



# ANNUAL RESULTS OF OPERATIONS REPORT

## COMPANY SIZE (based on Annual Revenue)

Class A Water Utility  
(Annual Gross Revenue of \$1,000,000 or more)

## FOR THE CALENDAR YEAR

2020

## COMPANY NAME

Sunriver Water LLC

OREGON PUBLIC UTILITY COMMISSION  
PO BOX 1088  
SALEM OR 97308-1088

## INSTRUCTIONS

Sunriver Water LLC

The Annual Results of Operations Report, required by the Public Utility Commission (PUC or Commission) under the authority of the Oregon Revised Statutes (ORS) 757.125 and 757.135, is based on the utility's operations for a calendar or fiscal year and is a convenient method for the Commission's staff to monitor the utility's results of operations. It must be filed electronically with the PUC on or before April 1<sup>st</sup> of the year following that for which the report is made. Attach the completed report **in Excel ONLY with formulae intact** and any supplementary pages to an email addressed to the following address: [puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us).

- Interpret all accounting words and phrases in accordance with the USOA.
- Special or unusual entries and all discrepancies must be fully explained. Describe fully any unusual entries and discrepancies in a narrative explanation in the tab titled "Notes."
- If the utility has filed, or intends to file, a separate rate schedule in its tariff for non-contiguous portions of its water system, separate accounting for Operating Revenues, Operating Expense, Plant Investments, and related Reserve for Depreciation must be maintained by the utility for each portion of the water system relating to each separate rate schedule. This annual report, however, should include the combined financial data for the utility.
- Each incorporated utility is requested to file with this report a copy of its most recent annual report to stockholders, if one is prepared.
- All schedules that call for the balance at the beginning of the year should reflect the same end of year balance **exactly** as shown in the prior year's annual report. Any adjustments to the ending balances shown in the report for the previous year should be reflected in the current year's activity and reported along with an explanation in the annual report.

**FOR QUESTIONS CONTACT RUSS BEITZEL AT 971-209-0533 OR EMAIL AT  
RUSSELL.BEITZEL@STATE.OR.US**

**OATH**

Sunriver Water LLC

**Complete Address of Reporting Utility**

Line 1:	PO Box 3699
Line 2:	
City:	Sunriver
State:	OR
Zip:	97707
phone:	541-593-4197
email:	
fax:	541-593-4643
website:	

**Name and title of person responsible for report**

Name:	Brody Wilson
Title:	CFO/Treasurer
Phone:	503-610-7176
Email:	brody.wilson@hwnatural.com

**Oath & Signature**

THIS REPORT, INCLUDING ANY ACCOMPANYING SCHEDULES AND STATEMENTS, HAS BEEN EXAMINED BY ME, AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IS TRUE, CORRECT AND COMPLETE.

<input checked="" type="checkbox"/> By clicking this box I affirm the above statement.
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**INFORMATION**

Sunriver Water LLC

**Provide the following information for the contact person regarding this report**

Name:	Tim Smith
Address:	PO Box 3699, Sunriver, OR 97707
Phone:	860-885-9784
Email:	tsmith@sunriverutilities.com

**Provide the following information for where the utility's books and records are located**

Name:	Sunriver Water LLC
Address:	57850 W Cascade Dr, Sunriver, OR 97707
Phone:	541-593-4197
Email:	

**Provide the following information of any audit group reviewing records and/or operations**

Name:	
Address:	
Phone:	
Email:	

**Date of original organization of the utility (month, day, year):**

6/1/1998
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**Provide the following information for all utility officers and directors**

Name	Title	Phone #	Email
Justin Palfreyman	President	503-721-2451	justin.palfreyman@nwnatural.com
Brody Wilson	CFO/Treasurer	503-610-7176	brody.wilson@nwnatural.com
Shawn Filippi	Secretary	503-220-2435	shawn.filippi@nwnatural.com
Jeremy Aird	Director of Accting & Finance	503-593-3967	jeremy.aird@nwnatural.com
Tim Smith	General Manager	541-593-4197	tsmith@sunriverutilities.com

**Provide the following information for legal counsel, accountants, and others not on utility's general payroll**

Name	Title	Phone #	Email

**ORGANIZATION**

Sunriver Water LLC

Select business type  
Private/Investor Owned

Select ownership type  
Corporation

Select accounting method  
accrual

INSTRUCTIONS: IF THE UTILITY IS A SOLE PROPRIETORSHIP OR PARTNERSHIP, COMPLETE PART A AND PROVIDE THE NAMES AND ADDRESSES OF ALL PERSONS HAVING ANY INTEREST OR EQUITY IN THE UTILITY AND THE AMOUNT OF SUCH EQUITY. IF THE UTILITY IS A CORPORATION, COMPLETE PARTS B AND C, AND PROVIDE THE NAMES AND ADDRESSES OF THE THREE LARGEST STOCKHOLDERS AND ALL OFFICERS AND DIRECTORS. STATE THE NUMBER OF SHARES HELD BY EACH.

**Part A: Sole Proprietorship or Partnership**

1	Name of owner or partner	NW Natural Water of Oregon, LLC	
	Address	250 SW Taylor St., Portland, OR 97204	
	% interest or equity	100%	
	Principal duty (if employed by company)		
2	Name of owner or partner		
	Address		
	% interest or equity		
	Principal duty (if employed by company)		
3	Name of owner or partner		
	Address		
	% interest or equity		
	Principal duty (if employed by company)		
4	Name of owner or partner		
	Address		
	% interest or equity		
	Principal duty (if employed by company)		

**Part B: Corporation**

1	Name of stockholder/director/officer		
	Title		
	Address		
	# shares owned		
2	Name of stockholder/director/officer		
	Title		
	Address		
	# shares owned		
3	Name of stockholder/director/officer		
	Title		
	Address		
	# shares owned		
4	Name of stockholder/director/officer		
	Title		
	Address		
	# shares owned		

**Part C: Corporation - Shares Outstanding**

	Common Stock	Preferred Stock
# shares authorized		
# shares issued at year end		
Par or stated value per share:		
Dividends declared per share during the year:		

**AFFILIATED INTERESTS**

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500.00 in any one year, entered into between the company and an affiliated business or financial organization, firm, partnership, or individual. An Affiliated Interest is defined, in part, as every corporation and/or person owning or holding directly or indirectly **5 percent** or more of the voting securities of the utility. For a complete definition of affiliated interest, see ORS 757.015.

**Products or Services SOLD to Affiliated Interests**

Name of Affiliate	Description of product or service	Contract or Agreement effective date	Revenue
			\$ -

**Products or Services PURCHASED from Affiliated Interests**

Name of Affiliate	Description of product or service	Contract or Agreement effective date	Cost
NW Natural Water Company, LLC	Management 2020	5/31/2019	\$ 301,409
NW Natural Water Oregon	General Manager Cost Allocation (Salmon Valley & Suncadia)		\$ (7,048)
			\$ 294,361
<b>TOTAL</b>			<b>\$ (294,361)</b>

**Explanations or Notes**

The affiliated interest agreement was approved by the OPUC in Order No. 19-411 in docket UI 415. The AI agreement is retroactively effective as of 5/31/2019.

**REVENUES**

Sunriver Water LLC

gal or cf

gal

**Consumption and Revenue**

	Act #	# customers at year beginning	# customers at year end	Total Quantity water sold	revenues
Unmetered (flat rate) water sales	460	40	40	703,800	\$ 11,638
Metered sales to RESIDENTIAL customers	461.1	4,204	4,234	318,965,270	\$ 1,232,481
Metered sales to COMMERCIAL customers	461.2	126	128	40,748,750	\$ 155,438
Metered sales to INDUSTRIAL customers	461.3				
Other metered sales to public authorities	461.4				
Metered sales to multiple family dwellings	461.5	263	263	8,413,490	\$ 53,460
Public fire protection revenue	462.1				
Private fire protection revenue	462.2	27	27		\$ 9,512
Other Sales to public authorities	464				
Sales to irrigation customers	465	112	109	150,788,770	\$ 344,173
Sales for resale	466				
Water Sales to golf course/recreation revenue	467				
Special contract/agreement revenue	468				
<b>TOTAL</b>		<b>4,772</b>	<b>4,801</b>	<b>519,620,080</b>	<b>\$ 1,806,702</b>

**Revenue other than water sales**

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 41,393
Rents from water property	472	
Interdepartmental rents	473	
Other	474	
Cross Connection sales & services revenues	475	\$ 51,332
<b>Total</b>		<b>\$ 92,725</b>

Total Operating Revenue

\$ 1,899,427

**Average Monthly Consumption and Bill**

	Act #	Average Monthly Consumption per customer	Average Monthly Revenue per customer
Unmetered (flat rate) water sales	460	1466.25	24.24583333
Metered sales to RESIDENTIAL customers	461.1	6300.175199	24.3438611
Metered sales to COMMERCIAL customers	461.2	26738.02493	101.9934383
Metered sales to INDUSTRIAL customers	461.3		
Other metered sales to public authorities	461.4		
Metered sales to multiple family dwellings	461.5	2665.871356	16.9391635
Public fire protection revenue	462.1		
Private fire protection revenue	462.2		29.35802469
Other Sales to public authorities	464		
Sales to irrigation customers	465	113717.0211	259.5573152
Sales for resale	466		
Water Sales to golf course/recreation revenue	467		
Special contract/agreement revenue	468		

**TAXES AND PROPERTY SALES**

**Act # TAXES OTHER THAN INCOME TAX**

408.11	Property Tax	\$	88,735
408.12	Payroll Tax	\$	62,878
408.13	Other Tax Other Than Income Tax		
408.2	Nonutility Taxes Other Than Income Tax		
TOTAL		\$	151,613

**Act # INCOME TAXES**

409.1	Federal Income Tax	\$	(28,983)
409.11	State Income Tax	\$	2,900
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
TOTAL		\$	(26,083)

**Act # DEFERRED AND PROVISION FOR DEFERRED INCOME TAXES**

410.1	Deferred Federal Income Taxes – Utility Operations		
410.11	Deferred State Income Taxes – Utility Operations		
410.2	Provision for Deferred Income Taxes – Other Income and Deductions		
411.1	Provision for Deferred Income Taxes – Credit – Utility Operations		
411.2	Provision for Deferred Income Taxes – Credit – Other income & Deductions		
TOTAL		\$	-

**GAINS AND LOSSES FROM UTILITY PROPERTY SALE - ACCOUNT 414 (enter losses as negative amounts)**

Description	Amount
Total	\$ -



## EXPENSES

Act #		Expense amount
601	Salaries and Wages - employees	\$ 672,562
603	Salaries and Wages – officers, directors, and majority stockholders	
604	Employee Pensions & Benefits	\$ 286,789
610	Purchased Water	
611	Telephone/Communications	\$ 9,444
615	Purchased Power	\$ 71,748
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	\$ 662
618	Chemicals & testing	\$ 102
619	Office Supplies (excluding postage)	\$ 3,870
619.1	Postage	\$ 23,810
620	Materials & Supplies (O&M)	\$ 8,426
621	Repairs of Water Plant	\$ 10,258
631	Contractual Services - engineering	
632	Contractual Services - accounting	\$ 20,806
633	Contractual Services - legal	\$ -
634	Contractual Services - management	\$ 127,302
635	Contractual Services – testing / sampling	
636	Contractual Services – labor	\$ 33,514
637	Contractual Services - billing/collections	\$ -
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 33,410
641	Rental of Building / Real Property	\$ 24,326
642	Rental of Equipment	\$ -
643	Small Tools	\$ 18,726
648	Computer and electronic Expenses	\$ 47,139
650	Transportation Expenses	\$ 37,398
656	Insurance - Vehicle	\$ 16,402
657	Insurance – General Liability	\$ 21,832
658	Insurance – Workman’s Compensation	\$ 13,976
659	Insurance – Other	\$ 6,844
660	Public Relation / Advertising Expense	
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 12,221
668	Conservation Expense	
670	Bad Debt Expense	\$ 429
671.1	Cross Connection Control Program Expense	
671.2	Cross Connection Testing & Maintenance Services	
673	Training & Certification Expense	\$ 3,025
674	Consumer Confidence Report	
675	Miscellaneous Expense	\$ 41,909
	TOTAL	\$ 1,546,930

**PLANT**

Sunriver Water LLC

NOTE: Do **NOT** include any donated capital or contributions in aid of construction (CIAC) on this page.

Act #		Beg Year Balance	Added during year	Retired during year	Adjustments	End of year balance
301	Organization	\$ -				\$ -
302	Franchises	\$ -				\$ -
303	Land & land rights	\$ 73,059	\$ 31,700			\$ 104,759
304	Structures & improvements	\$ 84,246	\$ 56,421			\$ 140,667
305	Collecting & impounding reservoirs	\$ 0	\$ -			\$ 0
306	Lake, river & other intakes	\$ -				\$ -
307	Wells & springs	\$ 1,086,231	\$ 536,983			\$ 1,623,214
308	Infiltration galleries & tunnels	\$ -	\$ -			\$ -
309	Supply mains	\$ 7,143	\$ -			\$ 7,143
310	Power generation equipment	\$ 226,836	\$ 42,369			\$ 269,205
311	Pumping equipment	\$ 137,167	\$ 3,374			\$ 140,541
320	Water treatment equipment	\$ 7,010	\$ -			\$ 7,010
330	Distribution reservoirs & standpipes	\$ 2,573,868	\$ 3,868			\$ 2,577,736
331	Transmission & distribution mains	\$ 733,936	\$ 128,569			\$ 862,505
333	Services	\$ -	\$ -			\$ -
334	Meters & meter installations	\$ 1,167,406	\$ 118,937			\$ 1,286,343
335	Hydrants	\$ 49,227	\$ -			\$ 49,227
336	Backflow prevention devices (utility owned)	\$ 1,760	\$ -			\$ 1,760
339	Other plant & miscellaneous equipment	\$ 153,340	\$ -			\$ 153,340
340	Office furniture & equipment	\$ -	\$ -			\$ -
341	Transportation equipment	\$ 356,317	\$ -			\$ 356,317
343	Tools, shop & garage equipment	\$ 226,400	\$ -			\$ 226,400
344	Laboratory equipment	\$ -	\$ -			\$ -
345	Power operated equipment	\$ 2,210	\$ -			\$ 2,210
346	Communication equipment	\$ 67,958	\$ 76,808			\$ 144,766
347	Electronic & computer equipment	\$ 367,667	\$ 158,523			\$ 526,190
348	Miscellaneous equipment	\$ 123,019	\$ 5,877			\$ 128,896
	<b>TOTAL</b>	<b>\$ 7,444,802</b>	<b>\$ 1,163,428</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,608,230</b>

Explanation of unusual changes in utility plant during the year:

**CIAC AND ADVANCES**

NOTE: Include ALL donated capital or contributions in aid of construction (CIAC) on this page.

**Advances for Construction**

Beg of year balance	
Additions during year	
Subtractions during year	
End of year balance	\$ -

**Contributions in Aid of Construction**

Beg of year balance	
Added during the year:	
Capacity charge	
Main line extension charges	
Customer connection charges	
Developer's property	
Other	
Retired during the year	
End of year balance	\$ -

**Accumulated Amortization of CIAC**

Beg of year balance	
Add CIAC amortized during year	
Subtract effects of CIAC disposals	
+/- other adjustments*	
Change in Accumulated Amortization during the year	\$ -
End of year balance	\$ -

\* Explain any adjustments:

**DEPRECIATION**

Sunriver Water LLC

NOTE: Do **NOT** include any contributions in aid of construction (CIAC) on this page.

<u>Act #</u>	<u>annual depreciation expense</u>	<u>acc dep balance beg of year</u>	<u>accruals booked to acc dep</u>	<u>plant retired charged to acc dep</u>	<u>Adjustments*</u>	<u>acc dep balance end of year</u>
301	Organization					
302	Franchises					
303	Land & land rights					
304	Structures & improvements	\$ 3,035	\$ 54,855	\$ 3,035		\$ 57,889
305	Collecting & impounding reservoirs		\$ -	\$ -		\$ -
306	Lake, river & other intakes		\$ -	\$ -		\$ -
307	Wells & springs	\$ 49,578	\$ 561,947	\$ 49,578		\$ 611,525
308	Infiltration galleries & tunnels		\$ -	\$ -		\$ -
309	Supply mains	\$ 143	\$ 4,583	\$ 143		\$ 4,726
310	Power generation equipment	\$ 5,911	\$ 158,762	\$ 5,911		\$ 164,673
311	Pumping equipment	\$ 5,968	\$ 76,188	\$ 5,968		\$ 82,156
320	Water treatment equipment	\$ -	\$ 5,256	\$ -		\$ 5,256
330	Distribution reservoirs & standpipes	\$ 233,115	\$ 436,948	\$ 233,115	\$ (182,900)	\$ 487,163
331	Transmission & distribution mains	\$ 15,003	\$ 310,029	\$ 15,003		\$ 325,032
333	Services		\$ -	\$ -		\$ -
334	Meters & meter installations	\$ 48,087	\$ 582,011	\$ 48,087		\$ 630,098
335	Hydrants	\$ 1,232	\$ 5,284	\$ 1,232		\$ 6,515
336	Backflow prevention devices (utility owned)	\$ 117	\$ 677	\$ 117		\$ 794
339	Other plant & miscellaneous equipment	\$ 5,286	\$ 21,585	\$ 5,286		\$ 26,871
340	Office furniture & equipment	\$ -	\$ -	\$ -		\$ -
341	Transportation equipment	\$ 26,949	\$ 248,567	\$ 26,949		\$ 275,516
343	Tools, shop & garage equipment	\$ 12,622	\$ 142,952	\$ 12,622		\$ 155,575
344	Laboratory equipment	\$ -	\$ -	\$ -		\$ -
345	Power operated equipment	\$ -	\$ 2,210	\$ -		\$ 2,210
346	Communication equip	\$ 8,998	\$ 37,283	\$ 8,998		\$ 46,281
347	Electronic & computer Equipment	\$ 74,580	\$ 198,266	\$ 74,580		\$ 272,847
348	Miscellaneous Equipment	\$ 6,561	\$ 101,292	\$ 6,561		\$ 107,853
	<b>TOTAL</b>	<b>\$ 497,184</b>	<b>\$ 2,948,695</b>	<b>\$ 497,184</b>	<b>\$ (182,900)</b>	<b>\$ 3,262,979</b>

\*Explanation of any adjustments made:

Adjustment represents difference between rate case rollforward of Plant and the expense taken in the income statement. We recorded more depreciation than our revised fixed asset schedule supp

## RETAINED EARNINGS

Sunriver Water LLC

215	Unappropriated Retained Earnings (beginning of year balance)	\$	(87,553)
435	Balance transferred from income	\$	(108,811)
436	Appropriations of Retained Earnings	\$	-
437	Preferred Stock dividends declared	\$	-
438	Common Stock dividends declared	\$	-
439	Adjustments to Retained Earnings*		
215	Unappropriated Retained Earnings (as of year end)	\$	(196,364)

\* Explanation of any adjustments made to Retained Earnings

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**OTHER ACCOUNTS**

Survivor Water LLC  
 For account information not already entered, please enter amounts below, if applicable.

Category Act # Act Name

**ASSETS AND OTHER DEBITS (101-190)**

Utility Plant		
101	Utility Plant in Service	\$ 8,608,230
102	Utility Plant Leased to Others	
103	Property Held for Future Use	
104	Utility Plant Purchased or Sold	
105	Construction Work in Progress - Commission Approved	\$ 232,220
108	Accumulated Depreciation of Utility Plant in Service	\$ 3,262,979
110	Accumulated Amortization of Utility Plant in Service	
114	Utility Plant Acquisition Adjustments	
115	Accumulated Amortization of Utility Plant Acquisition Adjustments	

Other Property & Investments		
121	Nonutility Property	
122	Accumulated Depreciation and Amortization of Nonutility Property	
123	Investment in Associated Companies	
124	Utility Investments	
125	Other Investments	
127	Other Special Funds	

Current & Accrued Assets		
131	Cash	\$ 40,466
132	Special Deposits	
134	Working Funds	
135	Temporary Cash Investments	
141	Customer Accounts Receivable	\$ 3,110
142	Other Accounts Receivable	
143	Allowance for Uncollectible Accounts (Enter positive)	
144	Notes Receivable	
145	Accounts Receivable from Associated Companies	\$ 8,183
146	Notes Receivable from Associated Companies	
151	Plant Materials and Supplies	\$ 42,121
162	Prepayments	\$ 117,496
171	Accrued Interest Receivable	
174	Miscellaneous Current and Accrued Assets	

Deferred Debits		
181	Unamortized Debt Discount and Expense	
182	Extraordinary Property Losses	
186	Miscellaneous Deferred Debits	\$ 39,505
190	Accumulated Deferred Income Taxes	

**EQUITY, LIABILITIES, AND OTHER CREDITS (201-283)**

Equity		
201	Common Stock Issued	\$ -
204	Preferred Stock Issued	\$ -
207	Premium on Capital Stock	
211	Paid in Capital	\$ 4,889,082
212	Discount on Capital Stock	
213	Capital Stock Expense	
214	Appropriated Retained Earnings	
215	Unappropriated Retained Earnings	\$ (196,364)
216	Reacquired Capital Stock	
218	Proprietary Capital	
Long Term Debt		
221	Bonds	
223	Advances from Associated Companies	
224	Other Long-Term Debt	

Current and Accrued Liabilities		
231	Accounts Payable	\$ 65,132
232	Notes Payable	
233	Accounts Payable to Associated Companies	\$ 522,335
234	Notes Payable to Associated Companies	
235	Customer Deposits	
236	Accrued Taxes	\$ 2,679
237	Accrued Interest	
238	Accrued Dividends	
239	Matured Long-Term Debt	
240	Matured Interest	
241	Miscellaneous Current and Accrued Liabilities	
Deferred Credits		
251	Unamortized Premium on Debt	
252	Advances for Construction	\$ -
253	Other Deferred Credits	

Operating Reserves		
261	Property Insurance Reserve	
262	Injuries and Damages Reserve	
263	Pensions and Benefits Reserve	
265	Miscellaneous Operating Reserves	
Contributions in Aid of Construction		
271	Contributions in Aid of Construction	\$ -
272	Accumulated Amortization of CIAC	\$ -

Accumulated Deferred Income Taxes		
281	Accumulated Deferred Income Taxes - Accelerated Depreciation	
282	Accumulated Deferred Income Taxes - Liberalized Depreciation	
283	Accumulated Deferred Income Taxes - Other	\$ 545,488

WATER UTILITY PLANT ACCOUNTS (301-348)		
301	Organization	\$ -
302	Franchises	\$ -
303	Land and Land Rights	\$ 104,759
304	Structures and Improvements	\$ 140,667
305	Collecting and Impounding Reservoirs	\$ 0
306	Lakes, River and Other Intakes	\$ -
307	Wells and Springs	\$ 1,623,214
308	Infiltration Galleries and Tunnels	\$ -
309	Supply Mains	\$ 7,143
310	Power Generation Equipment	\$ 269,205
311	Pumping Equipment	\$ 140,541
320	Water Treatment Equipment	\$ 7,010
330	Distribution Reservoirs and Standpipes	\$ 2,577,736
331	Transmission and Distribution Mains	\$ 862,505
333	Services	\$ -
334	Meters and Meter Installations	\$ 1,286,343
335	Hydrants	\$ 49,227
336	Backflow Prevention Devices	\$ 1,760
339	Other Plant and Miscellaneous Equipment	\$ 153,340
340	Office Furniture and Equipment	\$ -
341	Transportation Equipment	\$ 356,317
343	Tools, Shop and Garage Equipment	\$ 226,400
344	Laboratory Equipment	\$ -

345	Power Operated Equipment	\$ 2,210
346	Communication Equipment	\$ 144,766
347	Computer & electronic Equipment	\$ 526,190
348	Miscellaneous Equipment	\$ 128,896

**INCOME ACCOUNTS (404-434)**

Utility Operating Income		
400	Operating Revenue	\$ 1,899,427
401	Operating Expenses	\$ 1,546,930
403	Depreciation Expense	\$ 497,184
406	Amortization of Utility Plant Acquisition Adjustment	
407	Amortization Expense (no CIAC)	
408	Taxes Other than Income	\$ 151,613
409	Income Taxes	\$ (26,083)
410	Provision for Deferred Income Taxes - Debit	\$ -
411	Provision for Deferred Income Taxes - Credit	\$ -
412	Investment Tax Credit	
413	Income from Utility Plant Leased to Others	
414	Gain/Loss from Utility Property Sales	\$ -
415	Revenues from Merchandising, Jobbing, and Contract Work	
416	Cost and Expenses of Merchandising, Jobbing, and Contract Work	
419	Interest and Dividend Income	
421	Nonutility Income	\$ 161,406
426	Nonutility Expenses	
433	Extraordinary Income	
434	Extraordinary Deductions	

Taxes Applicable to Nonutility Income and Deductions		
408.2	Taxes Other than Income - Nonutility	\$ -
409.2	Income Taxes - Nonutility	\$ -
410.2	Provision for Deferred Income Taxes - Debit - Nonutility	\$ -
411.2	Provision for Deferred Income Taxes - Credit - Nonutility	\$ -

Interest Expense		
427	Interest Expense	
428	Amortization of Debt Discount and Expense	
429	Amortization of Premium on Debt	

**Retained Earnings Account (435-439)**

435	Balance Transferred from Income	\$ (108,811)
436	Appropriations of Retained Earnings	
437	Preferred Stock Dividends Declared	\$ -
438	Common Stock Dividends Declared	\$ -
439	Adjustment to Retained Earnings	\$ -

**OPERATING REVENUE ACCOUNTS (460-475)**

460	Unmetered Water Revenue	\$ 11,638
461.1	Metered Sales to Residential Customers	\$ 1,232,481
461.2	Metered Sales to Commercial Customers	\$ 155,438
461.3	Metered Sales to Industrial Customers	\$ -
461.4	Metered Sales to Public Authorities	\$ -
461.5	Metered Sales to Multiple Family Dwellings	\$ 53,460
462.1	1 Public Fire Protection	\$ -
462.2	2 Private Fire Protection	\$ 9,512
464	Other Sales to Public Authorities	\$ -
465	Sales to Irrigation Customers	\$ 344,173
466	Sales for Resale	\$ -
467	Interdepartmental Sales	\$ -
468	Special Contract/Agreement Revenue	\$ -
470	Forfeited Discounts	\$ -
471	Miscellaneous Service Revenues	\$ 41,393
472	Rents From Water Property	\$ -
473	Interdepartmental Rents	\$ -
474	Other Water Revenues	\$ -
475	Cross Connection Sales & Services Revenues	\$ 51,332

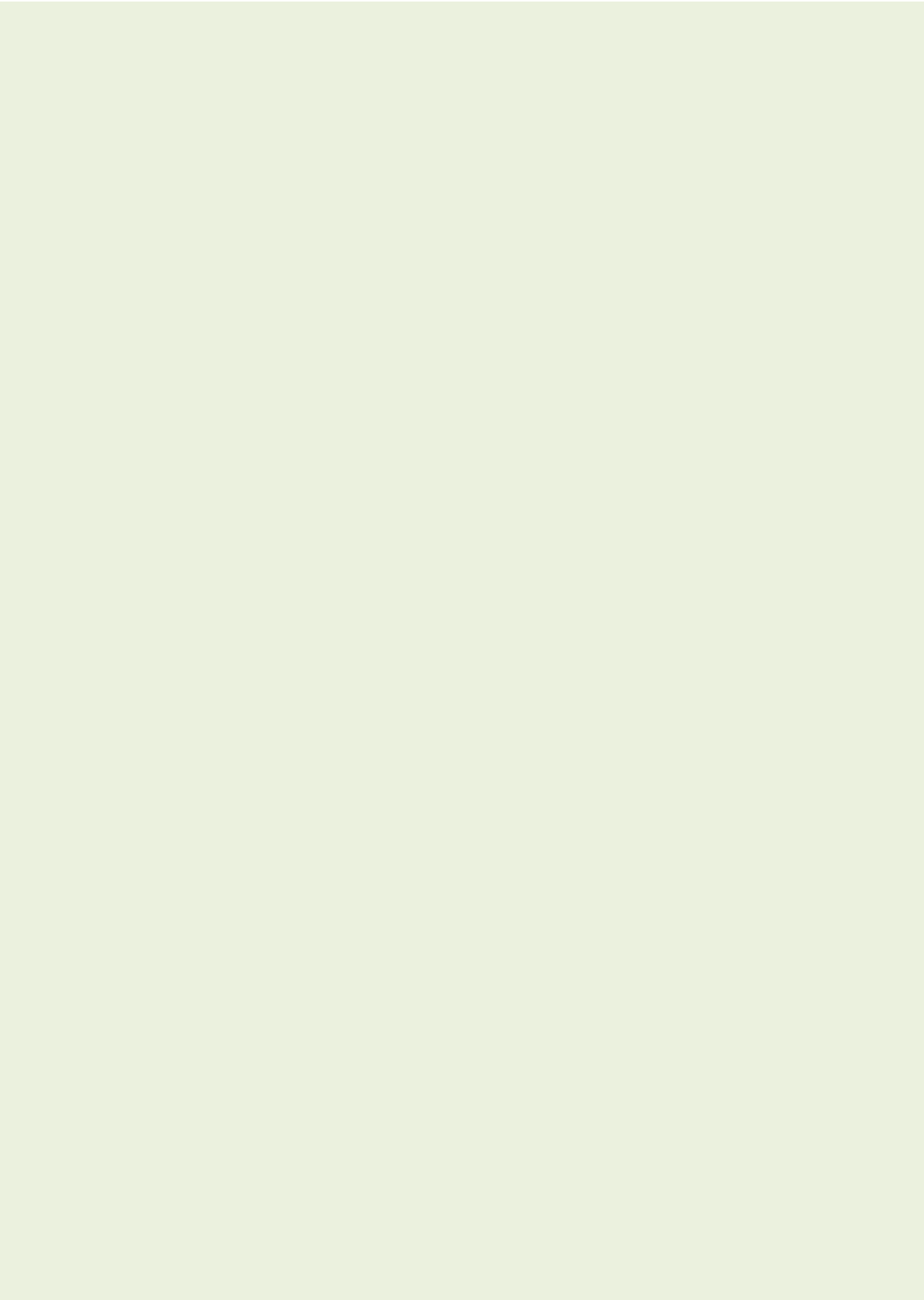
**OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)**

Source of Supply and Expenses		
601	Salaries and Wages - Employees	\$ 672,562
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$ -
604	Employee Pensions and Benefits	\$ 286,789
610	Purchased Water	\$ -
611	Telephone/Communications	\$ 9,444
615	Purchased Power	\$ 71,748
616	Fuel for Power Production	\$ -
617	Utilities - Other	\$ 662
618	Chemicals & testing	\$ 102
619	Office Supplies (excluding postage)	\$ 3,870
619.1	Postage	\$ 23,810
620	Materials and Supplies	\$ 8,426
621	Repairs to Water Plant	\$ 10,258
631	Contractual Services - Engineering	\$ -
632	Contractual Services - Accounting	\$ 20,806
633	Contractual Services - Legal	\$ -
634	Contractual Services - Management Fees	\$ 127,302
635	Contractual Services - Testing/Sampling	\$ -
636	Contractual Services - Other	\$ 33,514
637	Contractual Services - Billing/Collections	\$ -
638	Contractual Services - Meter Reading	\$ -
639	Contractual Services - Other	\$ 33,410
641	Rental of Building/Real Property	\$ 24,326
642	Rental of Equipment	\$ -
643	Small Tools	\$ 18,726
648	Computer & Electronic Expenses	\$ 47,139
650	Transportation Expenses	\$ 37,398
656	Insurance - Vehicle	\$ 16,402
657	Insurance - General Liability	\$ 21,832
658	Insurance - Workman's Compensation	\$ 13,976
659	Insurance - Other	\$ 6,844
660	Public Relations / Advertising Expense	\$ -
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$ -
667	Regulatory Commission Expense - Other	\$ 12,221
668	Water Resource Conservation Expense	\$ -
670	Bad Debt Expense	\$ 429
671.1	Cross Connection Control Program Expense	\$ -
671.2	Cross Connection Testin & Maintenance Services	\$ -
672	System Capacity Development Program Expense	\$ -
673	Training & Certification Expense	\$ 3,025
674	Consumer Confidence Report	\$ -
675	Miscellaneous Expenses	\$ 41,909

**NOTES**

Sunriver Water LLC

Notes and explanations:



## INCOME STATEMENT

Sunriver Water LLC

400 Operating Revenue	\$ 1,899,427
401 Operating Expenses	\$ 1,546,930
403 Depreciation Expense	\$ 497,184
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 151,613
409 Income Taxes	\$ (26,083)
410.1 Provision for Deferred Income Taxes - debit	\$ -
411.1 Provision for Deferred Income Taxes - credit	\$ -
412 Investment Tax Credit	\$ -
413 Income From Utility Plant Leased to Others	\$ -
419 Interest & Dividend Income	\$ -
427 Interest Expense	\$ -
428-429 Amortization of Premium/Discount on Debt	\$ -
414 Gains/Losses From Utility Property Disposition (net)	\$ -
433-434 Extraordinary Income/deductions (net)	\$ -
NET UTILITY OPERATING INCOME	\$ (270,217)
421 Nonutility Income	\$ 161,406
415 Revenue From Merchandising, Jobbing, & Contracts	\$ -
426 Nonutility Expense	\$ -
408.2 Nonutility Taxes Other Than Income Tax	\$ -
409.2 Nonutility Income Taxes	\$ -
410.2 Nonutility Deferred Income Taxes	\$ -
411.2 Nonutility Provision for Deferred Income Taxes Credit	\$ -
416 Cost & Expense of Merchandising, Jobbing, Contracts	\$ -
Net Income	\$ (108,811)



**BALANCE SHEET**

Sunriver Water LLC

101 Utility Plant in Service (excluding CIAC)	\$	8,608,230
108-110 Accumulated Depreciation & Amortization	\$	3,262,979
Subtotal	\$	5,345,251
102-104 Other Utility Plant	\$	-
105 Commission Approved Construction Work in Progress (CWIP)	\$	232,220
114 Commission Approved Utility Plant Acquisition Adjustments	\$	-
115 Accumulated Amortization of Commission Approved Acquisition Adjustments	\$	-
190 Accumulated Deferred Income Taxes (asset)	\$	-
Subtotal	\$	232,220
Net Utility Plant	\$	5,577,471
131 Cash	\$	40,466
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	3,110
143 Accumulated Provision for Uncollectible Accounts	\$	-
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	8,183
151 Materials & Supplies Inventory	\$	42,121
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	117,496
Net Current & Accrued Assets	\$	211,376
181-186 Deferred Debits	\$	39,505
Total Assets	\$	5,828,352
252 Advances for Construction	\$	-
271 CIAC	\$	-
272 Accumulated Amortization of CIAC	\$	-
Net CIAC & Advances for Construction	\$	-
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	-
231 Accounts Payable	\$	65,132
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	522,335
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	-
236 Accrued Taxes	\$	2,679
237 Accrued Interest	\$	-
238-241 Miscellaneous Current and Accrued Liabilities	\$	-
Liabilities	\$	590,146
251 Premium on Unamortized Debt	\$	-
253 Other Deferred Credit	\$	-
261-265 Reserves	\$	-
Other	\$	-
281 Accumulated Deferred Income Taxes-Accelerated Amortization	\$	-
282 Accumulated Deferred Income Taxes-Liberalized Depreciation	\$	-
283 Accumulated Deferred Income Taxes-Other	\$	545,488
Total Liabilities	\$	1,135,634
201 Common Stock Issued	\$	-
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	-
211 Other Paid in Capital	\$	4,889,082
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	(196,364)
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	4,692,718
Total Liabilities and Equity	\$	5,828,352

**STATS**

Sunriver Water LLC

**Operating Revenues**

Flat Rate	\$	11,638
Metered - Residential	\$	1,285,941
Metered - Commercial	\$	155,438
Irrigation (including golf courses)	\$	344,173
Fire Protection	\$	9,512
Other Sales of Water	\$	-
Other Operating Revenue	\$	92,725
<b>Total Operating Revenues</b>	\$	<u>1,899,427</u>

**Operating Expenses**

Purchased Water	\$	-
Purchased Power	\$	71,748
Water Treatment	\$	102
Supplies and Expenses	\$	290,010
Repairs of Plant	\$	10,258
Administrative & General	\$	1,174,812
<b>Total Operating Expenses</b>	\$	<u>1,546,930</u>

**Other Revenue Deductions**

Depreciation & Amortization	\$	497,184
Operating Income Taxes	\$	(26,083)
Other Operating Taxes	\$	151,613
Uncollectible Revenue/Bad Debt Expense	\$	429
<b>Total Revenue Deductions</b>	\$	<u>623,143</u>

**Total Expenses and Deductions**

	\$	2,170,073
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Other Income	\$	-
Interest on Long-Term Debt		
Other Interest Charges	\$	-
Other Income Deductions	\$	-
<b>Net Operating Income (or Loss)</b>	\$	<u>(270,646)</u>

**Assets & Other Debits**

Utility Plant	\$	8,608,230
Less: Depreciation & Amortization Reserve	\$	3,262,979
Other Property & Investments	\$	40,466
Materials and Supplies	\$	42,121
Other Current & Accrued Assets	\$	361,009
Deferred Debits	\$	39,505
<b>Total Assets &amp; Other Debits</b>	\$	<u>5,828,352</u>

**Liabilities & Other Credits**

Capital/Common Stock	\$	4,889,082
Retained Earnings	\$	(196,364)
Long-Term Debt	\$	-
Customer Deposits	\$	-
Other Current & Accrued Liabilities	\$	590,146
Advances for Construction	\$	-
Other Deferred Credits	\$	-
Contributions in Aid of Construction	\$	-
Accumulated Deferred Income Taxes	\$	545,488
<b>Total Liabilities &amp; Other Credits</b>	\$	<u>5,828,352</u>

**Average Number of Customers**

Flat Rate	40
Metered - Residential	4,497
Metered - Commercial	128
Irrigation (including golf courses)	109
Fire Protection	27
Other	-
<b>Total Customers</b>	<u>4,801</u>