



Control Number: 47833



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47833

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PUBLIC UTILITY COMMISSION
FILING CLERK

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

CCN Number

13083

Official Company Name:

Ricky L. Rowe dba Sunset Water Utilities

D/B/A Name(s)

N/A

**TO THE
PUBLIC UTILITY COMMISSION
OF TEXAS**

For the Year Ended 2017

41833

GENERAL INSTRUCTIONS - Class C 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. 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).
If the utility cannot complete the electronic forms, it may submit a hard copy rather than a Microsoft Excel spreadsheet.
3. Pencil entries will not be permitted on hard copy.
4. All accounting terms and phrases used in this report are to be interpreted in accordance with the effective applicable NARUC Uniform System of Accounts prescribed by this Commission, as set forth in 16 TAC §24.72 with detailed sub accounts listed in the form. The Texas Water Code defines Class B utility as a public utility providing retail water or sewer utility service to at least 500 but less than 10,000 taps or connections. Class B utilities must use the NARUC system of accounts for NARUC Class B utilities.
5. Standard accounting procedures shall apply in determining the nature of any entry (e.g. entries of a reverse or contrary character shall be indicated by a parentheses around the number).
6. The report shall be filed consisting of data relative to a calendar year basis (December 31 year end).
7. If this report is made for a period less than the calendar year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where the period covered is shown. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes). Provide a full explanation.
8. All instructions shall be followed and each question shall be answered fully and accurately. Sufficient answers shall appear to show that no question or schedule has been overlooked. The expression "none" or "not applicable" shall be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. Where information called for herein is not given, state fully the reason for its omission.

GENERAL INSTRUCTIONS

(Continued)

9. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different figures were used.
10. If an audit is performed on the books and records of the utility by a certified public accountant, please submit a copy with this form. If the utility is a member of a controlled group, both parent and subsidiary's annual report should be submitted.
11. Throughout this report money items will be rounded off to the nearest dollar.
12. In the space provided at the top of each page insert the name of the utility and the year to which this report relates.
13. IF YOU ARE UNDER COMMON CONTROL with other water or sewer utilities operating in Texas, you must file a consolidated income statement and balance sheet including all entities under common control in Texas. These statements should be in addition to the attached schedules for the reporting utility.
14. Unless otherwise indicated, the information required in this report shall be taken from the reporting entity's financial statements, accounts and other records. Any deviation from records must be explained.

EXCERPT FROM TEXAS WATER CODE**CHAPTER 13.136(b)**

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

Annual Report for Class C Water and/or Sewer Utilities

PUBLIC UTILITY COMMISSION OF TEXAS
1701 N. CONGRESS AVE., PO BOX 13326, AUSTIN, TX 78711-3326
pursuant to TWC § 13.136

I. NAME OF UTILITY, OFFICE MAILING ADDRESS AND AREA SERVED

- 1 Utility Name: Ricky L Rowe dba Sunset Water Utilities
- List all assumed name(s) or d/b/a names: N/A
- 2 Certificate of Convenience and Necessity No. 13083 Calendar Year Ending 2017
- 3 Street Address: P.O. Box 1326
- 4 City or Town: Marble Falls, TX CCN No.: 13083
- 5 Email Address: sunsetwaterutilities@gmail.com
- 6 County: Burnet Zip Code: 78654
- 7 TCEQ PWS Number(s) 0270114, 0270113, 0270017 & 0270118
- 8 Water Quality Discharge Permit Number(s) N/A

II. TYPE OF ORGANIZATION AND PRINCIPAL OFFICERS

- 9 Type of Ownership:
Corporation: _____ Partnership: _____ Individual: X Other: _____
- 10 If a corporation, list names and titles of the officers. If an individual or partnership, list the name of the individual or each partner and provide the title for each. For partnerships, please provide the percentage of ownership for each partner.
N/A
- 11 If the controlling ownership of this utility changed during the last twelve (12) months, state the date of ownership change and the name and address of the prior owner.
N/A
- 12 Date the utility was formed or incorporated: N/A
- 13 Is the utility under common ownership or control by another corporation? Y (N) If yes, by whom? No

III. PERSON TO CONTACT REGARDING THE INFORMATION SUPPLIED ON THESE FORMS

- 14 Name and Title: Bret W. Fenner, P.E.
- 15 Address: 200 Harbor Circle
- 16 City: Georgetown, TX 78633
- 17 Telephone Number with Area Code: 512-264-9124
- 18 Cell Phone Number with Area Code: 512-264-9124
- 19 Fax Number with Area Code: 512-692-1967
- 20 e-mail address: bretfenner@yahoo.com
- 21 If not an officer, owner or employee, give name of firm employed by: B & D Environmental, Inc.

1. Balance Sheet

Name of Utility: Ricky L. Rowe dba Sunset Water Utilities

Line #	ASSETS	End of Year 12/31/2017	End of Prior Year 12/31/2016
	<u>UTILITY PLANT</u>		
1	101 Utility Plant in Service	\$ 444,887	\$ 411,500
2	TOTAL UTILITY PLANT		
3	108 Less: Accumulated Amortization	\$ 0	\$ 0
4	110 Less: Accumulated Depreciation	\$ 204,261	\$ 188,493
5	NET UTILITY PLANT	\$ 240,626	\$ 223,007
6	<u>CURRENT ASSETS</u>	xxxx	xxxx
7	131-135 Cash	\$ 35,984	\$ 40,000
8	141-143 Accounts Receivable	\$ 11,208	\$ 10,000
9	151 Plant Materials and Supplies (not previously expensed)	\$ 0	\$ 2,500
10	171-174 Other Current Assets	\$ 0	\$ 0
11	TOTAL CURRENT ASSETS	\$ 47,192	\$ 52,500
12	<u>TOTAL ASSETS*</u>	\$ 287,818	\$ 275,507
	<u>LIABILITIES & EQUITY</u>		
	<u>EQUITY</u>		
13	201 Common Stock	\$ 0	\$ 0
14	211 Other paid in capital	\$ 189,544	\$ 156,157
15	215 Retained Earnings	\$ 70,554	\$ 91,117
16	218 Proprietary Capital	\$ 0	\$ 0
17	TOTAL STOCKHOLDERS' EQUITY	\$ 260,098	\$ 247,274
	<u>LONG-TERM DEBT</u>	xxxx	xxxx
18	224 Long-term debt (more than 1 year)	\$ 13,110	\$ 26,733
	<u>CURRENT LIABILITIES (less than 1 year)</u>	xxxx	xxxx
19	231 Accounts Payable	\$ 1,500	\$ 1,500
20	232 Notes Payable	\$ 0	\$ 0
21	241.0 Other Current Liabilities	\$ 0	\$ 0
	TOTAL CURRENT LIABILITIES	\$ 14,610	\$ 28,233
	<u>OTHER LIABILITIES and DEFERRED CREDITS</u>	xxxx	xxxx
22	253 Other Deferred Credits	\$ 0	\$ 0
23	271-272 Net Contributions in Aid of Construction	\$ 0	\$ 0
24	TOTAL OTHER LIABILITIES and DEFERRED CREDITS	\$ 0	\$ 0
25	<u>TOTAL LIABILITIES & EQUITY*</u>	\$ 287,818	\$ 275,507

Add NARUC accounts as needed, and if not shown above.

2. Statements of Income

Name of Utility: Ricky L. Rowe dba Sunset Water Utilities

Line #		Water	Sewer	Total
		Report Year	Report Year	Report Year
		A	B	C=A+B
	Report Calendar Year _____ 2017 _____			
1	Total Revenue:	\$ 134,499	\$ 0	\$ 134,499
	Operating Expenses:			
2	601 O & M Salaried Labor	\$ 44,400	\$ 0	\$ 44,400
3	604 Employee Benefits	\$ 0	\$ 0	\$ 0
4	631, 635, 636 O & M Contract labor	\$ 0	\$ 0	\$ 0
5	620 Operating/Maint Supplies	\$ 22,431	\$ 0	\$ 22,431
6	610 Purchased Water	\$ 0	\$ 0	\$ 0
7	615 Purchased Power	\$ 7,737	\$ 0	\$ 7,737
8	635 Testing Expense	\$ 2,199	\$ 0	\$ 2,199
9	618 Chemicals	\$ 1,028	\$ 0	\$ 1,028
10	656-659 Insurance	\$ 1,884	\$ 0	\$ 1,884
11	601 General Office Salaries	\$ 0	\$ 0	\$ 0
12	675 General Office Expenses	\$ 2,168	\$ 0	\$ 2,168
13	632 Contract Accounting	\$ 6,865	\$ 0	\$ 6,865
14	633 Legal	\$ 0	\$ 0	\$ 0
15	634 Management	\$ 0	\$ 0	\$ 0
16	666 Amortization- Rate Case Expense	\$ 0	\$ 0	\$ 0
17	403 Depreciation Expense	\$ 15,768	\$ 0	\$ 15,768
18	667-675 Other Misc. Expenses	\$ 725	\$ 0	\$ 725
	Taxes:	xxxx	xxxx	xxxx
19	409 Federal Income Taxes	\$ 9,591	\$ 0	\$ 9,591
20	409.0 State Franchise Taxes/Reg Assess.	\$ 1,214	\$ 0	\$ 1,214
21	408 All Other Taxes	\$ 1,220	\$ 0	\$ 1,220
22	Total Expenses	\$ 117,230	\$ 0	\$ 117,230
23	Net Operating Income	\$ 17,269	\$ 0	\$ 17,269
24	421, 433 Non-Operating Income	\$ 0	\$ 0	\$ 0
	Non-Operating Deductions:			
25	426 Other	\$ 0	\$ 0	\$ 0
26	427 Interest	\$ 2,661	\$ 0	\$ 2,661
27	Net Income	\$ 14,608	\$ 0	\$ 14,608

Name of Utility: Ricky L. Rowe dba Sunset Water Utilities

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3-S. Sewer Plant-in-Service - Changes since the last Annual Report

Name of Utility: Ricky L. Rowe Sunset Water Utilities

	Date Plant Installed/Retired mm/yyyy	Plant Additions		Plant Retirements		Plant Adjustments	Changes Since the Last Annual Report
		List Major Items by Class	Amounts	List Major Items by Class	Amounts		
WATER		N/A					\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
TOTALS			\$0		\$0	\$0	\$0
SEWER							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
TOTALS			\$0		\$0	\$0	\$0

Name of Utility: Ricky L. Rowe dba Sunset Water Utilities

4. Other Operating Information

<u>Connection information</u>		End of Prior Year	End of Year 12/21/2017	<u>Connection information</u>		End of Year mm/dd/yyyy	End of Prior Year
<u>WATER:</u>		12/21/2016		<u>SEWER:</u>			
1 Number of active water connections		132	135	Number of active sewer connections	None		
5/8" or 3/4"		132	135	Residential			
3/4"				Non-residential			
1"							
1 1/2"							
2"							
List all additional meter sizes:				List all additional meter sizes:			
Unmetered water connections		0	0	Unmetered water connections			
2 Number of inactive water connections		2	0	Number of inactive water connections			
5/8" or 3/4"		2	0				
3/4"							
1"							
1 1/2"							
2"							
List all additional meter sizes:				List all additional meter sizes:			
Unmetered, inactive connections		0	0	Unmetered, inactive connections			
3 Number of active sewer connections		0	0	Number of active sewer connections			
4 Number of inactive sewer connections		0	0	Number of inactive sewer connections			
5 Total gallons purchased			0				
6 Total gallons pumped			11276000				
Total Water Produced			11276000				
7 Total gallons sold			10058000				
8 Gallons unaccounted for			1218000				
				Total amount of sewer treated (gallons)			

Management and Operations

1. Do you have an Application form or formal process for new customers?
2. Do you have a copy of your approved tariff and TCEQ approved drought contingency plan for customer review?
3. Do you have written operating procedures for routine operations?
4. Do you have a written emergency action plans?
5. Do you have written personnel policies and procedures?
6. Do you have risk management and safety procedures?
7. Do you have customer service policies (including billing and collection)?
8. Do you prepare an annual written budget for financial planning purposes?
9. Provide a list of all affiliates and entities under Common Control (if any).
10. If you purchase wholesale water or sewer services, please list the name(s) of the wholesaler and describe the service(s) purchased from each.
11. If you have a current capital improvement/replacement plan, please attach a copy.

Yes or No

Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

Name of Utility: Ricky L. Rowe dba Sunset Water Utilities

5. Affiliated Transactions

Charges by an Affiliate to the Reporting Utility

Name of Affiliated company: ___ Sunset Hills Subdivision Water System

NARUC Account and/or type of service		Total Affiliated Company	Total Texas	Total for reporting entity
Account #	Account name or type of service	(Dollars transacted)	(Dollars transacted)	(Dollars transacted)
	None	0	0	0

Charges by an Reporting Utility to Affiliates

Name of Affiliated company: ___ Sunset Hills Subdivision Water System

NARUC Account and/or type of service		Total Affiliated Company	Total Texas	Total for reporting entity
Account #	Account name or type of service	(Dollars transacted)	(Dollars transacted)	(Dollars transacted)
	None	0	0	0

VERIFICATION**OATH**

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

State of Texas

as:

County of BurnetSandra J. Rowe

(Name of affiant)

makes oath and says that he/she is

Office Manager

(Official title of affiant)

of Ricky L. Rowe dba Sunset Water Utilities
(Exact legal title or name of the respondent)

The signed officer has reviewed the report.

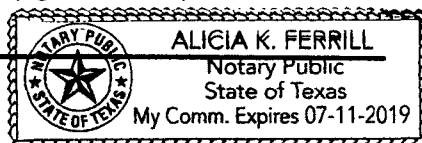
Based on the officer's knowledge, the report does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

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, 2017 to and including December 31, 2017Subscribed and sworn to and before me, a Notaryin and for the State and County above-named, this 4 day of May 2018.My commission expires 7/11/19

(Signature of officer authorized to administer oaths)

(Signature of affiant)

**SUPPLEMENTAL OATH**

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

State of Texas

as:

County of BurnetRicky L. Rowe

(Name of affiant)

mak Owner

(Official title of affiant)

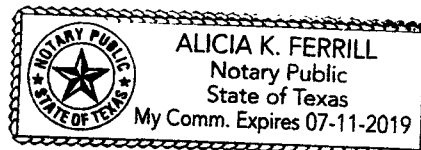
of Ricky L. Rowe dba Sunset Water Utilities

(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, 2017 to and including December 31, 2017Subscribed and sworn to before me, a Notaryin and for the State and County above-named, this 4 day of May, 18My commission expires 7/11/19

(Signature of officer authorized to administer oaths)

(Signature of affiant)



1. Balance Sheet

Name of Utility: Consolidated: Sunset Water Utilities & Sunset Hills Subdivision Water System

Line #	ASSETS	End of Year 12/31/2017	End of Prior Year 12/31/2016
	UTILITY PLANT		
1	101 Utility Plant in Service	\$ 656,286	\$ 622,899
2	TOTAL UTILITY PLANT		
3	108 Less: Accumulated Amortization	\$ 0	\$ 0
4	110 Less: Accumulated Depreciation	\$ 345,182	\$ 323,772
5	NET UTILITY PLANT	\$ 311,104	\$ 299,127
6	CURRENT ASSETS	xxxx	xxxx
7	131-135 Cash	\$ 38,066	\$ 45,111
8	141-143 Accounts Receivable	\$ 16,404	\$ 17,576
9	151 Plant Materials and Supplies (not previously expensed)	\$ 0	\$ 2,500
10	171-174 Other Current Assets	\$ 0	\$ 0
11	TOTAL CURRENT ASSETS	\$ 54,470	\$ 65,187
12	TOTAL ASSETS*	\$ 365,574	\$ 364,314
	LIABILITIES & EQUITY		
	EQUITY		
13	201 Common Stock	\$ 0	\$ 0
14	211 Other paid in capital	\$ 239,544	\$ 206,157
15	215 Retained Earnings	\$ 97,174	\$ 128,788
16	218 Proprietary Capital	\$ 0	\$ 0
17	TOTAL STOCKHOLDERS' EQUITY	\$ 336,718	\$ 334,945
	LONG-TERM DEBT	xxxx	xxxx
18	224 Long-term debt (more than 1 year)	\$ 13,110	\$ 26,733
	CURRENT LIABILITIES (less than 1 year)	xxxx	xxxx
19	231 Accounts Payable	\$ 2,636	\$ 2,636
20	232 Notes Payable	\$ 0	\$ 0
21	241.0 Other Current Liabilities	\$ 0	\$ 0
	TOTAL CURRENT LIABILITIES	\$ 15,746	\$ 29,369
	OTHER LIABILITIES and DEFERRED CREDITS	xxxx	xxxx
22	253 Other Deferred Credits	\$ 0	\$ 0
23	271-272 Net Contributions in Aid of Construction	\$ 0	\$ 0
24	TOTAL OTHER LIABILITIES and DEFERRED CREDITS	\$ 0	\$ 0
25	TOTAL LIABILITIES & EQUITY*	\$ 365,574	\$ 364,314

Add NARUC accounts as needed, and if not shown above.

2. Statements of Income

Name of Utility: Consolidated: Sunset Water Utilities & Sunset Hills Subdivision Water System

Line #

Report Calendar Year 2017

		Water	Sewer	Total
		Report Year	Report Year	Report Year
		A	B	C=A+B
1	Total Revenue:	\$ 196,845	\$ 0	\$ 196,845
	Operating Expenses:			
2	601 O & M Salaried Labor	\$ 68,400	\$ 0	\$ 68,400
3	604 Employee Benefits	\$ 0	\$ 0	\$ 0
4	631, 635, 636 O & M Contract labor	\$ 4,169	\$ 0	\$ 4,169
5	620 Operating/Maint Supplies	\$ 34,128	\$ 0	\$ 34,128
6	610 Purchased Water	\$ 0	\$ 0	\$ 0
7	615 Purchased Power	\$ 10,813	\$ 0	\$ 10,813
8	635 Testing Expense	\$ 2,560	\$ 0	\$ 2,560
9	618 Chemicals	\$ 1,871	\$ 0	\$ 1,871
10	656-659 Insurance	\$ 3,248	\$ 0	\$ 3,248
11	601 General Office Salaries	\$ 0	\$ 0	\$ 0
12	675 General Office Expenses	\$ 4,789	\$ 0	\$ 4,789
13	632 Contract Accounting	\$ 6,865	\$ 0	\$ 6,865
14	633 Legal	\$ 0	\$ 0	\$ 0
15	634 Management	\$ 0	\$ 0	\$ 0
16	666 Amortization- Rate Case Expense	\$ 0	\$ 0	\$ 0
17	403 Depreciation Expense	\$ 21,410	\$ 0	\$ 21,410
18	667-675 Other Misc. Expenses	\$ 1,071	\$ 0	\$ 1,071
	Taxes:	xxxx	xxxx	xxxx
19	409 Federal Income Taxes	\$ 12,983	\$ 0	\$ 12,983
20	409.0 State Franchise Taxes/Reg Assess.	\$ 1,800	\$ 0	\$ 1,800
21	408 All Other Taxes	\$ 1,553	\$ 0	\$ 1,553
22	Total Expenses	\$ 175,660	\$ 0	\$ 175,660
23	Net Operating Income	\$ 21,185	\$ 0	\$ 21,185
24	421, 433 Non-Operating Income	\$ 0	\$ 0	\$ 0
	Non-Operating Deductions:			
25	426 Other	\$ 0	\$ 0	\$ 0
26	427 Interest	\$ 2,661	\$ 0	\$ 2,661
27	Net Income	\$ 18,524	\$ 0	\$ 18,524

1/2

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