

Control Number: 45491



Item Number: 5

Addendum StartPage: 0

**RANKIN PARK MAINTENANCE & UTILITIES CO., INC.**

**P.O. BOX 9648  
SPRING, TX 77387**

2016 FEB 26 PM 1:28

PUBLIC UTILITY COMMISSION  
FILING CLERK

February 19, 2016

Public Utility Commission of Texas  
1701 North Congress Avenue  
P.O. Box 13326  
Austin, TX 78711-3326  
Attention: Jeffrey Huhn

**RE: Docket NO. 45491  
Application for Water/Wastewater  
Rate/Tariff Change**

Dear Jeffrey Huhn:

Enclosed for your review and further handling is one original and ten copies of the Application for Class B Water/Wastewater Rate/Tariff Change for captioned utility. Please be advised that our application for a rate change was submitted to the PUC on December 23, 2015 utilizing a test year of 2014. The application was assigned Docket Number 45491 but the PUC Staff determined the test year was "stale" and requested the documentation be resubmitted using 2015 as the test year. In this regard, we were instructed by PUC Attorney A.J. Smullen when the application was resubmitted, the same Docket Number 45491 should be referenced.

Included with the Application are 1). A copy of the letter and Notice of Proposed Rate Change to be sent to all utility customers when the application is ruled complete. 2). The notarized Affidavit as contained in the Application, 3). The notarized Oath statement, 4). A copy of the Water/Wastewater Annual Report for the 2015 test year, and 5). A copy of the Corporate Balance Sheet for 2015.

Your attention to the review of this application is appreciated. Should you have any questions, I can be contacted any time at 713-417-4343.

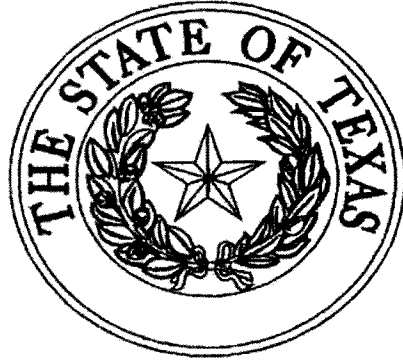
Best Regards,



Lori Keyser  
Vice President

Attachments

5



**PUBLIC UTILITY COMMISSION OF TEXAS**

**CLASS B RATE/TARIFF CHANGE APPLICATION**

*Required Schedules for rate/tariff changes*

WATER UTILITY NAME: Rankin Park Maintenance & Utilities  
CCN No. Water 12228

ADDRESS OF UTILITY: P.O. Box 9648  
Street, P.O. Box and/or suite number  
Spring, TX 77387  
City and Zip Code

PHONE NUMBER: 713-937-1959  
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING:

NAME: Pete Garland

PHONE: 713-417-4832

EMAIL ADDRESS: Petegarland1@hotmail.com

PUC CLASS SIZE: B ☒ C (circle one)

INCREASE (DECREASE) 47054 (From Sch I-1, Line 33)  
dollar amount

33% (From Sch I-1, Line 34)  
percent above (below) current revenue requirement

DESCRIBE OWNERSHIP OF COMPANY:

Beverly Oman-19%

Pete Garland-81%

DATE OF LAST GENERAL RATE CASE FILING. 06/29/04

DATE OF LAST NON-GENERAL RATE CHANGE\* N/A

\* (e.g. pass through rate change or temporary water rate provision)

UTILITY NAME: Rankin Park Maintenance & Utilities  
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION  
 SCHEDULES

**Complete all of the following schedules for your Class A or B utility**  
**(if the schedule does not apply, include it marked "N/A")**

TABLE OF CONTENTS (Page 1 of 2)

FOR TEST YEAR ENDED: 12/31/2015  
 DATE SUBMITTED TO PUC: 2/19/2016

	<u>Attachment Schedule</u>	<u>Items Checked</u>
<b>SECTION I</b>		
<b><u>REVENUES AND REVENUE REQUIREMENT</u></b>		
Revenue Requirement Summary	I-1	<input checked="" type="checkbox"/>
Historical Revenue Summary	I-2	<input checked="" type="checkbox"/>
<u>Include the appropriate schedules:</u>		
Metered Active Connections by Meter Size	I-3	<input checked="" type="checkbox"/>
Unmetered Active (Flat Rate) Customers	I-4	<input checked="" type="checkbox"/>
<b>SECTION II</b>		
<b><u>OPERATIONS AND EXPENSES</u></b>		
Water Production (no unmetered rates)	II-1(a)	<input checked="" type="checkbox"/>
Water Production (with unmetered rates)	II-1(b)	<input checked="" type="checkbox"/>
Other Revenues & Expenses passed through	II-3	<input checked="" type="checkbox"/>
Purchased Power	II-4	<input checked="" type="checkbox"/>
Other Volume Related Expenses	II-5	<input checked="" type="checkbox"/>
Payroll Cost Allocation	II-6	<input checked="" type="checkbox"/>
Materials	II-7	<input checked="" type="checkbox"/>
Contract Work	II-8	<input checked="" type="checkbox"/>
Transportation Expenses	II-9	<input checked="" type="checkbox"/>
Other Plant Maintenance	II-10	<input checked="" type="checkbox"/>
Employee Pensions/Benefits	II-11	<input checked="" type="checkbox"/>
Bad Debts/uncollectables	II-12	<input checked="" type="checkbox"/>
Office Services and Rentals	II-13	<input checked="" type="checkbox"/>
Office Supplies and Expense	II-14	<input checked="" type="checkbox"/>
Professional Services	II-15	<input checked="" type="checkbox"/>
Insurance	II-16	<input checked="" type="checkbox"/>
Rate Case Expense	II-17	<input checked="" type="checkbox"/>
Regulatory Commission Expense	II-18	<input checked="" type="checkbox"/>
Miscellaneous Expense	II-19	<input checked="" type="checkbox"/>

UTILITY NAME: Rankin Park Maintenance & Utilities  
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION SCHEDULES  
 TABLE OF CONTENTS (Page 2 of 2)

	<u>Attachment Schedule</u>	<u>Items Checked</u>
SECTION III		
<u>RETURN AND RATE BASE</u>		
Requested Return	III-1	<input checked="" type="checkbox"/>
Rate Base	III-2	<input checked="" type="checkbox"/>
Utility Plant	III-3	<input checked="" type="checkbox"/>
Utility Plant reconciled to previous filing	III-3(a)	<input checked="" type="checkbox"/>
Developer Construction work in progress	III-4(a)	<input checked="" type="checkbox"/>
Materials and Supplies Inventory	III-4(b)	<input checked="" type="checkbox"/>
Working Cash	III-5	<input checked="" type="checkbox"/>
Notes Payable	III-6	<input checked="" type="checkbox"/>
Accumulated Depreciation	III-7	<input checked="" type="checkbox"/>
Advances for Construction	III-8(a)	<input checked="" type="checkbox"/>
Contributions in Aid of Construction	III-8(b)	<input checked="" type="checkbox"/>
Deferred Income Taxes	III-9(a)	<input checked="" type="checkbox"/>
Deferred Investment		
Tax Credits	III-9(b)	<input checked="" type="checkbox"/>
Deferred Assets	III-10(a)	<input checked="" type="checkbox"/>
SECTION IV		
<u>TAXES OTHER THAN INCOME</u>		
Property, Payroll and Other Taxes	IV(a)	<input checked="" type="checkbox"/>
Revenue Related Taxes	IV(b)	<input checked="" type="checkbox"/>
SECTION V		
<u>FEDERAL INCOME TAXES (FIT)</u>		
Income Taxes at Present Rates-effective rate	V	<input checked="" type="checkbox"/>
SECTION VI		
<u>RATE DESIGN</u>		
Rate Design Worksheet	VI	<input checked="" type="checkbox"/>

UTILITY NAME: <u>Rankin Park Maintenance &amp; Utilities</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>I-I REVENUE REQUIREMENT SUMMARY</b> PUC Docket No. _____ Test Year End: <b>2015</b>						
A	B	C	D	E	F=D+E	G
			Historical Test Year	K & M Changes	Adjusted Test Year	
Line No.	Acct. No.	Account Name				Reference/ Instructions
		<b>Volume related expenses:</b>				
1	610	Purchased water	4,572	-	4,572	Schedule II-3
2	615	Power Expense-production only	15,448	-	15,448	Schedule II-4
3	618	Other volume related expenses		-		Schedule II-5
4		Total volume related exp.	20,020	-	20,020	Add Lines 1-3
		<b>Non-volume related expenses:</b>				
5	601-1	Employee labor	-			Schedule II-6, Line 1
6	620	Materials	1,309	-	1,309	Schedule II-7
7	631-636	Contract work	5,782	-	5,782	Schedule II-8
8	650	Transportation expenses	-	-	-	Schedule II-9
9	664	Other plant maintenance	23,211	-	23,211	Schedule II-10
10		Total non-volume related exp.	30,302	-	30,302	Add Lines 5-9
		<b>Admin. &amp; general expenses:</b>				
11	601-2	Office salaries	-	-	-	Schedule II-6, line 2
12	601-3	Mgmt. salaries	-	-	-	Schedule II-6, line 3
13	604	Employee pensions & benefits	-	-	-	Schedule II-11
14	615	Purchased power-Office only	-	-	-	Schedule II-4
15	670	Bad debt expense	-	-	-	Schedule II-12
16	676	Office services & rentals	-	-	-	Schedule II-13
17	677	Office supplies & expenses	405	-	405	Schedule II-14
18	678	Professional services	7,370	-	7,370	Schedule II-15
19	684	Insurance	-	-	-	Schedule II-16
20	666	Regulatory (rate case) expense	-	-	-	Schedule II-17
21	667	Regulatory expense (other)	1,235	-	1,235	Schedule II-18
22	675	Miscellaneous expenses	1,015	-	1,015	Schedule II-19
23		Total admin. & general expense	10,025	-	10,025	Add Lines 11-22
24		Total operating Expenses	60,347	-	60,347	Lines 4 + 10 + 23
25	403	Depreciation	6,901	-	6,901	Sch III-3, Col E, Line 50
26	408	Taxes Other than Income	43,708	-	43,708	Sch IV(b), Line 8
27	409/10	Income Tax Expense	31,275		31,275	Schedule V, Line 7
28		TOTAL EXPENSES	142,231		142,231	
29		TOTAL HISTORIC REVENUE	104,745			Sch I-2, Line 6
30		HISTORICAL TEST YEAR RETURN	(37,486)			Line 30 less Line 29
31		REQUESTED RETURN			9,568	Schedule III-1, Line 3
32		TOTAL REVENUE REQUIREMENT			151,799	Line 30 plus Line 34
33		REQUESTED ANNUAL REVENUE INCREASE		(to notice)	47,054	Line 32 less Line 29
34		PERCENTAGE INCREASE			0.3300	Line 36 divided by Line 33
35		LESS: OTHER REVENUES			10,090	Sch. II-3(b), Col. D, Line 8
36		Revenue for Rate Design		(to VI, line 1)	141,709	Line 33 minus Line 35

UTILITY NAME: Rankin Park Maintenance & Utilities  
SCHEDULES - CLASS B RATE/TARIFF CHANGE  
FOR TEST YEAR ENDED: 12/31/2015  
**I-2 HISTORICAL REVENUE SUMMARY**

Line No.	NARUC A/C Description	Historical Test Year	
1.	461 Metered connections base rate revenue	56895.36	From financial records
2.	461 Metered connection gallonage rate revenue	33238.68	From financial records
3.	460 Unmetered (Flat rate) revenue	0	From financial records
4.	Total Metered & Flat Rate Revenue	90134.04	
5.	Plus: Total Other Revenues	14610.56	From II-3, Column B, line 7
6.	Total Historic Test Year Revenues per income statement and Annual Report*	104744.6	Line 4 plus line 5

(to I-1, Column D, line 29)

\*Provide all calculations and explanations for any differences between the applicant's annual report and this schedule.

\* If the utility provides other than residential retail service (wholesale, industrial, etc), provide a work paper with the detail of this account by NARUC sub account number.

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**I-3 METERED ACTIVE CONNECTIONS BY METER SIZE**  
 FOR TEST YEAR ENDED: 12/31/2015

A	B	C	D	E	F	G	H
		Number of Connections					
Line No.	Meter Size	End of Prior Year	Test Year Additions	End of Test Year	Average	Meter Ratios	Meter Equivalencies End of TY
		PUC report Sch. 9		(C+D)	(C + E) / 2		(E x G)
1.	5/8" x 3/4"	0		0		1.0	0
2.	3/4"	9		9		1.5	13.5
3.	1"	18	1	19		2.5	47.5
4.	1 1/2"	10	1	11		5.0	55
5.	2"	11		11		8.0	88
6.							
7.							
8.							
9.	Total	48	2	50	49		204
10	Average						

SCHEDULE I-4 CONNECTIONS

UTILITY NAME: Rankin Park Maintenance & Utilities SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>I-4 UNMETERED (FLAT RATE) ACTIVE CONNECTIONS</b> FOR TEST YEAR ENDED: 12/31/2015
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A	B	C	D	E	F
		Number of Active Connections			
Line No.	Flat Rate Unit	End of Prior Year	Test Year Additions	End of Year	Average
		PUC report Sch. 9		(C + D)	(C + E) / 2
1.	NONE				
2.					
3.					
4.					
5.	Total				

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**II-1(a) AND II-1(b) - HISTORICAL OF WATER PRODUCTION**  
 FOR TEST YEAR ENDED: 12/31/2015

**SCHEDULE II-1(a): WATER PRODUCTION:  
 (COMPANIES WITH METERED RATE CUSTOMERS)**

Line No.	Water Production (1,000 Gallons)	A	B	C= A+B	D
		Test Year	K & M Changes	Adjusted Test Year	Reference
1	Total water pumped	17,140,800.00			PUC Annual Report
2	Total water purchased	0			PUC Annual Report
3	Total water produced	17,140,800.00			Line 1 + line 2
4	Total water sold	11,680,000.00			PUC Annual Report
5	Total accounted for non-revenue water*	0			
6	Total unaccounted for water	5,460,800.00			Lines 3 less 4 less 5
7	Percentage	0.3185			Line 6 divided by Line 3

\* Describe the tracking technique for calculating line 5 and provide the records reflecting the calculation.

Known and measurable calculations and explanations:

**SCHEDULE II-1(b) WATER PRODUCTION  
 (COMPANIES WITH UNMETERED (FLAT) RATE CUSTOMERS)**

Line No.	Description	A Test Year	B K & M Change	C=A+B Adjusted Test Year	D Reference
1	Water Purchased (1,000 gallons)	N/A			PUC report Sch. D-1
2	Water Pumped (1,000 gallons)	N/A			PUC report Sch. D-1
3	Total production (1,000 gallons)	N/A			Lines 13 + 14

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**II-3 OTHER REVENUES & EXPENSES PASSED THROUGH**  
 FOR TEST YEAR ENDED: 12/31/2015

II-3(a) Purchased Water or Other Pass Through Expenses

Line No.	A	B	C	D	D
	Purchased from:	Units purchased (in _____) (e.g. 1,000 gal, AC - FT)	Price Per Unit	Total Calculated Cost (B x C)	Actual Cost paid per financial records
1.	NONE				
2.					
3.					
4.	Total	*			

\* Must agree with Schedule II-1(a), Line 2, column A, or provide a reconciliation.

II-3(b) Other revenues collected from customers

Line No.	A	B	C	D
	Item passed thru or type of other revenue	Test year historical revenues collected		Test year revenues netted against COS
1.	Tap Fees*	4520.29		-0*
2.	Late Fees	756.69		756.69
3.	Meter Test Fees	0		0
4.	Reconnect Fees	0		0
5.	Purchased Water Fees	0		0
6.	Groundwater Conservation District Fees	8843.53		8843.53
7.	Other (attach detail**)	Repairs Reimbursement - 490.05		490.05
8.	Total Other Revenues	14610.56		10090.27

(to Sch. I-2, line 5)

(to Sch. I-1, line 35)

\* Tap fees should be reported on Sch. III-8-CIAC, Line 1.

\*\* If the utility provides other than residential retail service (wholesale, industrial, etc),  
 provide a work paper with the detail of this account by NARUC sub account number.

UTILITY NAME: Rankin Park Maintenance & Utilities  
 II-4 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**PURCHASED POWER**  
 FOR TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.

References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
2.	615.1	Purchased Power (electric) -production

**II-4(a) Volume related expenses (Electric used for production of water/sewer)**

List the amount spent on purchased power (electricity) for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

	<u>Year</u>	<u>Amount</u>	
	<u>2013</u>	\$ <u>4,298.00</u>	
	<u>2014</u>	\$ <u>4,552.00</u>	
Test Year	<u>2015</u>	\$ <u>4,572.00</u>	
K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 2)
Adjusted Test year		\$ <u>4,572.00</u>	(to I-1, Column F, Line 2)

Explanation and calculations of known and measurable change:

**II-4(b) Office related expenses (Electric used for production of water/sewer)**

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
14	615.2	Purchased Power (electric) Expense for office

**Volume related expenses**

List the amount spent on purchased power (electricity) for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

	<u>Year</u>	<u>Amount</u>	
	<u>2013</u>	\$ <u>-</u>	
	<u>2014</u>	\$ <u>-</u>	
a. Test Year	<u>2015</u>	\$ <u>-</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 14)
c. Adjusted Test year (a. + b.)		\$ <u>-</u>	(to I-1, Column F, Line 14)

Explanation and calculations of known and measurable change:

UTILITY NAME: Rankin Park Maintenance & Utilities

SCHEDULES - CLASS B RATE/TARIFF CHANGE

II-5 OTHER RELATED VOLUME EXPENSES

FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.

Line No.	Account No.	Account Name
3.	618	Other volume related expenses

Other volume related expenses

List the amount spent on other volume related expenses for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

	Year	Amount	
	<u>2013</u>	\$ <u>12784-</u>	
	<u>2014</u>	\$ <u>9348.-</u>	
a. Test Year	<u>2015</u>	\$ <u>15448.-</u>	
b. K & M Change		\$ <u>Ø</u>	(to I-1, Column E, Line 3)
c. Adjusted Test year (a.+b.)		\$ <u>15448.-</u>	(to I-1, Column F, Line 3)

Explanation and calculations of known and measurable change:

UTILITY NAME <u>Rocky Park Maint + Util</u>
SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-6 ALLOCATION OF PAYROLL EXPENSES
FOR THE ADJUSTED TEST YEAR <u>12-31-2015</u>

SOME SALARIES MUST BE CAPITALIZED IN THIS REPORT IF EMPLOYEES INSTALL PLANT IN SERVICE

### II-6(a) PAYROLL COSTS:

Line No.	Employee Name	A Test Year Payroll	B Capitalized Payroll	C Expensed Payroll	D 1st 7000 or new limit (FUTA max)	E 7,001 to 9000 or new limit (SUTA max)	F 9,001 to 118500 or new limit (or FICA max)	G over 118500 or new limit	H Total Payroll
1.	NONE								
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.	Total								
10.	Percentage Capitalized	Line 9, column F divided by line 9, column E=							

### II-6(b) ALLOCATION OF PAYROLL TO EXPENSE:

Line 'Total Payroll Expenses' should equal the total from 'Expensed Payroll' (Column C, Line 9) above

Line No.	Acct. No.	Account Name	Test Yr Expense
1.	601-1	Employee labor	
2.	601-2	Office salaries	
3.	601-3	Management salaries	
4.		Total Payroll Expenses	

\* Attach a brief summary of the utility's capitalization policy and explain any changes in capitalization rates of more the 5% per year.

\*\* Attach an explanation and calculation for K&M salary changes from test year.

UTILITY NAME: Rankin Park Maintenance &  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
 II-7 MATERIALS  
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
6.	620	Materials

#### II-7(a) Materials

List the amount spent on materials for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items in the list below. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	<u>Year</u>	<u>Amount</u>
	<u>2013</u>	\$ <u>600.00</u>
	<u>2014</u>	\$ <u>2,004.00</u>
a. Test Year	<u>2015</u>	\$ <u>1,309.00</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 6)
c. Adjusted Test year (a. + b.)		\$ <u>1,309.00</u> (to I-1, Column F, Line 6)

\* A large item is more than 10% of the test year account balance and more than \$1,000.00

Expensed materials may not be included in rate base in materials and supplies inventories.

Explanation and calculations of known and measurable change:

#### II-7(b) Large Items:

Description	Amount	Date in service
NONE		

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**II-8 CONTRACT WORK**  
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.

References below refer to Schedule I-1.

Line No.	Account No.	Account Name
7.	631, 635, 636	Contract work (non-capitalized engineering, testing, other)

**II-7(a) Contract work**

List the amount spent on contract work for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase.

Year	Amount
<u>                    </u>	\$ <u>                    </u>
<u>2013</u>	\$ <u>5,160.00</u>
<u>2014</u>	\$ <u>5,578.00</u>
a. Test Year <u>2015</u>	\$ <u>5,782.00</u>
b. K & M Change	\$ <u>0.00</u> (to I-1, Column E, Line 7)
c. Adjusted Test year (a. + b.)	\$ <u>5,782.00</u> (to I-1, Column F, Line 7)

\* A large item is more than 10% of the test year account balance more than \$1,000.

Explanation and calculations of known and measurable change:

**II-8(b) Large Items:**

Description	Amount	Date in service
NONE		

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UTILITY NAME: <u>Rankin Park Maintenance &amp; Utilities</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-9 TRANSPORTATION</b> FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
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This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
8.	650	Transportation expense

**II-9(a) Transportation expense**

List the type of vehicles used by the utility and allocate the percent used for business purposes. For example, is there one vehicle used solely for the utility, or is it used for non-business activities too? Is there a vehicle involved that is part of the Company's Plant in Service and thus is already depreciated?

Vehicle expenses reported using a cost per unit (say 34 cents per mile) have the depreciation factor included. A vehicle which is part of the Plant in Service should show only actual operating and maintenance expenses (oil, gas, repairs, maintenance) excluding insurance. The purpose of this supplemental page is to ensure that vehicle expense will be recorded properly and that vehicle depreciation is not listed twice or totally omitted.

	Year	Amount	
	<u>2013</u>	\$ <u>-</u>	
	<u>2014</u>	\$ <u>-</u>	
a. Test Year	<u>2015</u>	\$ <u>-</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 8)
c. Adjusted Test year (a. + b.)		\$ <u>-</u>	(to I-1, Column F, Line 8)

**Explanation and calculations of known and measurable change:**

**II-9(b) Large Items\*:**

Description	Amount	Date in service
NONE		

\* A large item is more than 10% of the test year account balance and more than \$1,000.

UTILITY NAME: **Rankin Park Maintenance & Utilities**

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**II-10 OTHER PLANT MAINTENANCE**FOR THE TEST YEAR ENDED: **12/31/2015**

This page is supplemental information. It is required to complete Schedule I-1.  
References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
9.	664	Other plant maintenance

**II-10(a) Other plant maintenance**

List the amount spent on other plant maintenance for the last two record periods and estimated for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	<b>Year</b>	<b>Amount</b>
	<u>2013</u>	\$ <u>4,242.00</u>
	<u>2014</u>	\$ <u>6,553.00</u>
a. Test Year	<u>2015</u>	\$ <u>23,211.00</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 9)
c. Adjusted Test year (a. + b.)		\$ <u>23,211.00</u> (to I-1, Column F, Line 9)

\* A large item is more than 10% of the test year account balance more than \$1,000.

Explanation and calculations of known and measurable change:

**II-10(b) Large Items:**

Description	Amount	Date in service
Main Power Failure	\$ 3,601.81	3/25/2015

UTILITY NAME: **Rankin Park Maintenance & Utilities**  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**II-11 EMPLOYEE PENSIONS AND BENEFITS**  
 FOR THE TEST YEAR ENDED: **12/31/2015**

This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
13.	604	Employee pensions and benefits

**Employee pensions and benefits**

List the amount spent on Employee's pensions and benefits for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all items by category. For example, Pensions includes such items as ESOPs and IRAs. The "Other" column includes such items as dental, vision, life insurance, etc. Also include the number of employees covered and charged to account 674 and indicate the cost per employee. As applicable, provide information on any qualified pensions offered to employees and documentation, such as actuarial studies, discussing net pension costs as well as current funding status of the utility's projected benefit obligation. If the Test Year amount is higher than previous years, indicate the reason for the anticipated change:

**List types of Pensions & Benefits:**

NONE	\$	\$	\$	\$	\$
Year	Total Amount	Pensions	Health	Other	Amount Capitalized*

**Cost per Employee:**

NONE	\$	\$	\$	\$	\$
Year	Total Amount	Pensions	Health	Other	Amount Capitalized*

**Number of Employees covered:**

**Cost per Employee:**

**List types of Pensions & Benefits:**

Year	\$	\$	\$	\$	\$
	Total Amount	Pensions	Health	Other	Amount Capitalized*

**Number of Employees covered:**

**Cost per Employee:**

\*(use % on Sch 11-6(a), line 10)

UTILITY NAME <b>Rankin Park Maintenance &amp; Utilities</b> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>II-12 BAD DEBTS</b> FOR THE TEST YEAR ENDED: <b>12/31/2015</b>
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This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
15.	670	Bad Debts

**II-12 Bad debts/Uncollectibles**

List the recorded amount the company was unable to collect for the last two years, and estimate the uncollectible amount for the Test Year. If the the Test Year is higher than previous years, indicate the reason for the anticipated increase.

	Year	Amount	
	2013	\$ -	
	2014	\$ -	
a. Test Year	2015	\$ -	
b. K & M Change		\$ -	(to I-1, Column E, Line 15)
c. Adjusted Test year (a. + b.)		\$ -	(to I-1, Column F, Line 15)

**Explanation and calculations of known and measurable change:**

**II-12(b) Large Items\*:**

Description	Amount	Date in service
NONE		

\* A large item is more than 10% of the test year account balance and more than \$1,000.

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
 II-13 OFFICE SERVICES AND RENTALS  
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
16.	678	Office services & rentals

### II-13(a) Office services and rentals

List the amount spent on office services and rentals for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	2013	\$ -
	2014	\$ -
a. Test Year	2015	\$ -
b. K & M Change		\$ - (to I-1, Column E, Line 16)
c. Adjusted Test year (a. + b.)		\$ - (to I-1, Column F, Line 16)

Explanation and calculations of known and measurable change:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

### II-13(b) Large Items:

Description	Amount	Date in service
NONE		

UTILITY NAME Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
 II-14 OFFICE SUPPLIES  
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
17.	681	Office supplies & expenses

**II-14(a) Office supplies & expenses**

List the amount spent on office supplies and expenses for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2013</u>	\$ <u>606.00</u>	
	<u>2014</u>	\$ <u>382.00</u>	
a. Test Year	<u>2015</u>	\$ <u>405.00</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 17)
c. Adjusted Test year (a. + b.)		\$ <u>405.00</u>	(to I-1, Column F, Line 17)

Explanation and calculations of known and measurable change:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

**II-14(b) Large Items:**

Description	Amount	Date in service
NONE		

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**II-15 PROFESSIONAL SERVICES**  
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
18.	682	Professional services

**II-15(a) Professional services**

List the amount spent on professional services for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items\*. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>2013</u>	\$ <u>575.00</u>	
	<u>2014</u>	\$ <u>575.00</u>	
a. Test Year	<u>2015</u>	\$ <u>7,370.00</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 18)
c. Adjusted Test year (a. + b.)		\$ <u>7,370.00</u>	(to I-1, Column F, Line 18)

Explanation and calculations of known and measurable change:

\* A large item is more than 10% of the test year account balance and more than \$1,000.

**II-15(b) Large Items:**

Description	Amount	Date in service
Engineering & Accounting	\$ 6,750.00	8/10/2015

UTILITY NAME: Rankin Park Maintenance & Utilities

SCHEDULES - CLASS B RATE/TARIFF CHANGE

II-16 INSURANCE

FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.  
References below refer to Schedule I-1.

Line No.	Account No.	Account Name
19.	684	Insurance

**Insurance**

List the amount spent on insurance for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items\*. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

Year	Amount
<u>2013</u>	\$ <u>-</u>
<u>2014</u>	\$ <u>-</u>
a. Test Year <u>2015</u>	\$ <u>-</u>

b. K & M Change \$ - (to I-1, Column E, Line 19)

c. Adjusted Test year (a. + b.) \$ - (to I-1, Column F, Line 19)

**Types of insurance:**

NONE	\$			
Year	Total amount	Period Covered	Type	Company
<u>Year</u>	\$ <u>Total amount</u>	<u>Period Covered</u>	<u>Type</u>	<u>Company</u>
<u>Year</u>	\$ <u>Total amount</u>	<u>Period Covered</u>	<u>Type</u>	<u>Company</u>
<u>Year</u>	\$ <u>Total amount</u>	<u>Period Covered</u>	<u>Type</u>	<u>Company</u>

Explanation and calculations of known and measurable change:

UTILITY NAME Rankin Park Maintenance & Utilities

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**II-17 REGULATORY EXPENSE**FOR THE TEST YEAR ENDED: **12/31/2015**

This page is supplemental information. It is required to complete Schedule I-1.  
References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
20.	666	Regulatory (Rate Case) Expense

**II-17(a) Regulatory commission expense**

List the amount spent on rate case expense for the last two years and for the Test Year. Typically, the commission separates rate case expense from the revenue requirement and allows recovery through a surcharge. The known and measurable adjustment would decrease this expense to zero in this case. In any event, if the applicant does not file every year, the expense must be amortized over the time between filings and only one year's worth should be charged to customers. Record Commission filing fees or fees to consultants, attorneys, etc. in formal and informal rate cases, complaints, or other dealings with the Commission, which are not reported under Professional Services. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	<u>Year</u>	<u>Amount</u>	
	<u>2013</u>	\$ <u>-</u>	
	<u>2014</u>	\$ <u>-</u>	
a. Test Year	<u>2015</u>	\$ <u>-</u>	
b. K & M Change	\$ <u>-</u>		(to I-1, Column E, Line 20 - see instructions above)
c. Adjusted Test year (a. + b.)	\$ <u>-</u>		(to I-1, Column F, Line 20 - see instructions above)

Explanation and calculations of known and measurable change:

\* A large item is more than 10% of the test year account balance and more than \$1,000 .

**II-17(b) Large Items:**

Description	Amount	Date in service
NONE		

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UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE

**II-18 REGULATORY EXPENSE**FOR THE TEST YEAR ENDED: 12/31/2015

**This page is supplemental information. It is required to complete Schedule I-1.  
 References below refer to Schedule I-1.**

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
21.	667	Regulatory commission expense

**II-18(a) Regulatory commission expense**

List the amount spent on regulatory commission expense for the two record periods and for the Test Year. Include TCEQ inspection fees or permit permit fees, and other regulatory expense. Do not include the regulatory assessment; this is a pass through expense. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	<u>Year</u>	<u>Amount</u>	
	<u>2013</u>	\$ <u>1,032.00</u>	
	<u>2014</u>	\$ <u>1,181.00</u>	
<b>a. Test Year</b>	<u>2015</u>	\$ <u>1,235.00</u>	
<b>b. K &amp; M Change</b>	\$	<u>-</u>	(to I-1, Column E, Line 21 - see instructions above)
<b>c. Adjusted Test year (a. + b.)</b>	\$	<u>1,235.00</u>	(to I-1, Column F, Line 21 - see instructions above)

**Explanation and calculations of known and measurable change:**

\* A large item is more than 10% of the test year account balance and more than \$1,000.

**II-18 (b) Large Items:**

Description	Amount	Date in service
NONE		

26

UTILITY NAME: **Rankin Park Maintenance & Utilities**

SCHEDULES - CLASS B RATE/TARIFF CHANGE

II-19 MISCELLANEOUS EXPENSE

FOR THE TEST YEAR ENDED: **12/31/2015**

This page is supplemental information. It is required to complete Schedule I-1.  
References below refer to Schedule I-1.

Line No.	Account No.	Account Name
22.	675	Miscellaneous

**II-19 (a) Miscellaneous expense**

List the amount spent on general miscellaneous for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large\* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	2013	\$ 978.00
	2014	\$ 1,002.00
a. Test Year	2015	\$ 1,015.00
b. K & M Change		\$ - (to I-1, Column E, Line 22 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ 1,015.00 (to I-1, Column F, Line 22 - see instructions above)

Explanation and calculations of known and measurable change:

\* A large item is more than 10% of the test year account balance.

**II-19 (b) Large Items:**

Description	Amount	Date in service
NONE		

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UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE

**III-1 REQUESTED RETURN**  
 FOR THE TEST YEAR ENDED: 2015

**RETURN ON RATE BASE:**

Line No.		
1	Test year end rate base (from III-2, Line 16)	118,272
2	Requested ROR ( Col G, Line 7 below)	8.09%
3	Return on rate base (Line 1 x Line 2)	9,568

**Rate of Return:**

A	B	C	D	E	F	G
Line No.	Description	Amount	Percentage	Rate	Reference	Weighted Average Rate
			Amount from previous column divided by Line 6, Column C			G=(E x F)
4.	Equity (Rate base less Line 5, Column D)	48,271.84	0.408		Col E = Requested return on equity	5.1286%
5.	Long Term Debt and Advances from associated companies from Schedule III-6	70,000.00	0.592		Col E = From Sch. III-6, Column H, Line 9	2.96%
6.	Total capitalization (Rate Base Sch III-2, Line 16)					
7	Return on rate base Col G, Line 6 rounded to nearest 0.01%)				Line 4 + Line 5	8.09%

To Line 2 above

\* ROE = Return on Equity

UTILITY NAME: \_\_\_\_\_  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**III-2 RATE BASE SUMMARY**  
 FOR THE TEST YEAR ENDED: \_\_\_\_\_

Line No.	Description	Amount	Reference
1	<b>Additions:</b>		<b>(From)</b>
2.	Utility plant (Original Cost)	121847	Schedule III-3, Line 50, Col D
3.	Construction work in progress	0	Schedule III-4, Line 5
4.	Materials and supplies	0	Schedule III-4, Line 8
5.	Working cash (capital)	7543.37	Schedule III-5, Line 2
6.	Prepayments	0	Schedule III-4, line 8
7.	Other Additions	0	Add schedule
8.	TOTAL ADDITIONS (Add Lines 2 through 6)	129390.37	
	<b>Deductions:</b>		
9.	Reserve for depreciation (Accumulated)	11118.53	Schedule III-3, Col F, Line 50
10.	Advances for construction	0	Schedule III-8(a), Col F, Line 6
11.	Developer Contributions in aid of construction	0	Schedule III-8(b), Col G, Line 6
12.	Accumulated deferred income taxes	0	Schedule III-9(a), Line 3
13.	Accumulated deferred investment tax credits	0	Schedule III-9(b), Line 3
14.	Other Deductions		Add schedule
15.	TOTAL DEDUCTIONS (Add lines 9 through 14)	11118.53	
16.	RATE BASE (Line 8, less Line 15)	118271.84	

UTILITY NAME: <u>Rankin Park Maintenance &amp; Utilities</u>										Schedule III-3			
SCHEDULES - CLASS B RATE/TARIFF CHANGE										(Provide a schedule for each PWS system)			
III-3 UTILITY PLANT IN SERVICE (NET BOOK VALUE) CALCULATION										Add schedules as needed, provide a summary also			
0													
[A]	[B]	[C]	[D.1]	[D.2]	[D]-[D.1]-[D.2]	Depreciation							
Line No.	Item	Date of Installation	Service Life (yrs) **	Original Cost when installed \$	Customer CIAC amount	Adjusted Original Cost for Customer CIAC <sup>1</sup>	Time in Service			[E] = [D]/[C] Annual (\$)	[F] Accumulated (\$ (Reserve))	[G] = [D]-[F] Net Book Value (\$)	
							Years in Service	Months	Days				
1	303 Land and land rights	6/2/1905											
2	307 Wells		50										
	<b>Well Pumps:</b>												
3	311 5 hp or less	8/16/2015	5	3,580.00	-	-	0	5	11	716.00	315.04	3,264.96	
4	311 Greater than 5 hp	8/16/2015	10	16,206.00	-	-	0	5	11	1,620.60	713.06	15,492.94	
	<b>Booster Pumps:</b>												
5	311 5 hp or less	12/15/2015	5	3,510.00	-	-	0	1	12	702.00	77.22	3,432.78	
6	311 Greater than 5 hp	12/15/2015	10	7,265.00	-	-	0	1	12	726.50	79.91	7,185.09	
7	320 Chlorinators	1/15/2006	10	5,000.00	-	-	10	0	0	500.00	5,000.00	-	
	<b>Structures:</b>												
8	304 Wood		15										
9	304 Masonry	12/15/2015	30	10,671.00	-	-	0	1	12	355.70	39.12	53,078.30	
10	305 Storage Tanks	12/15/2015	50	42,540.00	-	-	0	1	12	850.80	93.58	42,446.42	
11	311 Pressure Tanks	1/15/2006	50	23,475.00			10	0	0	469.50	4,695.00	18,780.00	
12	331 Distribution System (mains and lines)		50										
13	334 Meters and Service (laps not covered by fees)		20										
14	340 Office Equipment		10										
15	341 Vehicles		5										
16	343 Shop Tools		15										
17	345 Heavy Equipment		10										
18	348 Fencing		20										
	<b>Other: (Please list)</b>												
19	Control Panel	12/15/2015	10	9,600.00	-	-	0	1	12	960.00	105.60	9,494.40	
20	<b>TOTAL</b>			121,847.00						6,901.10	11,118.53		
50	Total												

To Sch III-2, line 2

To Sch I-1, line 27

To Sch III-2, line 9

Add detailed worksheets if necessary to support this Schedule.

<sup>1</sup> Any amount paid for an item that was not incurred by the utility, such as by a customer, is deducted from the original cost. The adjusted original cost amount here, Column D-2, labeled "Adjusted Original Cost for Customer CIAC". Column D-2 will then be depreciated and the net book value will be calculated (Column G). For an item with the entire amount of its original cost paid for by customer(s), Columns D-2, E, F and G would be zero. See Schedule III-8 for developer CIAC.

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UTILITY NAME: **Rankin Park Maintenance & Utilities**  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**III-3(a) UTILITY PLANT IN SERVICE-RECONCILIATION TO PRIOR CASE**  
 FOR TEST YEAR ENDED: **12/31/2015**

## ORIGINAL COST DATA

A	B	C	D
Line No.	Description	Amount	Amount
1.	Beginning Gross Plant balance - (from previous rate case)	Must match previous rate case	\$ 3,718.00
2.	Plant additions after previous rate case		
3.	Well Pump <5HP	\$ 3,580.00	
4.	Well Pump <5HP	\$ 16,206.00	
5.	Booster Pump <5HP	\$ 3,510.00	
6.	Booster Pump >5HP	\$ 7,265.00	
7.	Storage Tank	\$ 42,540.00	
8.	Control Panel & Control Building	\$ 20,271.00	
9.	Chlorinator	\$ 5,000.00	
10.	Pressure Tank	\$ 23,475.00	
11.	Total additions (add lines 3 through 10, Col C)		\$ 121,847.00
12.	Test year plant retirements after previous rate case:		
13.		\$ 3,718.00	
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.	Total retirements (add line 13 through 20, Col C)		\$ 3,718.00
22.	Ending balance (line 1 + line 11 - line 21)	Equals as III-3, Column D, line 50	\$ 121,847.00

Please provide a full explanation of any adjustments to accounts from the prior period.

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS,  
 MATERIALS AND SUPPLIES INVENTORY & PREPAYMENTS**  
 FOR THE TEST YEAR ENDED: 12/31/2015

\*\*\*DO NOT include construction work in progress in rate base, unless the utility meets the requirements of PUC Subst. Rule 24.31C(4).

**III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS:**

A	B	C
Line No.	Description	Test Year Amount
1.	Beginning balance	0
2.	Test year costs added	93372
3.	Test year construction costs completed	93372
4.	Ending balance	0
5.	Average balance - test year (line 1 plus line 4, divided by 2)	0

Typically zero, to Schedule III-2, Line 3

		Materials & Supplies inventory	Prepaid Expenses
6.	Sum of 12 test year month end balances	0	0
7.	One month prior to the test year, month end balance	0	0
8.	13 Month Average balance (line 6 plus line 7, divided by 13)	0	0

To III-2, Line 4.

To III-2, Line 6.

\*\*\*DO NOT include construction work in progress in rate base, unless the utility meets the requirements of PUC Subst. Rule 24.31C(4).

UTILITY NAME: Rankin Park Maintenance & Utilities

SCHEDULES FOR CLASS B RATE/TARIFF CHANGE

**III-5 WORKING CASH ALLOWANCE CALCULATIONS**FOR THE TEST YEAR ENDED: 12/31/2015

1. No working cash allowance is permitted when a utility bills its customers in advance and provides service to flat rate customers only. Sewer connections count for the purposes of this schedule.
2. A utility which has all metered customers and bills monthly shall divide its annual Operating and Maintenance (O&M) expenses (excluding all taxes and depreciation) by 12 if it is a Class B utility, or by 8 if it is a Class C utility filing a Class B package to calculate working cash allowance. An example follows:

	Class B	Class C
1. Annual Expenses	\$70,000	\$70,000
2. Taxes and depreciation	(10,000)	(10,000)
3. Net Expenses (Line 1 - Line 2)	60,000	60,000
4. Working Cash (Line 3 / line 5)	\$5,000	\$7,500
5. Divisor	12	8

A Line No	B Description	Class B		Class C	
		Water	Sewer	Water	Sewer
1	Annual O & M Expenses			60347	
2	Working Cash (Line 3 / Line 5)			7543.37	
3	Divisor	12	12	8	8

From Sch I-1, line 25

To Sch III-2, line 5

UTILITY NAME: Rankin Park Maintenance & Utilities

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**III-6 LONG TERM DEBT/ NOTES PAYABLE – WATER AND SEWER**

FOR THE YEAR ENDED: 2015

List the following information concerning debt and equity of the utility and attach copies of notes payable used. Round all percentages to two (2) decimal places.

If debt from affiliated interests is allocated to the utility, provide workpapers demonstrating and justifying the allocation.

	(A) Long Term Debt Name of Bank/Lender	(B) Date of Issue	(C) Date of Maturity	(D) Original Amount of Loan	(E) Outstanding or Unpaid Balance- End of Test Year	(F) Interest Rate	(G)=Col E, Line 20 x Col F, Line 20 Weighted Average
1	Part 1 - Debt						
2	Riva Development Corp.	8/10/2015	8/10/2017	30000	30000	5%	2.14
3	Bailar Hospitality Services	8/10/2015	8/10/2017	40000	40000	5%	2.86
4							
5							
6							
7							
8							
9	Total			70000			5%

See Sch III-1,  
Column G,  
Line 5

List short term debt, if any:

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**III-7 ACCUMULATED DEPRECIATION FROM PRIOR RATE CASE**  
 FOR THE TEST YEAR ENDED: 2015

## ACCUMULATED DEPRECIATION:

Line No.	Description	Dollar Amount
1.	Ending-Prior Rate Case (Docket No. 34374 )	27
2	Ending balance per Sch III-3, Column F, Line 50	11118.53
	Describe accounting adjustments made between the prior rate case and the current rate case:	
	Well Pump <5HP	3580
	Well Pump > 5HP	16206
	Booster Pump <5HP	3510
	Booster Pump >5HP	7265
	Storage Tank	42540
	Control Panel	9600
	Chlorinator	5000
	Pressure Tank	23475
	Control Building	10671

Must match previous rate case.

UTILITY NAME: <u>Rankin Park Maintenance &amp; Utilities</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>III-8 ADVANCES FOR CONSTRUCTION AND</b> <b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b> FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
---

**III-8(a) ADVANCES FOR CONSTRUCTION:**

	A	B	C	D	E	F	G
Line No.	Item	Date of Installation	Total Cost	Amount of Advance	Repayments made to developer	(F)=(D)-(E) Rate base Value (to Sch III-2)	Amount to be refunded in the future*
1.	NONE						
2.							
3.							
4.							
5.							
6.	Total						

\*If any advances or CIAC from developers or customers are refundable, please provide the potential date of refunding, if known.

**III-8(b) DEVELOPER CONTRIBUTIONS IN AID OF CONSTRUCTION\*:**

	A	B	C	D	E	F	G
Line No.	Item	Date of Installation or Contribution	Total Cost	Amount of Developer Contribution	Annual amortization	Accumulated Amortization	(G)=(D) - (F) Rate Base Value (to Sch III-2)
1.	NONE						
2.							
3.							
4.							
5.							
6.	Total						

\*Customer CIAC is entered directly on III-3

UTILITY NAME: <u>Rankin Park Maintenance &amp; Utilities</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>III-9 DEFERRED INCOME TAXES AND</b> <b>DEFERRED INVESTMENT TAX CREDITS</b> FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
--

To the extent that new line items have been included within the calculation of ADIT since the last rate filing, provide a complete description of the underlying issues that give rise to the new category of ADIT.

**III-9(a) ACCUMULATED DEFERRED INCOME TAXES:**

Line No.	Description	Test Year Amount
1.	Beginning balance	0
2.	Test year amount	0
3.	Ending balance	0

**III-9(b) ACCUMULATED DEFERRED INVESTMENT TAX CREDITS:**

Line No.	Description	Test Year Amount
1.	Beginning balance	0
2.	Test year amortization	0
3.	Ending balance	0

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**III-10 OTHER DEFERRED ASSETS**  
 FOR THE TEST YEAR ENDED: 12/31/2015

III-10(a) : Other Deferred Assets

Line No.	Description	Test Year Amount
1.	NONE	
2.		
3.		

III-10(b) ACCUMULATED AMORTIZATION ON OTHER DEFERRED ASSETS

Line No.	Description	Test Year Amount	Total Accum Amort End of test year
1.	NONE		
2.			
3.			

UTILITY NAME: \_\_\_\_\_  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**IV(a) ESTIMATE OF TAXES OTHER THAN INCOME**  
 FOR THE TEST YEAR ENDED: \_\_\_\_\_

**PROPERTY TAXES:**

A	B	C	D	E
Line No.	Description	Amount	Amount	Reference
1	Property taxes paid in in test year		1,405	per property tax bills
2	Utility plant added in test year	121,847		Schedule III-3(a), Line 11
3	Utility plant retirements in test year	3,718		Schedule III-3(a), Line 21
4	Net additions	118,129		Line 2 minus line 3
5	Net Property tax rate	.370		Line 1 / beginning of test year gross plant balance from III-3 (a), Col D, Line 1
6	Test year property tax on additions		43,708	Line 4 times Line 5
7	Adjusted Test year property tax expense		45,113	Line 1 + Line 6
8	Known and measurable change	43,708		Line 7 minus Line 1

**PAYROLL TAXES (BASED ON ADJUSTED TEST YEAR NUMBERS):**

A	B	C	D	E	F	G
Line No.	Tax Type	Wage Level	Tax Rate	Taxable Wages	Reference	Tax
9	FICA	wages to _____	%		SCHEDULE II-6 Column D+E+F Line 9	(D x E)
10	Medicare	wages to _____	%		Column H Line 9	N/A
11	Added Medicare (Affordable Care Act)	wages to _____	%			N/A/
12	Federal unemployment	wages to _____	%		Column D Line 9	
13	State unemployment	wages to _____	%		Column D+E Line 9	
14	Total (add Lines 11 through 14)					
15	Less Capitalized	Use % on Sch II-6(a), line 10	%			
16	Test year Payroll Tax Expense	Line 13 less 14				
17	Known and measurable change				(Line 13 minus Line 14)	N/A

**OTHER TAXES:**

A	I	J	K	L
Line No.	Description	Test year	K & M change	Adjusted Test Year
18	Other taxes & licenses	None		
19				
20				
21	Total Other Taxes (Line 18 + Line 19 + Line 20)			
22	Total this page - taxes other than income (Line 7) + (Col G, Line 16) + (Col L, Line 21)			
23	Sch IV(a), Total known and measurable change (Line 8 plus line 17, Column G plus line 21, Column K)			NONE

NONE

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**IV(b) REVENUE RELATED TAXES AND EXPENSES**  
 FOR THE TEST YEAR ENDED: 12/31/2015

A		B	C	D	E	F=B+C+D+E
Line		Texas Margins Tax	City Franchise Taxes	Bad Debt Expense	Other Revenue Related	Totals
1	Test year expense					
2	Test year effective rate (test year tax expense/historic test year revenues-Sch I-1)					104,745.0000
3	Gross up factor (1.0 divided by (1.0 minus Line (example below))					1.0000
4	Change in revenue requirement (Sch I-1, line 33)					47,054.00
5	Adjusted revenue requirement (Line 3 x Line 4)					47,054.00
6	Adjusted expense (Line 3 times Line 4)					47,054.00

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
**V SCHEDULE OF EFFECTIVE FEDERAL TAX RATE**  
 FOR THE TEST YEAR ENDED: 12/31/2015

A	B	C	D
Line		Amount	Reference
1	Requested Return	9,568	Schedule III-1, Line 3 or II-1, line 34
2	Less: Synchronized Interest	3,501	Sch. III-1, Col. G, Line 5 x Sch. III-2, Line 16)
3	Requested taxable return	6,067	Line 1 minus Line 2
4	Income taxes at proposed rates	7,500	Line 17 below
5	Effective tax rate	1.24	Line 4 divided by Line 3
6	Total gross up factor	4.17	1.0 divided by (1.0 minus line 5)
7	Grossed up federal income tax	31,275	Line 4 times line 6

To Sch I-1, Line 27

**FEDERAL INCOME TAX CALCULATION:**

Line No.	Tax Rate	Taxable Income	Tax Rate	Tax
		(Portion of Taxable Income in Level)		(C x D)
12	1st 50,000 of taxable income	50,000	15%	7,500
13	Next 25,000 of taxable income	25,000	25%	
14	Next 25,000 of taxable income	25,000	34%	
15	Next 235,000 of taxable income	235,000	39%	
16	Over 335,000 of taxable income		34%	
17	Total before gross up		To Line 4	7,500

UTILITY NAME: Rankin Park Maintenance & Utilities  
SCHEDULES - CLASS B RATE/TARIFF CHANGE

**Schedule VI-1 RATE DESIGN**

FOR THE TEST YEAR ENDED: 12/31/2015

Line No.	A	B	C
		<b>Reference</b>	
	<b>DETERMINATION OF FIXED COSTS</b>		
1.	Gross revenues to be recovered:	Sch I-1, Line 36	141709
	<b>Less variable costs:</b>		
2.	Purchased water - Account 610	Sch I-1, Col. F, line 1	0
3.	Purchased power - Account 615	Sch I-1, Col. F, line 2	4572
4.	Other volume related - Account 618	Sch I-1, Col. F, line 3	15448
5.	Other volume related or allocated (attach schedule)		
6.			
7.			
8.			
9.			
10.	<b>FIXED COSTS</b> (Line 1 minus Lines 2-9)		121689
11.	<b>% OF FIXED COSTS RECOVERED IN VOLUMETRIC CHARGE</b>		86%
12.	<b>TO BE RECOVERED THROUGH BASE SERVICE CHARGE</b>		121689
	<b>RECAP:</b>		
13.	RECOVERED THROUGH BASE SERVICE CHARGE	Line 10	121689
14.	RECOVERED THROUGH VOLUMETRIC RATE	Line 1 - Line 10	20020
	<b>TOTAL</b>	<b>Equals Line 1</b>	<b>141709</b>
	<b>TO BE RECOVERED THROUGH BASE SERVICE CHARGE</b>		
15.	<b>TOTAL METER EQUIVALENTS</b>	Sch I-3, Col H, line 9	204
16.	<b>CHARGE PER 5/8" X 3/4" METER</b>	Line 13 / Line 15	49.7
	<b>TO BE RECOVERED THROUGH VOLUMETRIC RATE</b>		
17.	<b>TOTAL WATER SALES IN 1,000 GALS</b>	Sch II-1(a), Col C, line 4	11680
18.	<b>VOLUMETRIC RATE (CHARGE PER 1,000 GALS)</b>	Line 14 / Line 17	1.71
	<b>PROPOSED RATES:</b>		
19.	FOR ALL WATER DELIVERED PER 1,000 gallons	Line 18 or attach calc	3
	<b>BASE SERVICE CHARGE (PER 5/8" X 3/4")</b>		33.35
	<b>Meter size</b>	<b>Line 16</b>	<b>Equivalency</b>
20.	5/8 X 3/4"	33.35 X 1.0 =	33.35
21.	3/4"	33.35 X 1.5 =	50.03
22.	1"	33.35 X 2.5 =	83.38
23.	1 1/2"	33.35 X 5.0 =	166.75
24.	2"	33.35 X 8.0 =	266.8
25.	3"	33.35 X 15.0 =	500.25
26.	4"	X 25.0 =	

If the utility is setting a tiered rate, calculations for all tiers must be provided with total collections for all tiers compared to the revenue requirement requested.

## WATER Rate Design

## Proposed Rate

All Water Delivered PER 1,000. Gallons	\$3.00
Multiply by Volume Related Expenses	\$20,020.00
Equals	\$60,060.00

Gross Revenue	\$141,709.00
Less Variable Costs	\$60,060.00
Equals Fixed Revenue	\$81,649.00

Fixed Revenue	\$81,649.00
Divided by Total Meter Equivalents	204
Equals	\$400.24

Divided by 12 months	\$33.35
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**PUBLIC UTILITY COMMISSION OF TEXAS**

**CLASS B RATE/TARIFF CHANGE APPLICATION**

*Required Schedules for rate/tariff changes*

WATER UTILITY NAME: Rankin Park Maintenance & Utilities  
CCN No. Sewer - 20789

ADDRESS OF UTILITY: P.O. Box 9648  
Street, P.O. Box and/or suite number  
Spring TX 77387  
City and Zip Code

PHONE NUMBER: 713-937-1959  
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING:

NAME: Pete Garland

PHONE: 713-417-4832

EMAIL ADDRESS: petegarland1@hotmail.com

PUC CLASS SIZE: B C (circle one)

INCREASE (DECREASE) 56,379.00 (From Sch. I-1, Line 33)  
dollar amount

52% (From Sch. I-1, Line 34)  
percent above (below) current revenue requirement

DESCRIBE OWNERSHIP OF COMPANY.

Beverly Oman - 19%

Pete Garland - 81%

DATE OF LAST GENERAL RATE CASE FILING: 06/29/04

DATE OF LAST NON-GENERAL RATE CHANGE\*: N/A

\* (e.g. pass through rate change or temporary water rate provision).

UTILITY NAME: Rankin Park Maintenance & Utilities  
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION  
 SCHEDULES

**Complete all of the following schedules for your Class A or B utility  
 (if the schedule does not apply, include it marked "N/A")**

TABLE OF CONTENTS (Page 1 of 2)

FOR TEST YEAR ENDED: 12/31/2015  
 DATE SUBMITTED TO PUC: 2/19/2016

	<u>Attachment Schedule</u>	<u>Items Checked</u>
SECTION I		
<u>REVENUES AND REVENUE REQUIREMENT</u>		
Revenue Requirement Summary	I-1	<input checked="" type="checkbox"/>
Historical Revenue Summary	I-2	<input checked="" type="checkbox"/>
<u>Include the appropriate schedules:</u>		
Metered Active Connections by Meter Size	I-3	<input checked="" type="checkbox"/>
Unmetered Active (Flat Rate) Customers	I-4	<input checked="" type="checkbox"/>
SECTION II		
<u>OPERATIONS AND EXPENSES</u>		
Water Production (no unmetered rates)	II-1(a)	<input checked="" type="checkbox"/>
Water Production (with unmetered rates)	II-1(b)	<input checked="" type="checkbox"/>
Other Revenues & Expenses passed through	II-3	<input checked="" type="checkbox"/>
Purchased Power	II-4	<input checked="" type="checkbox"/>
Other Volume Related Expenses	II-5	<input checked="" type="checkbox"/>
Payroll Cost Allocation	II-6	<input checked="" type="checkbox"/>
Materials	II-7	<input checked="" type="checkbox"/>
Contract Work	II-8	<input checked="" type="checkbox"/>
Transportation Expenses	II-9	<input checked="" type="checkbox"/>
Other Plant Maintenance	II-10	<input checked="" type="checkbox"/>
Employee Pensions/Benefits	II-11	<input checked="" type="checkbox"/>
Bad Debts/uncollectables	II-12	<input checked="" type="checkbox"/>
Office Services and Rentals	II-13	<input checked="" type="checkbox"/>
Office Supplies and Expense	II-14	<input checked="" type="checkbox"/>
Professional Services	II-15	<input checked="" type="checkbox"/>
Insurance	II-16	<input checked="" type="checkbox"/>
Rate Case Expense	II-17	<input checked="" type="checkbox"/>
Regulatory Commission Expense	II-18	<input checked="" type="checkbox"/>
Miscellaneous Expense	II-19	<input checked="" type="checkbox"/>

<p>UTILITY NAME: <u>Rankin Park Maintenance &amp; Utilities</u></p> <p>GENERAL WATER RATE/TARIFF CHANGE APPLICATION SCHEDULES</p> <p>TABLE OF CONTENTS (Page 2 of 2)</p>
--

	<u>Attachment Schedule</u>	<u>Items Checked</u>
<b>SECTION III</b>		
<b><u>RETURN AND RATE BASE</u></b>		
Requested Return	III-1	<input checked="" type="checkbox"/>
Rate Base	III-2	<input checked="" type="checkbox"/>
Utility Plant	III-3	<input checked="" type="checkbox"/>
Utility Plant reconciled to previous filing	III-3(a)	<input checked="" type="checkbox"/>
Developer Construction work in progress	III-4(a)	<input checked="" type="checkbox"/>
Materials and Supplies Inventory	III-4(b)	<input checked="" type="checkbox"/>
Working Cash	III-5	<input checked="" type="checkbox"/>
Notes Payable	III-6	<input checked="" type="checkbox"/>
Accumulated Depreciation	III-7	<input checked="" type="checkbox"/>
Advances for Construction	III-8(a)	<input checked="" type="checkbox"/>
Contributions in Aid of Construction	III-8(b)	<input checked="" type="checkbox"/>
Deferred Income Taxes	III-9(a)	<input checked="" type="checkbox"/>
Deferred Investment Tax Credits	III-9(b)	<input checked="" type="checkbox"/>
Deferred Assets	III-10(a)	<input checked="" type="checkbox"/>
<b>SECTION IV</b>		
<b><u>TAXES OTHER THAN INCOME</u></b>		
Property, Payroll and Other Taxes	IV(a)	<input checked="" type="checkbox"/>
Revenue Related Taxes	IV(b)	<input checked="" type="checkbox"/>
<b>SECTION V</b>		
<b><u>FEDERAL INCOME TAXES (FIT)</u></b>		
Income Taxes at Present Rates-effective rate	V	<input checked="" type="checkbox"/>
<b>SECTION VI</b>		
<b><u>RATE DESIGN</u></b>		
Rate Design Worksheet	VI	<input checked="" type="checkbox"/>

UTILITY NAME: <u>Rankin Park Maintenance &amp; Utilities</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>I-1 REVENUE REQUIREMENT SUMMARY</b> PUC Docket No. <u>45491</u> Test Year End: <u>12/31/2015</u>						
A	B	C	D	E	F=D+E	G
			Historical Test Year	K & M Changes	Adjusted Test Year	
Line No.	Acct. No.	Account Name				Reference/ Instructions
		<b>Volume related expenses:</b>				
1	610	Purchased water	-	-	-	Schedule II-3
2	615	Power Expense-production only	14,028	-	14,028	Schedule II-4
3	618	Other volume related expenses	-	-	-	Schedule II-5
4		Total volume related exp.	14,028	-	14,028	Add Lines 1-3
		<b>Non-volume related expenses:</b>				
5	601-1	Employee labor	-	-	-	Schedule II-6, Line 1
6	620	Materials	5,236	-	5,236	Schedule II-7
7	631-636	Contract work	10,162	-	10,162	Schedule II-8
8	650	Transportation expenses	-	-	-	Schedule II-9
9	664	Other plant maintenance	36,021	-	36,021	Schedule II-10
10		Total non-volume related exp.	51,419	-	51,419	Add Lines 5-9
		<b>Admin. &amp; general expenses:</b>				
11	601-2	Office salaries	-	-	-	Schedule II-6, line 2
12	601-3	Mgmt. salaries	-	-	-	Schedule II-6, line 3
13	604	Employee pensions & benefits	-	-	-	Schedule II-11
14	615	Purchased power-Office only	-	-	-	Schedule II-4
15	670	Bad debt expense	-	-	-	Schedule II-12
16	676	Office services & rentals	-	-	-	Schedule II-13
17	677	Office supplies & expenses	405	-	405	Schedule II-14
18	678	Professional services	620	-	620	Schedule II-15
19	684	Insurance	-	-	-	Schedule II-16
20	666	Regulatory (rate case) expense	1,250	-	1,250	Schedule II-17
21	667	Regulatory expense (other)	-	-	-	Schedule II-18
22	675	Miscellaneous expenses	6,370	-	6,370	Schedule II-19
23		Total admin. & general expense	8,645	-	8,645	Add Lines 11-22
24		Total operating Expenses	74,092	-	74,092	Lines 4 + 10 + 23
25	403	Depreciation	8,295	-	8,295	Sch III-3, Col E, Line 50
26	408	Taxes Other than Income	-	-	-	Sch IV(b), Line 8
27	409/10	Income Tax Expense	15,000	-	15,000	Schedule V, Line 7
28		TOTAL EXPENSES	97,387	-	97,387	
29		TOTAL HISTORIC REVENUE	52,770			Sch I-2, Line 6
30		HISTORICAL TEST YEAR RETURN	(44,617)			Line 30 less Line 29
31		REQUESTED RETURN			11,762	Schedule III-1, Line 3
32		TOTAL REVENUE REQUIREMENT			109,149	Line 30 plus Line 34
33		REQUESTED ANNUAL REVENUE INCREASE		(to notice)	56,379	Line 32 less Line 29
34		PERCENTAGE INCREASE			0.5200	Line 36 divided by Line 33
35		LESS: OTHER REVENUES			1,200	Sch. II-3(b), Col. D, Line 8
36		Revenue for Rate Design		(to VI, line 1)	107949	Line 33 minus Line 35

UTILITY NAME: Rankin Park Maintenance & Utilities  
 SCHEDULES - CLASS B RATE/TARIFF CHANGE  
 FOR TEST YEAR ENDED: 2015  
**I-2 HISTORICAL REVENUE SUMMARY**

Line No.	NARUC A/C Description	Historical Test Year	
1.	461 Metered connections base rate revenue	23070	From financial records
2.	461 Metered connection gallorage rate revenue	29700	From financial records
3.	460 Unmetered (Flat rate) revenue	0	From financial records
4.	Total Metered & Flat Rate Revenue	52770	
5.	Plus: Total Other Revenues	0	From II-3, Column B, line 7
6.	Total Historic Test Year Revenues per income statement and Annual Report*	52770	Line 4 plus line 5

(to I-1, Column D, line 29)

\*Provide all calculations and explanations for any differences between the applicant's annual report and this schedule.

\* If the utility provides other than residential retail service (wholesale, industrial, etc), provide a work paper with the detail of this account by NARUC sub account number.

UTILITY NAME: Rankin Park Maintenance & Utilities

SCHEDULES - CLASS B RATE/TARIFF CHANGE

**I-3 METERED ACTIVE CONNECTIONS BY METER SIZE**

FOR TEST YEAR ENDED: 2015

A	B	C	D	E	F		G	H
		Number of Connections						
Line No.	Meter Size	End of Prior Year	Test Year Additions	End of Test Year	Average		Meter Ratios	Meter Equivalencies End of TY
		PUC report Sch. 9		(C+D)	(C + E) / 2			(E x G)
1.	5/8" x 3/4"	0	0	0	0		1.0	0
2.	3/4"	9	0	9	0		1.5	13.5
3.	1"	18	1	19	18.5		2.5	47.5
4.	1 1/2"	10	1	11	10.5		5.0	55
5.	2"	11	0	11	11		8.0	88
6.								
7.								
8.								
9.	Total	48	2	50	49			204
10	Average							

UTILITY NAME: Rankin Park Maintenance & Utilities SCHEDULES - CLASS B RATE/TARIFF CHANGE <b>I-4 UNMETERED (FLAT RATE) ACTIVE CONNECTIONS</b> FOR TEST YEAR ENDED: 2015
---

A	B	C	D	E	F
		Number of Active Connections			
Line No.	Flat Rate Unit	End of Prior Year	Test Year Additions	End of Year	Average
		PUC report Sch. 9		(C + D)	(C + E) / 2
1.					
2.					
3.					
4.					
5.	Total				