



Control Number: 47833



Item Number: 99

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47833

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

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Annual Report for Class B Water and/or Sewer Systems
Pursuant to TWC § 13.136 and Title 16 Texas Administrative Code (TAC) Chapter 2

PUBLIC UTILITY COMMISSION
FILING CLERK

I. UTILITY INFORMATION

- A. Utility Name: Corix Utilities (Texas) Inc.
List all assumed name(s) or d/b/a names: _____
- B. Street Address, City or Town & Zip code: 1812 Centre Creek Drive, Suite 100, Austin, TX 78754
County: Travis CCN No.: 13227/21081
- C. List All PWS System names and numbers: See separate attachment
- D. List All WQ Permitted system names and numbers: See separate attachment
- E. Type of Ownership:
Corporation: X Partnership: _____ Individual: _____ Other: _____
- F. If a corporation list names of the officers. If an individual or partnership list the name of the individual or each partner. Darrin Barker, Pres.; Kyle Jensen, Vice Pres.; Hamish Cumming, Vice Pres./Secretary; James Andrejko, Treasurer; Debra Plumb/Laura Granier, Asst Secretary
- g. If the controlling ownership of this utility changed during the last twelve (12) months, state the date of ownership change and the name and address of the prior owner. _____
- H. Date the utility was formed or incorporated: 3/30/2012
- I. Is the utility commonly owned or controlled by another corporation? Yes
If yes, by whom? Inland Pacific Resources, Inc.

II. INFORMATION REGARDING THE INFORMATION SUPPLIED ON THESE FORMS

- A. Name and Title: R. Darrin Barker
- B. Street Address, city, zip code: 1812 Centre Creek Drive, Suite 100, Austin, TX 78754
- C. Telephone Number with Area Code: 512-306-4007
Cell Phone Number with Area Code: _____
Fax Number with Area Code: _____
e-mail address: darrin.barker@corixtexas.com
- D. If not an officer, owner or employee, give name of firm employed by: _____
- E. List all entities under common control or ownership with this utility by entity name, CCN No(s)., Public Water System (PWS) No(s). and name(s) of water system(s) owned and Water Quality (WQ) Discharge Permit No(s). and name(s) of wastewater systems owned, and contact information.
none
- F. List all affiliates of the utility by entity name(s), CCN No(s). if any, PWS No. for each system owned and WQ Discharge Permit No. for each wastewater systems owned, including contact information.
none
- G. If the utility owner owns multiple CCN's, please list all CCN numbers owned: _____

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1000

Water System Name	PWS ID No.	County
Bonanza Beach	0270018	Burnet
Lake Buchanan	1500037	Burnet
Lometa	1410002	Lampasas
Paradise Point	1500008	Llano
Quail Creek	0270078	Burnet
Ridge Harbor	0270081	Burnet
Sandy Harbor	1500008	Llano
Smithwick Mills	0270045	Burnet
Spicewood Beach	0270011	Burnet
Summit Springs	0270148	Burnet
Tow Village	1500011	Llano
Alleyton	0450087	Colorado
Matagorda Dunes	1610052	Matagorda
Northeast Washington County	2390043	Washington
Mitchell County Utility System	1680004	Mitchell

Sewer System Name	WQ Permit No.	County
Lometa	WQ0011982-001	Lampasas
Ridge Harbor	WQ0014022-001	Burnet
Alleyton	WQ0013740-001	Colorado
Camp Swift	WQ0013548-001	Bastrop
Matagorda Dunes	WQ0014404-001	Matagorda
McKinney Roughs	WQ0013977-001	Bastrop
Windmill Ranch	WQ0014303-001	Bastrop

Name of Utility: Conx Utilities (Texas) Inc. Year End: 12/31/2017

2. BALANCE SHEETS

<u>ASSETS</u>	End of Year 12/31/2017	End of Prior Year 12/31/2016
<u>UTILITY PLANT</u>		
101 Utility Plant in Service	\$ 56,486,943	\$ 51,750,555
103 Property held for Future Use	\$ 9,849	
105 Construction Work In Progress	\$ 3,262,618	\$ 2,400,267
114, 115 Net Utility Plant Acquisition Adjustment	\$ (6,065,734)	\$ (6,549,418)
TOTAL UTILITY PLANT	\$ 53,693,676	\$ 47,601,404
108 Less: Accumulated Depreciation	\$ 25,360,258	\$ 22,288,770
110 Less: Accumulated Amortization	\$ (2,700,551)	\$ (2,427,931)
NET UTILITY PLANT	\$ 31,033,969	\$ 27,740,565
<u>CURRENT ASSETS</u>		
131-135 Cash	\$ 1,629,016	\$ 2,081,555
141-143 Accounts Receivable	\$ 1,049,779	\$ 1,118,035
144 Notes Receivable		
144-145 Accounts Receivable-Affiliates/Common Ownership	\$ (1,513,584)	
151 Plant Materials and Supplies	\$ 17,915	\$ 6,484
162 Prepayments	\$ 3,647	\$ 89,230
171-174 Other Current Assets		\$ 9,818
TOTAL CURRENT ASSETS	\$ 1,186,773	\$ 3,305,122
<u>OTHER ASSETS and DEFERRED CHARGES</u>		
181 Deferred Debt Expense		
182-186 Deferred Charges/Debits	\$ 920,459	\$ 503,913
190 Accum. Deferred Income Taxes		
TOTAL OTHER ASSETS and DEFERRED CHARGES	\$ 920,459	\$ 503,913
<u>TOTAL ASSETS</u>	<u>\$ 33,141,201</u>	<u>\$ 31,549,600</u>
<u>LIABILITIES & EQUITY</u>	End of Year mm/dd/yyyy	End of Prior Year mm/dd/yyyy
<u>STOCKHOLDERS' EQUITY</u>		
201 Common Stock	\$ 11,059,322	\$ 11,450,000
211 Other paid in capital	\$ 1,031,229	\$ (390,678)
215 Retained Earnings	\$ 12,090,551	\$ 11,059,322
TOTAL STOCKHOLDERS' EQUITY		
<u>LONG-TERM DEBT</u>		
224 Long-term debt, excluding current portion	\$ 10,550,000	\$ 10,550,000
<u>CURRENT LIABILITIES</u>		
Current Portion of Long-term Debt		
231 Accounts Payable	\$ 2,464,270	\$ 42,196
232 Notes Payable		
233, 234 Payables to Affiliates/Common Ownership		\$ 344,428
236 Accrued Taxes	\$ 87,310	\$ 64,574
237 Accrued Interest	\$ 169	\$ 57
241.0 Other Current Liabilities		\$ 1,145,550
TOTAL CURRENT LIABILITIES	\$ 2,551,749	\$ 1,596,805
<u>OTHER LIABILITIES and DEFERRED CREDITS</u>		
252 Advances for Construction		
253 Other Deferred Credits	\$ (616)	\$ 380,222
255 Deferred Investment Tax Credits		
271-272 Net Contributions in Aid of Construction	\$ 7,761,151	\$ 7,709,053
281-283 Accumulated Deferred Inc. Taxes	\$ 188,366	\$ 254,198
TOTAL OTHER LIABILITIES and DEFERRED CREDITS	\$ 7,948,901	\$ 8,343,473
<u>TOTAL LIABILITIES & EQUITY</u>	<u>\$ 33,141,201</u>	<u>\$ 31,549,600</u>

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

Name of Utility:

Corix Utilities (Texas) Inc.

Year End:

12/31/2017

3. STATEMENT OF REVENUES

(Actual Revenues for the report year)

Water <u>CUSTOMER CLASS</u>	Prior Year Reported 2016 (A)	Current Reporting Year 2017 (B)	Earnings Report adjustments (C)	Totals For Earnings Report Adjustments (D=B+C)
Metered Sales:				
5/8" or 3/4"	\$ 3,462,580	\$ 4,542,466		\$ 4,542,466
3/4"				\$ -
1"	\$ 116,081	\$ 186,300		\$ 186,300
1 1/2"	\$ 78,640	\$ 109,841		\$ 109,841
2"	\$ 145,879	\$ 271,318		\$ 271,318
List all additional meter sizes				\$ -
3"	\$ 14,108	\$ 30,455		\$ 30,455
				\$ -
				\$ -
SUB-TOTAL	\$ 3,817,288	\$ 5,140,380	\$ -	\$ 5,140,380

Unmetered Sales:

Wholesale Contract Revenues	\$ 263,251	\$ 184,091		\$ 184,091
				\$ -
				\$ -
				\$ -
				\$ -
List and explain if any rates are set on a basis other than meter size				\$ -
				\$ -
	\$ 263,251	\$ 184,091	\$ -	\$ 184,091

470.0 Late fees - Water

\$ 36,618

\$ 114,134

\$ 114,134

471-474 Other Revenue

\$ 335,602

\$ 183,341

\$ 183,341

TOTAL WATER REVENUE**\$ 4,452,759****\$ 5,621,946****\$ -****\$ 5,621,946**

To Statement of Income

Sewer <u>CUSTOMER CLASS</u>	Prior Year Reported yyyy (A)	Current Reporting Year yyyy (B)	Earnings Report adjustments (C)	Totals For Earnings Report Adjustments (D=B+C)
Metered (measured) Sales (if any):				
				\$ -
				\$ -
				\$ -
				\$ -
SUB-TOTAL	\$ -	\$ -	\$ -	\$ -

Unmetered (flat rate) Sales:

\$ 2,762,225

\$ 3,411,464

\$ 3,411,464

\$ -

\$ -

\$ -

SUB-TOTAL**\$ 2,762,225****\$ 3,411,464****\$ -****\$ 3,411,464**

470.0 Late fees - Sewer

\$ 24,788

\$ 19,183

\$ 19,183

536 Other Revenue

\$ 72,639

\$ 743

\$ 743

TOTAL SEWER REVENUE**\$ 2,859,652****\$ 3,431,390****\$ -****\$ 3,431,390****TOTAL REVENUE****\$ 7,312,411****\$ 9,053,336****\$ -****\$ 9,053,336**

To Statement of Income

Name of Utility: Corix Utilities (Texas) Inc.Year End: 12/31/2017**4. Statements of Income**

	Water Test Year 2017	Sewer Test Year 2017	Total - Water and Sewer	Earnings Report adjustments	Adjusted for Earnings Report
	(a)	(b)	(c)	(d)	(e)=(c)+(d)
1 Total Revenue: 1	\$ 5,621,946	\$ 3,431,390	\$ 9,053,336	\$ -	\$ 9,053,336
	XXXX	XXXX	XXXX	XXXX	XXXX
Operating Expenses:	XXXX	XXXX	XXXX	XXXX	XXXX
2 601.1/701.1 O & M Salaried Labor	\$ 995,755	\$ 652,394	\$ 1,648,149		\$ 1,648,149
3 604/704 Employee Benefits	\$ 156,848	\$ 155,628	\$ 312,476		\$ 312,476
4 6/731, 6/735, 6/736 O & M Contract labor	\$ 830	\$ 879	\$ 1,709		\$ 1,709
5 620/720 Operating/Maint Supplies	\$ 178,475	\$ 306,893	\$ 485,368		\$ 485,368
6 610/710 Purchased Water	\$ 256,739	\$ 2,948	\$ 259,687		\$ 259,687
7 615/715 Purchased Power	\$ 254,968	\$ 150,180	\$ 405,148		\$ 405,148
8 635/735 Testing Expense	\$ 52,721	\$ 33,610	\$ 86,331		\$ 86,331
9 618/718 Chemicals	\$ 94,535	\$ 27,338	\$ 121,873		\$ 121,873
10 656-659/756-759 Insurance	\$ 41,480	\$ 43,502	\$ 84,982		\$ 84,982
11 601.2/701.2 General Office Salaries	\$ 346,417	\$ 357,948	\$ 704,365		\$ 704,365
12 650/750 Transportation	\$ 120,282	\$ 120,157	\$ 240,439		\$ 240,439
13 675 General Office Expenses	\$ 176,134	\$ 148,489	\$ 324,623		\$ 324,623
14 632, 633, 634 Contract Acctg, legal, Mgmt	\$ 62,476	\$ 201,189	\$ 263,665		\$ 263,665
15 666 Amortization- Rate Case Expense	\$ 33,726	\$ 33,338	\$ 67,064		\$ 67,064
16 403 Depreciation Expense	\$ 843,167	\$ 821,988	\$ 1,665,155		\$ 1,665,155
17 667-675 Other Misc. Expenses	\$ 25,604	\$ 17,102	\$ 42,706		\$ 42,706
Taxes:			XXXX	XXXX	XXXX
18 409 Federal Income Taxes	\$ 135,508	\$ 133,919	\$ 269,427		\$ 269,427
19 409 State Franchise Taxes/Reg Assess.			\$ -		\$ -
20 408 All Other Taxes	\$ 232,981	\$ 339,288	\$ 572,269		\$ 572,269
21 Total Expenses	\$ 4,008,646	\$ 3,546,790	\$ 7,555,436	\$ -	\$ 7,555,436
			XXXX	XXXX	XXXX
22 Net Operating Income	\$ 1,613,300	\$ (115,400)	\$ 1,497,900	\$ -	\$ 1,497,900
			XXXX	XXXX	XXXX
23 421, 433 Non-Operating Income	\$ 3,619	\$ 1,489	\$ 5,108		\$ 5,108
24 Non-Operating Deductions:			XXXX	XXXX	XXXX
25 426 Other	\$ (713)	\$ (747)	\$ (1,460)		\$ (1,460)
26 427 Interest	\$ 200,392	\$ 198,062	\$ 398,454		\$ 398,454
27 Net Income	\$ 1,417,240	\$ (311,226)	\$ 1,106,014	\$ -	\$ 1,106,014

1. Carried over from Statements of Revenues

Name of Utility:

Corix Utilities (Texas) Inc.

Year End:

12/31/2017

5(a). Water Plant In Service - Changes Since the Previous Annual Report

A	B	C	D	E	F	G=D-E+F
Date Plant Installed/Retired mm/yyyy	List Major Items by account number and Class*	Report Year Beginning Balance*	Plant Additions Amounts	Plant Retirements Amounts	Plant Adjustments (plus or minus)	Total change during report year
	1020-Organization	\$ -	\$ 352,559			\$352,559
	1030-1045-Land & Land Rights	\$ 425,788	\$ 162,587			\$162,587
	1050-1065-Struct & Impr	\$ 4,127,579	\$ 318,015	\$ 22,640		\$295,375
	1075 Other Intakes	\$ 172,427	\$ 32,537	\$ 172,427		-\$139,890
	1080-Wells & Springs	\$ 1,603,846	\$ 53,794	\$ (172,427)		\$226,221
	1090-Supply Mains		\$ 15,383			\$15,383
	1100-1105-Elec Pump Equipmt	\$ 1,193,944	\$ 125,768	\$ 60,401		\$65,367
	1115-Water Treatment Eqmt	\$ 6,278,194	\$ 214,707	\$ 24,480		\$190,227
	1120-Dist Resv & Standpipes	\$ 2,558,335	\$ 149,248	\$ 22,688		\$126,560
	1125-T&D Mains	\$ 7,830,477	\$ 408,444	\$ 99,032		\$309,412
	1130-Service Lines	\$ 989,821	\$ 57,551	\$ 26,221		\$31,330
	1135-Meters	\$ 307,969	\$ 618,801	\$ 1,000		\$617,801
	1145-Hydrants	\$ 70,702	\$ 4,092	\$ 1,550		\$2,542
	1180-1210-Equipment	\$ 712,843	\$ 315,397	\$ 4,463		\$310,934
	1525-Reuse	\$ 12,263	\$ 65			\$65
	1555-Transp Eqpt	\$ 1,522,215	\$ 235,558	\$ 53,503		\$182,055
	1585-Computers	\$ 172,262	\$ 1,246,151			\$1,246,151
	1805-PHFU		\$ 9,849			\$9,849
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
TOTALS		\$27,978,665	\$4,320,506	\$315,978	\$0	\$4,004,528

12/31/2017

5(b). Sewer Plant In Service - Changes Since the Previous Annual Report

A	B	C	D	E	F	G=D-E+F
Date Plant Installed/Retired mm/yyyy	List Major Items by account number and Class*	Report Year Beginning Balance*	Plant Additions Amounts	Plant Retirements Amounts	Plant Adjustments (plus or minus)	Total change during report year
	1245-Organization	\$ -	\$ 159,200			\$159,200
	1260-1285-Land & Land Rights	\$ 1,480,347	\$ 137,611			\$137,611
	1295-1315-Struct & Impr	\$ 6,844,230	\$ 561,702	\$ 26,763		\$534,939
	1345-1350-Force/Gravity Mains	\$ 3,992,197	\$ 54,058	\$ 28,690		\$25,368
	1353-1360-Manhls/Svcs to Cust	\$ 88,316	\$ 50,652	\$ 4,175		\$46,477
	1365-Flow Measure Devices	\$ 83,992	\$ 77,007	\$ 7,849		\$69,158
	1375-Receiving Wells	\$ 1,805,620	\$ 5,662			\$5,662
	1380-1390-Pumping Eqpt	\$ 1,238,604	\$ 425,991	\$ 33,785		\$392,206
	1395-1440-Trtmnt/Dispsl Eqpt	\$ 6,663,266	\$ 199,760	\$ 43,496		\$156,264
	1440-1490-Equipment	\$ 177,053	\$ 63,229	\$ 4,491		\$58,738
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
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						\$0
						\$0
TOTALS		\$22,373,625	\$1,734,872	\$149,249	\$0	\$1,585,623

Name of Utility: Corix Utilities (Texas) Inc. **Year End:** 12/31/2017

7. Rate of Return

Year Ended 12/31/2017

	Balance	Capital Structure %	Cost Rates	Weighted Cost of Capital (c)=(a) x (b)
	(a)	(b)	(c)	
224.0 Long-Term Debt	10,550,000	46.60%	3.81%	1.78%
Common Equity*	12,090,551	53.40%	10.14%	5.41%
Total		100.00%		7.19%

*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 ==>>>

13.1

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

X

Name of Utility: Corix Utilities (Texas) Inc. Year End: 12/31/2017

8. Connection Count

METERED CUSTOMERS BY METER SIZE

Number of Customers						
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Line No.	Meter Size/ description	End of Prior Year	Additions or change	End of Report Year	Meter Ratios	Meter Equivalencies
Water				(C + D)		(E x F)
1	5/8" x 3/4"	3852	863	4715	1	4715
2	3/4"			0	1.5	0
3	1"	42	4	46	2.5	115
4	1 1/2"	11	1	12	5	60
5	2"	10	8	18	8	144
6	List all Additional meter sizes					
	3"	1	1	2	20	40
7	Unmetered					
8		3916	877	4793		5074
Total Water						
Sewer						
9		828	20	848		848
10						
11						
12						
13		828	20	848		848
Total Sewer						

9. VOLUMETRIC INFORMATION

	(Report in 1,000 gallons)	Report Year
	Description	2017
1.	Water Pumped	615,619
2.	Purchased Water	3,570
3.	Total Water Produced (1. + 2.)	619,189
4.	Total Water Sold	300,691
5.	Water Lost (3 - 4)	318,498

Name:

Year End:

12/31/2017

10. Affiliated Transactions**Charges by an Affiliate to the Reporting Utility**

Name of Affiliated company: Corix Infrastructure/Corix Water Products

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)
various	Shared services such as auditing fees, legal fees, etc. and corporate expenses such as benefits, salaries, travel, transp., etc.		227,159	227,159

Charges by an Reporting Utility to Affiliates

Name of Affiliated company: _____

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)

VERIFICATION

OATH

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

State of Texas as.

County of Williamson

Mary Blincoe makes oath and says that he/she is Financial Analyst II
(Name of affiant) (Official title of affiant)

of Corix Utilities (Texas) 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

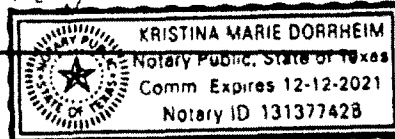
Based on such officer's knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of the issuer as of, and for, the periods presented in the report.

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 Jan 1, 2017 to and including Dec 31, 2017

Subscribed and sworn to and before me, a Notary Public of State of Texas
in and for the State and County above-named, this 12 day of June 2018

My commission expires 12-12-2021
(Signature of officer authorized to administer oaths)

Mary Blincoe
(Signature of affiant)



SUPPLEMENTAL OATH

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

State of _____ as.

County of _____

(Name of affiant) (Official title of affiant)
of _____
(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 statement of the business and affairs of the above named respondent during the period of time from and including _____ to and including _____

Subscribed and sworn to before me, a _____
in and for the State and County above-named, this _____ day of _____

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

(Signature of affiant)

Corix Utilities (Texas) Inc.
(Company Name)

VERIFICATION

OATH

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

State of _____
County of _____ as:

_____ makes oath and says that he/she is _____
(Name of affiant) (Official title of affiant)
of _____
(Exact legal title or name of the respondent)

The signed officer has reviewed the report.

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

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

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

Subscribed and sworn to and before me, a _____
in and for the State and County above-named, this _____ day of _____

(Signature of affiant)

My commission expires _____

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of _____ Texas _____
County of _____ San Saba _____ as:

_____ R. Darrin Barker _____ makes oath and says that he/she is _____ President _____
(Name of affiant) (Official title of affiant)
of _____ Corix Utilities (Texas), Inc. _____
(Exact legal title or name of the respondent)

that he/she has carefully examined the foregoing report, that he/she swears that all statements of fact contained in the said report are true, and that the said report is a correct statement of the business and affairs of the above named respondent during the period of time from and including _____ January 1, 2017 _____ to and including _____ December 1, 2017 _____

Subscribed and sworn to before me, a A Notary Public
in and for the State and County above-named, this 1st day of June, 2018

(Signature of affiant)

My commission expires 01-05-2022

(Signature of officer authorized to administer oaths)

