.1 Membership Dues		618		618	
36	675.2 Registration Fees for Conventions & Meetings of Industry		1,226		1,226	
37	675.3 Communication Services		1,722		1,722	
38	675.4 Trustee Fees and Bank Charges		129		129	
39	675.5 Stockholders Expenses					
40	675.6 Office Expenses and Utilities		341		341	
41	675.7 Uniforms		4		4	
42	675.8 Director's Fees and Expenses					
43	675.9 Mailing		119		119	
44	675.10 Subscriptions		7		7	
45	675.11 Write off of expenditures for preliminary surveys, plans, investigations etc., included in Account 183.0 - Preliminary Survey and Investigation Charges, relative to projects which have been abandoned.		XXX	XXX	XXX	XXX
			XXX	XXX	XXX	XXX
			XXX	XXX	XXX	XXX
46	675.12 Travel		1,114		1,114	
47	675.13 Education		334		334	
48	675.14 Charitable Contributions					
49	Total Miscellaneous Expenses		9,408		9,408	
50	Total Water Operation and Maintenance Expense Accounts		280,126		280,126	

(Company Name)

407-S. SEWER OPERATION AND MAINTENANCE EXPENSE ACCOUNTS

Line No.	Account Number and Title (a)	Schedule No. (b)	Amount of Operating Expenses			Amount Disallowed previous rate case (f) Docket #
			Current Year (c)	Normalized Adjustment (d)	Normalized Amount (e)	
1	Salaries and Wages		XXX	XXX	XXX	
2	701.0 Employees	409				
3	703.0 Officers, Directors and Majority Stockholders	409				
4	Total Salaries and Wages		-			
5	704.0 Employee Pensions and Benefits	409-A				
6	710.0 Purchased Sewer Treatment					
7	711.0 Sludge Removal Expense					
8	715.0 Purchased Power					
9	716.0 Fuel for Power Production					
10	718.0 Chemicals					
11	720.0 Materials and Supplies					
12	Contractual Services		XXX	XXX	XXX	XXX
13	731.0 Engineering					
14	732.0 Accounting					
15	733.0 Legal					
16	734.0 Management Fees					
17	735.0 Testing					
18	736.0 Other - Maintenance					
19	Total Contractual Services		-			
20	741.0 Rental of Building/Real Property					
21	742.0 Rental of Equipment					
22	750.0 Transportation Expenses					
23	Insurance		XXX	XXX	XXX	XXX
24	756.0 Vehicle					
25	757.0 General Liability					
26	758.0 Workman's Compensation					
27	759.0 Other					
28	Total Insurance		-			
29	760.0 Advertising Expense - Other than Conservation					
30	766.0 Regulatory Commission Expenses-Amort. of Rate Case Expense					
31	767.0 Regulatory Commission Expenses-Other					
31	770.0 Bad Debt Expense					
32	Miscellaneous Expenses		XXX	XXX	XXX	
33	775.0 Miscellaneous Other					XXX
34	775.1 Membership Dues					
35	775.2 Registration Fees for Conventions & Meetings of Industry					
36	775.3 Communication Services					
37	775.4 Trustee Fees and Bank Charges					
38	775.5 Stockholders Expenses					
39	775.6 Office Expenses and Utilities					
40	775.7 Uniforms					
41	775.8 Director's Fees and Expenses					
42	775.9 Mailing					
43	775.10 Subscriptions					
44	775.11 Write off of expenditures for preliminary surveys, plans, investigations etc., included in Account 183.0 - Preliminary Survey & Investigation Charges, relative to abandoned projects.		XXX XXX	XXX XXX	XXX XXX	XXX XXX
45	775.12 Travel					
46	775.13 Education					
47	775.14 Charitable Contributions					
48	Total Miscellaneous Expenses		-			
49	Total Wastewater Operation and Maintenance Expense Accounts		-			

(Company Name)

408. WATER PURCHASED FOR RESALE SUPPORTING SCHEDULE - Account No. 610.0

1. Designate by asterisk in Column (a) vendors which are affiliated with respondent.
2. The entries on Lines 1 to 8 under Columns (h) to (s) must correspond to the entries on the same lines under Columns (a) to (g). The totals of Columns (h) to (s), inclusive, must agree with respective quantities reported in Column (e).

Line No	Name of Vender (a)	Point of Delivery (b)	Service* Capacity (c)	Pressure @ Point of Delivery (d)	Quantity of Water Purch. (1,000-Gal.) (e)	Cost of Purchased Water (f)	Cost Per (1,000-Gal.) \$ (g)
1	None						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
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24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
				TOTALS			

* Size of meter from which delivery is made.

Kerrville South Water Col, Inc. (CCN: 11484)**For the Year Ended****(Company Name)****409-A. EMPLOYEE PENSIONS AND BENEFITS SUPPORTING SCHEDULE
Account No. 604.0**

This schedule should include a breakdown of the accounts that constitute the ending balance in Account No. 604.0 - Employee Pensions and Benefits.

Line No.	Benefit Type (a)	Total Water Expenses for Current Year (b)	Total Wastewater Expense for Current Year (b)
1	Pension	-20	
2	Life Insurance	786	
3	Health Insurance	18,624	
4	Dental	1,091	
5	Eye Care		
6	Prescriptions		
7	Employee Recognition	84	
8	Physicals		
9	Tuition Assistance		
10	Death Benefits		
11	Other Post Employee Benefits	0	
12	401K	4,143	
13	Employee Stock Option Program	2,076	
14	Others (Specify) - Relocation Fees	667	
15	Others (Specify) - Other	15	
16	TOTALS	27,467	

(Company Name)

410. EMPLOYEE AND PAYROLL STATISTICS

1. Show hereunder the details called for concerning the number of officers and employees at the beginning and end of the year, an aggregate salaries and wages for the year.
2. The data shall be itemized according to the department payroll classification maintained by Respondent at the end of the year (s as, for example, executive, accounting, treasury, engineering, etc).

Line No.	Payroll Classification (a)	Number End of Year (b)	Aggregate Salaries and Wages for the Year (c)
1	Accounting	5.0	3,800
2	Administrative	4.0	4,011
3	Compliance	3.0	3,433
4	Executive	3.0	5,341
5	Operations	74.0	54,744
6	Operations - Administrative	9.0	3,255
7	Operations - Management	10.0	10,674
8			
9	Employees at end of year based on Aqua Texas Consolidated Report		
10	Aggregate Salaries and Wages allocated to individual CCN based on		
11	customer count.		
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40		108.0	85,258

417-W. WATER AMORTIZATION EXPENSES SUPPORTING SCHEDULE - Account Nos. 406.0, 407.1, 407.2 and 407.3

Amortization of Utility Plant Acquisition Adjustment - Account No. 406.0

Line No.	Year Incurred Date (a)	Name of Company Acquired (b)	Total Acquisition Adjustment (c)	Yearly Amortization (d)
1	39378	Kerrville South	1,506,184	-
2				
3				
4				
5				
6				
7		TOTALS	1,506,184	-

Amortization of Property Losses - Account No. 407.2

Line No.	Year Incurred Date (a)	Identify Each Item (b)	Total Adjustment (c)	Yearly Amortization (d)
1				
2				
3				
4				
5				
6				
7		TOTALS		

Amortization of Limited Term Plant - Account No. 407.1

Line No.	Year Incurred Date (a)	Description of Plant (b)	Total Adjustment (c)	Yearly Amortization (d)
1				
2				
3				
4				
5				
6				
7		TOTALS		

Amortization of Other Utility Plant - Account No. 407.3

Line No.	Year Incurred Date (a)	Plant Item Amortized (b)	Total Adjustment (c)	Yearly Amortization (d)
1		See Supporting Schedules	-6,759	
2				
3				
4				
5				
6				
7		TOTALS	-6,759	

417-S. SEWER AMORTIZATION EXPENSES SUPPORTING SCHEDULE - Account Nos. 406.0, 407.1, 407.2 and 407.3

Amortization of Utility Plant Acquisition Adjustment - Account No. 406.0

Line No.	Year Incurred Date (a)	Name of Company Acquired (b)	Total Acquisition Adjustment (c)	Yearly Amortization (d)
1		None		
2				
3				
4				
5				
6				
7		TOTALS	-	-

Amortization of Property Losses - Account No. 407.2

Line No.	Year Incurred Date (a)	Identify Each Item (b)	Total Adjustment (c)	Yearly Amortization (d)
1				
2				
3				
4				
5				
6				
7		TOTALS	0	0

Amortization of Limited Term Plant - Account No. 407.1

Line No.	Year Incurred Date (a)	Description of Plant (b)	Total Adjustment (c)	Yearly Amortization (d)
1				
2				
3				
4				
5				
6	0		\$0	\$0
7		TOTALS	\$0	\$0

Amortization of Other Utility Plant - Account No. 407.3

Line No.	Year Incurred Date (a)	Plant Item Amortized (b)	Total Adjustment (c)	Yearly Amortization (d)
1		None		
2				
3				
4				
5				
6				
7		TOTALS	0	0

500. WATER PRODUCTION - WATER DELIVERED INTO SYSTEM DURING YEAR

Every estimated value shall be supported by such detailed information as will permit a ready identification, analysis, & verification of all relevant facts. The Company shall be prepared to furnish to the Commission this detailed information.

Line No.	Description (a)	(Gallons) (b)	(gpd) (c)
1	Water Delivered for Distribution & Sale:		
2	Water Produced from Company Sources	112,691	309
3	Water Purchased from Other Independent Utilities		
4	Total Water Delivered	112,691	309
5	Metered Sales:		
6	Residential	81,323	223
7	Commercial	11,400	31
8	Industrial		
9	Public		
10	Other Water Utilities		
11	Private Fire Protection		
12	Public Fire Protection		
13	Other Metered Sales Identify _____		
14	Total Metered Sales	92,723	254
15	Unmetered Sales:		
16	Residential		
17	Commercial		
18	Industrial		
19	Private Fire Protection		
20	Public Fire Protection		
21	Other Unmetered Sales Identify _____		
21	Total Unmetered Sales		
22	Total Sales	92,723	254
23	Non-Revenue Usage Allowances:		
24	Authorized Unmetered Usage:		
25	Main Flushing		
26	Blow-off Use		
27	Others: Identify _____		
28	Unauthorized Use		
29	Unavoidable Leakage _____ gpd/mile of main		
30	Adjustments:		
31	Located & Repaired Breaks in Mains & Services	4,258	12
32	Others Identify _____		
33	Total Allowances & Adjustments	4,258	12
34	Unaccounted-for-Water	15,710	
35	Percentage Unaccounted-for-Water	13.9%	

Kerrville South Water Col, Inc. (CCN: 11484)

For the Year Ended 12/31/2015

(Company Name)

502. TCEQ LATEST INSPECTION REPORTS

List all the public water systems owned by the reporting entity below.

Attach copies of the most current public water system (PWS) inspection report completed by the TCEQ for each system owned.

PWS Name	PWS Number
1 WESTCREEK ESTATES WATER SYSTEM	1330028
2 LOMA VISTA WATER SYSTEM	1330041
3	
4	
5	
6	
7	
8	
9	
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11	
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17	
18	
19	
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21	
22	
23	
24	

For the Year Ended

620. Historical Financial Statistics
(Texas-Jurisdictional Basis)

Note: If Texas-jurisdictional data from audited financial statements cannot be provided and/or unaudited financial statement are used, the company should provide identification and description of the alternative data used as the basis for the ratio calculations. All calculations should be provided

Line	Fiscal Year:	(20XX-4)	(20XX-3)	(20XX-2)	(20XX-1)	Monitoring Period (20XX)
1	Total Debt as a Percent of Total Capital	N/A	N/A	N/A	N/A	49.55%
2						
3	Construction Work in Progress as a Percent of Net Plant	N/A	N/A	N/A	N/A	0.75%
4						
5	Construction Expenditures as a	N/A	N/A	N/A	N/A	8.28%
6	Percent of AverageTotal Capital					
7						
8	Pre-Tax Interest Coverage	N/A	N/A	N/A	N/A	7.28
9						
10	Fixed Charge Coverage	N/A	N/A	N/A	N/A	6.75
11						
12	Return on Average Common Equity	N/A	N/A	N/A	N/A	25.05%
Calculations						
	Total Debt as a Percent of Total Capital	Debt / Total Capitalization				
	Construction Work in Progress as a Percent of Net Plant	CWIP / Net Plant (PPE - UPAA - AD + CWIP)				
	Construction Expenditures as a Percent of AverageTotal Capital	PPE (Additions) / Average Capitalization				
	Pre-Tax Interest Coverage	EBIT / Interest Expense				
	Fixed Charge Coverage	(EBIT + Fixed Expense) / (Interest Expense + Fixed Expense)				
	Return on Average Common Equity	(Net Utility Operating Income - Interest Expense) / Average Common Equity				

VERIFICATION

OATH

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

State of Texas

as

County of Travis

Crandal McDougall
(Name of affiant)

makes oath and says that he/she is Controller
(Official title of affiant)

of Kerrville South Water Co., Inc.
(Exact legal title or name of the respondent)

The signed officer has reviewed the report.

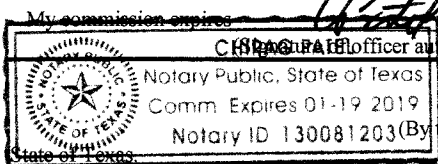
Based on the officer's knowledge, the report does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

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 January 1, 2015 to and including December 31, 2015.

Subscribed and sworn to and before me, a Notary Public
in and for the State and County above-named, this 1st day of July, 2016

[Signature]
(Signature of affiant)



[Signature] officer authorized to administer oaths)

SUPPLEMENTAL OATH

Notary Public, State of Texas
Comm Expires 01-19-2019
Notary ID 130081203

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

as
County of Travis

Robert L. Laughman
(Name of affiant)

makes oath and says that he/she is President
(Official title of affiant)

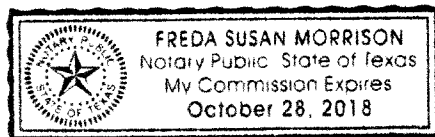
of Kerrville South Water Co., Inc.
(Exact legal title or name of the respondent)

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 and complete 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 Robert L. Laughman
in and for the State and County above-named, this 30th day of June, 2016

[Signature]
(Signature of affiant)

My commission expires Freda S. Morrison
(Signature of officer authorized to administer oaths)



Aqua Texas (Amortization and Depreciation Schedules) - Support for Tabs 202-203 Accum Depr & Acq Adj

Account	Naruc Account	CCN	Beginning Balance	Provision (403.0)	Retirements	Cost of Removal	Salvage	Transfers	Gain - Loss	Ending Balance
108000	108.1	11484	1,273,131	86,681	(59,885)	-	1,017	0	-	1,300,944
			1,273,131	86,681	(59,885)	-	1,017	0	-	1,300,944
Account	Naruc Account	CCN	Beginning Balance	Provision (407.3)	Retirements	Cost of Removal	Salvage	Transfers	Gain - Loss	Ending Balance
272000	272.00	11484	(3,260)	(344)	1	-	-	(0)	-	(3,603)
			(3,260)	(344)	1	-	-	(0)	-	(3,603)

Depreciation expense calculation determined by the depreciation study performed by Gannett Fleming study in 2010.

jay

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*

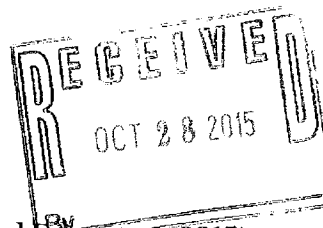


TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 9, 2015

Mr. Scot Foltz, Environmental Compliance Manager
Aqua Texas, Inc.
1106 Clayton Ln, STE 400W
Austin, Tx 78723



Re: Notice of Compliance with a Notice of Violation letter dated February 3, 2015:
Loma Vista Water Supply, on Ranchero Rd, 2 miles from Kerrville, Kerr County, Texas
Regulated Entity No.: RN101207256, TCEQ ID No.: 1330041
Investigation: 1266685

Dear Mr. Foltz:

This letter is to inform you that Texas Commission on Environmental Quality (TCEQ) San Antonio Region Office has received adequate compliance documentation on July 17, 2015, for the alleged violation noted during the investigation of the above-referenced facility conducted on December 11, 2014. Based on the information submitted, no further action is required concerning this investigation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Mr. Colby Maron in the San Antonio Region Office at 210/403-4024.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joy Thurston-Cook".

Joy Thurston-Cook
Water Section Team Leader
San Antonio Region Office

JTC/CM

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



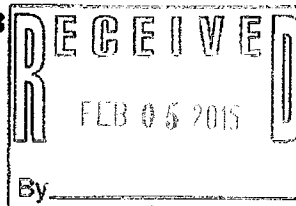
JP

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 3, 2015

CERTIFIED MAIL NO.: 91 7199 9991 7034 4997 1008
RETURN RECEIPT REQUESTED



Mr. Scot Foltz, Environmental Compliance Manager
Aqua Texas, Inc.
1106 Clayton Ln, STE 400W
Austin, Tx 78723

Re: Notice of Violation for Compliance Evaluation Investigation at:
Loma Vista Water Supply, on Ranchero Rd, 2 miles from Kerrville, Kerr County, Texas
Regulated Entity No.: RN101207256, TCEQ ID No.: 1330041
Investigation: 1217188

Dear Mr. Foltz:

On December 11, 2014, Mr. Colby Maron of the Texas Commission on Environmental Quality (TCEQ) San Antonio Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for a public water supply. Enclosed is a summary which lists the investigation findings. During the investigation, a certain outstanding alleged violation was identified for which compliance documentation is required. Please submit to this office by June 3, 2015 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for the outstanding alleged violation.

In the listing of the alleged violation, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the San Antonio Region Office at 210-490-3096 or the Central Office Publications Ordering Team at 512-239-0028.

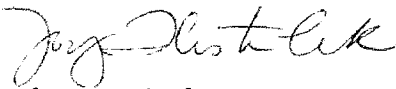
The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violation as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violation documented in this notice. Should you choose to do so, you must notify the San Antonio Region Office within 10 days from the date of this letter. At that time, Water Section Manager, Ms. Lynn Bumguardner, will schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the

Mr. Scot Foltz, Environmental Compliance Manager
Page 2
February 3, 2015

TCEQ may still require you to adhere to the compliance schedule included in the enclosed Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

If you or members of your staff have any questions, please feel free to contact Mr. Maron in the San Antonio Region Office at 210/403-4024.

Sincerely,



Joy Thurston-Cook
Water Section Team Leader
San Antonio Region Office

JTC/CM/eg

Enclosures: Summary of Investigation Findings

Summary of Investigation Findings

LOMA VISTA WATER SYSTEM

Investigation #

1217188
Investigation Date: 12/11/2014

, KERR COUNTY,

Additional ID(s): 1330041

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 557784 Compliance Due Date: 06/03/2015

30 TAC Chapter 290.39(e)

30 TAC Chapter 290.39(h)(1)

30 TAC Chapter 290.46(n)(1)

Alleged Violation:

Investigation: 1217188

Comment Date: 01/26/2015

Failure to submit and acquire plan approval prior to operating a public water supply or an exception to the requirement.

At the time of the investigation, the water system had no approval letters or granted exceptions for the production, treatment, storage and pressure maintenance facilities.

30 TAC 290.46(n)(1)-- Accurate and up-to-date detailed as-built plans or record drawings and specifications for each treatment plant, pump station, and storage tank shall be maintained at the public water system until the facility is decommissioned. As-built plans of individual projects may be used to fulfill this requirement if the plans are maintained in an organized manner.

30 TAC 290.39(h)(1)-- No person may begin construction on a new public water system before receiving written approval of plans and specifications and, if required, approval of a business plan from the executive director. No person may begin construction of modifications to a public water system without providing notification to the executive director and submitting and receiving approval of plans and specifications if requested in accordance with subsection (j) of this section.

30 TAC 290.39(e)-- Submission of planning material.

Recommended Corrective Action: Provide by the compliance due date, documentation demonstrating that as-built plans for the treatment, storage and pressure maintenance facilities or an exceptions request has been submitted to the Texas Commission on Environmental Quality (TCEQ), Utilities Technical Review Team (UTRT), MC 159, P.O. Box 13087, Austin, TX 78711-3087 and that approval or an exception has been granted.

The entity must ensure that the as-built plans are submitted by a licensed professional engineer. For further assistance regarding submittal contact the TCEQ UTRT at (512) 239-4691.

ALLEGED VIOLATION(S) NOTED AND RESOLVED ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 474512

30 TAC Chapter 290.46(n)(2)

Alleged Violation:

Investigation: 1009407

Comment Date: 08/03/2012

Failure to provide an accurate and up-to-date distribution map.

At the time of the investigation, the distribution map was not up-to-date.

30 TAC 290.46(n)(2)-- An accurate and up-to-date map of the distribution system shall be available so that valves and mains can be easily located during emergencies.

Investigation: 1060044

Comment Date: 02/26/2013

This violation still remains outstanding.

Investigation: 1093307

Comment Date: 05/21/2013

As of 05/21/2013, this violation still remains outstanding. Please be advised that the entity is responsible for correcting this remaining violation.

Investigation: 1217188

Comment Date: 01/30/2015

This violation is resolved.

Recommended Corrective Action: Provide by the compliance due date, a copy of an up-to-date distribution map in accordance with requirements.

Resolution: 12/11/2014 - A copy of an up to date distribution map was provided during the investigation.