

FOR THE YEAR ENDING DECEMBER 31, \_2011\_\_\_\_\_

# **RESULTS OF OPERATIONS**

**FOR WATER UTILITIES REPORTING GROSS REVENUES OF  
UP TO \$199,999**

ANNUAL REPORT FORM C

## **Pelican Bay Heights Water System LLC**

15819 Hwy 101 S, Brookings, OR 97415

541-412-7566

OREGON PUBLIC UTILITY COMMISSION  
PO BOX 2148  
SALEM OR 97308-2148

## WATER UTILITY ANNUAL REPORT C PUBLIC UTILITY COMMISSION OF OREGON

**MAILING ADDRESS**

PO BOX 2148  
SALEM OR 97308-2148

**LOCATION ADDRESS**

550 CAPITOL ST. NE STE 215  
SALEM OR 97301-2551

### GENERAL INSTRUCTIONS

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 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 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.
- You may round off reported figures to the nearest dollar, if desired.
- Entries indicating deficits of a "minus amount" should be enclosed in parentheses ( ).
- Where statistical information asked for is not reported, state a reason for the omission.
- If the words "none or "not applicable" truly state the facts, they should be given as the answer. The answer "same as last year" is not acceptable. Do not omit any pages.
- Special or unusual entries and all discrepancies should be fully explained. If necessary, attach 8 ½" X 11" supplementary sheets prepared in a MS Office Suite program (Word, Excel) to provide space required for making answers full and complete.
- 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 previous year's figures or the balance at the beginning of the year should reflect as a beginning balance the same end of the year's figures **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.

report to the PUC. This will facilitate our review of your report and reduce the need for future correspondence.

**CHECKLIST**

1	<b>Organization – Pg 1</b>	
	Ensure that all items have been completed and that the names of owners, stockholders, directors and officers are correctly reported.	
2	<b>Balance Sheet – Pg 12</b>	
	a.	<b>Balance Sheet, Total Assets and Other Debits (pg 12, line 14)</b> must agree with <b>Balance Sheet, Total Liabilities and Other Credits (pg 12, line 29)</b> .
	b.	<b>Balance Sheet, Utility Plant (pg 12, line 1, columns 1 and 2)</b> must agree with totals in <b>Schedule 6, Total Utility Plant, Balance Beginning of Year (pg 6, line 28, column 1)</b> and <b>Schedule 6, Balance End of Year (pg 6, line 28, column 4)</b> respectively.
	c.	<b>Balance Sheet, Accumulated Depreciation and Amortization of Utility Plant (pg 12, line 2, columns 1 and 2)</b> must agree with <b>Schedule 7, Accumulated Balance in Reserve Beginning of Year (pg 7, line 1)</b> and <b>Schedule 7, Accumulated Balance in Reserve End of Year (pg 7, line 9)</b> .
	d.	<b>Balance Sheet, Capital Stock (pg 12, line 16)</b> should not change from last year unless the Commission authorized a new issue.
	e.	<b>Balance Sheet, Proprietary Capital (pg 12, line 20)</b> shall reflect the investment of the unincorporated (individual) proprietors.
	f.	<b>Balance Sheet, Long-Term Debt (pg 12, line 21)</b> . The Commission's approval is necessary for issuance of this type of security.
	g.	<b>Balance Sheet, Other Current and Accrued Liabilities (pg 12, line 24)</b> . If this includes a demand note or the period covered by a note that extends over 12 months, the Commission's approval is necessary.
	h.	<b>Balance Sheet, Advances for Construction (pg 12, line 26)</b> . The total of all advances by customers and others for construction, which are to be refunded either wholly or in part.
	i.	<b>Balance Sheet, Accumulated Contributions in Aid of Construction (pg 12, line 27)</b> shall include non-refundable donations from customers or others for construction purposes.
3	<b>Schedule 1 - Utility Plant and Depreciation Details – Pg 6</b>	
	<b>DO NOT INCLUDE CIAC</b>	
	a.	<b>Schedule 6, (pg 6)</b> be sure that the <b>additions (column 2)</b> and <b>retirements (column 3)</b> have been properly reflected in changes to plant in on page 12.
b.	<b>Schedule 6, Total Plant in Service, Annual Depreciation Expense (pg 6, line 24, column 6)</b> must agree with <b>Income Statement, Depreciation Expense (pg 10, line 24, column 2)</b> .	
4	<b>Schedule 7 - Depreciation Reserve or Accumulated Depreciation – Pg 7</b>	
	<b>Schedule 7, Depreciation Expense Accrual (pg 7, line 2)</b> for the current year's report should equal the amount shown in <b>Schedule 6, Utility Plant and Depreciation, Total Plant in Service, Annual Depreciation Expense (pg 6, line 24, column 6)</b> AND <b>Income Statement, Depreciation Expense (pg 10, line 24, column 2)</b> . <b>Schedule 7, Amortization Expense Accrual (page 7, line 3)</b> should agree with the amount shown in <b>Income Statement, Amortization Expense (page 10, line 25, column 2)</b> .	
Note: Please attach a schedule of amortization claimed, if any.		

**Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011**

1. Provide the following information for the contact person regarding this report.

Name: Jan Amlin  
 Address: PO Box 2767, Harbor, OR 97415  
 Telephone: 54-412-7566  
 Email Address: [jamlin@nwtec.com](mailto:jamlin@nwtec.com)  
 Fax Number: 541-412-7646

2. List below the address where the utility's books and records are located:

Name: Pelican Bay Heights Water System LLC  
 Address: PO Box 2767, Harbor, OR 97415  
 Telephone: 541-412-7566  
 Email Address: [jamlin@nwtec.com](mailto:jamlin@nwtec.com)  
 Fax Number: 541-412-7646

3. List below any audit group reviewing records and operations:

Name:  
 Address:  
 Telephone:  
 Email Address:  
 Fax Number:

4. Date of original organization of the utility (month, day, year): 4-Jun-10

5. List the names, titles, addresses, and telephone numbers of all Company officers and directors:

NAME	TITLE	ADDRESS	PHONE #	E MAIL
Henry Westbrook,	Sole member	PO Box 2767 Harbor, OR	541-412-7566	<a href="mailto:hw2@nwtec.com">hw2@nwtec.com</a>

6. List legal counsel, accountants, and others not on general payroll:

NAME	TITLE	ADDRESS	PHONE #	E MAIL
Jerry Lesan	Attorney	PO Box 359, Coos Bay, OR	541-269-5565	

**Pelican Bay Heights Water System LLC**  
**FOR THE YEAR ENDING DECEMBER 31, \_**

## **COMPANY PROFILE**

Provide a brief narrative that covers the following areas:

- a. Brief company history
- b. Public services rendered
- c. Major goals and objectives
- d. Major operating divisions and functions
- e. Current and projected growth patterns
- f. Major transactions having a material effect on operations

Pelican Bay Heights Water System was formed in June 2010 and continued the operations of water distribution which



**Pelican Bay Heights Water System LLC**  
**FOR THE YEAR ENDING DECEMBER 31, 2011**

**Pg. 1**

<b>ACCOUNTING METHOD:</b> ACCRUAL            CASH    (please circle or bold one accounting method)			
<b>ORGANIZATION</b>			
Pelican Bay Heights Water System LLC		15819 Hwy 101 S	
Brookings	OR	97415	541-412-7566
TYPE OF ORGANIZATION			
<p><b>CIRCLE (OR BOLD) ONE:</b>    SOLE PROPRIETORSHIP            PARTNERSHIP            CORPORATION    LLC</p> <p><b>CIRCLE (OR BOLD) ONE:</b>    PRIVATE/INVESTOR OWNED            ASSOCIATION            MOBILE HOME PARK</p>			
<b>INSTRUCTIONS:</b> IF THE COMPANY IS A SOLE PROPRIETORSHIP OR PARTNERSHIP, COMPLETE PART A AND GIVE THE NAMES AND ADDRESSES OF ALL PERSONS HAVING ANY INTEREST OR EQUITY IN THE BUSINESS AND THE AMOUNT OF SUCH EQUITY. IF THE COMPANY IS A CORPORATION, COMPLETE PART B AND GIVE THE NAMES AND ADDRESSES OF THE THREE LARGEST STOCKHOLDERS AND ALL OFFICERS AND DIRECTORS. STATE THE NUMBER OF SHARES HELD BY EACH.			
<b>PART A: SOLE PROPRIETORSHIP OR PARTNERSHIP</b>			
1	NAME OF OWNER OR PARTNER		ADDRESS, CITY, STATE, ZIP CODE
	PERCENT INTEREST OR EQUITY		PRINCIPAL DUTY IF EMPLOYED BY COMPANY
2	NAME OF OWNER OR PARTNER		ADDRESS, CITY, STATE, ZIP CODE
	PERCENT INTEREST OR EQUITY		PRINCIPAL DUTY IF EMPLOYED BY COMPANY
3	NAME OF OWNER OR PARTNER		ADDRESS, CITY, STATE, ZIP CODE
	PERCENT INTEREST OR EQUITY		PRINCIPAL DUTY IF EMPLOYED BY COMPANY
4	NAME OF OWNER OR PARTNER		ADDRESS, CITY, STATE, ZIP CODE
	PERCENT INTEREST OR EQUITY		PRINCIPAL DUTY IF EMPLOYED BY COMPANY
<b>PART B: CORPORATION</b>			
1	NAME OF STOCKHOLDER, DIRECTOR, OFFICER		ADDRESS, CITY, STATE, ZIP CODE
	NUMBER OF SHARES OWNED:	TITLE	
2	NAME OF STOCKHOLDER, DIRECTOR, OFFICER		ADDRESS, CITY, STATE, ZIP CODE
	NUMBER OF SHARES OWNED:	TITLE	
3	NAME OF STOCKHOLDER, DIRECTOR, OFFICER		ADDRESS, CITY, STATE, ZIP CODE
	NUMBER OF SHARES OWNED:	TITLE	
4	NAME OF STOCKHOLDER, DIRECTOR, OFFICER		ADDRESS, CITY, STATE, ZIP CODE
	NUMBER OF SHARES OWNED:	TITLE	
<b>NUMBER OF SHARES OUTSTANDING AT THE END OF YEAR</b>		<u>COMMON STOCK</u>	<u>PREFERRED STOCK</u>
PAR OR STATED VALUE PER SHARE		\$                    -                    \$	\$                    -
DIVIDENDS PER SHARE DECLARED DURING THE YEAR		\$                    -                    \$	\$                    -

Pelican Bay Heights Water System I  
FOR THE YEAR ENDING DECEMBER 31, 2011 \_\_\_\_\_

<b>OFFICERS AND EMPLOYEES</b>			
<b>NAME OF PERSON</b>	<b>NUMBER OF HOURS WORKED PER MONTH</b>	<b>WAGE PER HOUR OR SALARY</b>	<b>TOTAL OFFICER AND EMPLOYEE SALARY AND WAGES</b>
Officer:			
Officer:			
Officer:			
Officer:			
Operator: Jan Amlin			
Manager: Jan Amlin	10	18.5	\$ 2,220.00
Employee: Steve Nicholson	10	35	\$ 4,200.00
Employee: Chris Dorsey	4	12	\$ 576.00
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
Employee:			
<b>TOTAL</b>	<b>24</b>		<b>\$ 6,996.00</b>



Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011

SCHEDULE 1						
ANNUAL WATER OPERATING REVENUE (WATER SALES ONLY)						
(include all revenue received from the sale of water, including base and usage rates revenue)						
	Account	Account Name ( Water Sales Only)	Customer Count		Amount of Water Sold Indicate cubic feet (cf) or gallons (g)	Revenues
			Year Beginning	Year Ending		
		<b>Flat Rate Customers</b>				
1	460	Flat Rate Residential Revenues (separated)	0	0		
2	460	Flat Rate Other Revenues (separated)	0	0		
3		<b>Metered Customers</b>				
4	461.1	Metered Sales - Residential Customers	20	20	634,590	\$ 10,304.00
5	461.2	Metered Sales - Commercial Customers	0	0		
6	461.3	Metered Sales - Industrial Customers	0	0		
7	461.4	Metered Sales - Public Authorities	0	0		
8	461.5	Metered Sales - Multiple Family Units	0	0		
9	461.6	Metered Sales - Multiple Commercial Units	0	0		
10	465.1	Sales to Irrigation Customers	0	0		
11	465.2	Sales to Golf Courses - Irrigation	0	0		
12		<b>TOTAL (add lines 1,2,4,5,6,7,8,9,10,11)</b>	20	20	634,590	\$ 10,304.00
13		<b>Fire Protection</b>				
14	462.1	Public Fire Protection	0	0		
15	462.2	Private Fire Protection	0	0		
16		<b>TOTAL FIRE PROTECTION (add lines 14, 15)</b>	0	0	0	\$ -
17		<b>Other Customers</b>				
18	464	Special Contracts to Public Authorities	0	0		
19	466	Sales for Resale	0	0		
20	467	Sales to Recreational Use	0	0		
21	468	Special Contracts - Other	0	0		
22		<b>TOTAL OTHER CUSTOMERS (Add lines 18, 19, 20 &amp; 21 above)</b>	0	0	0	\$ -
23		<b>TOTALS (Add lines 12, 16 &amp; 22 above)</b>	20	20	634,590	\$ 10,304.00

Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011 \_\_\_\_\_

<b>AVERAGE MONTHLY BILL AND CONSUMPTION PER CUSTOMER</b>				
		<b>CUSTOMER AVERAGE MONTHLY CONSUMPTION (Annual consumption divided by number of customers divided by 12 months)</b>		<b>AVERAGE CUSTOMER MONTHLY BILL (Revenue/No. of customers/12)</b>
1	<b>FLAT RATE CUSTOMERS</b>			
2	Residential Flat - Master Meter	0	Circle (or Bold) One: cf or gals	
3	<b>METERED CUSTOMERS</b>			
4	Metered Sales - Residential Customers	2,644	Circle (or Bold) One: cf or gals	\$ 43.00
5	Metered Sales - Commercial Customers	0	Circle (or Bold) One: cf or gals	\$ -
6	Metered Sales - Industrial Customers	0	Circle (or Bold) One: cf or gals	\$ -
7	Metered Sales - Public Authorities	0	Circle (or Bold) One: cf or gals	\$ -
8	Metered Sales - Multiple Family Units	0	Circle (or Bold) One: cf or gals	\$ -
9	Sales to Irrigation Customers	0	Circle (or Bold) One: cf or gals	\$ -
10	Sales to Golf Courses - Irrigation	0	Circle (or Bold) One: cf or gals	\$ -
11	Special Contracts to Public Authorities	0	Circle (or Bold) One: cf or gals	\$ -
12	Sales for Resale	0	Circle (or Bold) One: cf or gals	\$ -
13	Special Contracts - Recreational	0	Circle (or Bold) One: cf or gals	\$ -
14	Special Contracts - Other	0	Circle (or Bold) One: cf or gals	

<b>SCHEDULE 2 - REVENUE OTHER THAN WATER SALES (IF ANY)</b>			
15	470	Forfeited discounts	\$ -
16	471	Miscellaneous service revenues	\$ -
17	472	Rents from water property	\$ -
18	473	Interdepartmental rents	\$ -
19	475	Cross Connection sales & services revenues	\$ -
20		Other em Infrastructure fee	\$ 3,134.00
21		<b>TOTAL OTHER REVENUE</b>	<b>\$ 3,134.00</b>

<b>SCHEDULE 3 - TAXES - Federal, State &amp; Utility Property</b>			
	<b>TO WHOM PAID</b>	<b>KIND OF TAX</b>	<b>AMOUNT</b>
22			
23	FEDERAL GOVERNMENT	INCOME TAX	\$0.00
24	STATE GOVERNMENT	INCOME TAX	\$0.00
25	CITY	FRANCHISE FEE	\$0.00
26	COUNTY	PROPERTY TAX	\$0.00
27	DEFERRED TAXES	DEFERRED TAX	\$0.00
28	OTHER – SPECIFY		\$0.00
29		<b>TOTAL</b>	<b>\$ -</b>

**Pelican Bay Heights Water System LLC**  
**FOR THE YEAR ENDING DECEMBER 31, 2011**

<b>SCHEDULE 4 – CONTRIBUTIONS IN AID OF CONSTRUCTION (C DONATED</b>						
#	CLASSES OF FIXED DONATED OR CIAC CAPITAL (Please specify)	BALANCE AT BEGINNING OF YEAR (1)	ADDITIONS DURING YEAR (2)	RETIRED DURING YEAR (3)	BALANCE AT END OF YEAR (4)	SERVICE LIFE (5)
1					\$ -	
2					\$ -	
3					\$ -	
4					\$ -	
5					\$ -	
6					\$ -	
7					\$ -	
8					\$ -	
9					\$ -	
10	TOTAL CIAC UTILITY PLANT (Total of Lines 1-9)	\$ -	\$ -	\$ -	\$ -	
11	Less CIAC Accumulated Depreciation					
12	NET CIAC UTILITY PLANT	\$ -	\$ -	\$ -	\$ -	

<b>SCHEDULE 5 - CIAC DEPRECIATION RESERVE OR ACCUMU</b>		
#	ITEMS	A
13	ACCUMULATED CIAC DEPRECIATION BALANCE IN RESERVE AT BEGINNING OF YEAR (Schedule 4, line 11, Column 1)	\$
14	<b>ADD:</b> CIAC DEPRECIATION EXPENSE ACCRUAL (Schedule 4, line 10, Column 6)	\$
15	CIAC UTILITY PLANT SALVAGE	\$
16	CIAC OTHER (SPECIFY)	\$
17	<b>MINUS</b> BOOK COST OF CIAC UTILITY PLANT RETIRED	\$
18	COST OF REMOVING RETIRED CIAC PLANT	\$
19	OTHER (SPECIFY)	\$
20	ACCUMULATED DEPRECIATION CIAC BALANCE IN RESERVE AT END OF YEAR	\$

EXPLANATION OF UNUSUAL CHANGES IN CIAC DEPRECIATION RESERVE:



Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011

SCHEDULE 6 - UTILITY PLANT AND DEPRECIATION DETAILS							
	CLASSES OF FIXED CAPITAL	TOTAL UTILITY PLANT IN SERVICE (1)	ADDED DURING YEAR (2)	RETIRED DURING YEAR (3)	END OF YEAR BALANCE (4)	SERVICE LIFE (5)	ANNUAL DEPRECIATION EXPENSE (6)
1	INTANGIBLE CAPITAL				\$ -		
2	SOURCE OF SUPPLY LAND				\$ -		
3	WATER RIGHTS, EASEMENTS				\$ -		
4	OTHER LAND						
5	WATER SUPPLY STRUCTURES (INC WELLS)				\$ -		
6	OTHER STRUCTURES				\$ -		
7	PUMPING EQUIP	\$ 8,929.00	\$ -	\$ -	\$ 8,929.00	20	\$ 446.00
8	PURIFICATION SYSTEM				\$ -		
9	RESERVOIRS & STANDPIPES				\$ -		
10	WATER MAINS & CANALS				\$ -		
11	SERVICES				\$ -		
12	CONSUMERS' METERS				\$ -		
13	HYDRANTS				\$ -		
14	TRANSPORTATION EQUIP						
15	OFFICE FURNITURE						
16	TOOLS & SHOP EQUIP						
17	ELECTRONIC EQUIP						
18	COMMUNICATION EQUIP						
19	GENERAL EQUIP				\$ -		
20	OTHER PLANT: Testing	\$ 250.00	\$ -		\$ 250.00	10	\$ 25.00
21	UNDISTRIBUTED FIXED CAPITAL				\$ -		
22	PLANT ACQUISITION ADJUSTMENTS				\$ -		
23	<b>TOTAL PLANT IN SERVICE (Add Lines 1 - 23)</b>	\$ 9,179.00	\$ -	\$ -	\$ 9,179.00		\$ 471.00
24	UTILITY PLANT LEASED TO OTHERS						
25	ALL OTHER UTILITY PLANT INCREASE ADJUSTMENTS						
26	<b>TOTAL PLANT (Add lines 23, 24, 25 above)</b>	\$ 9,179.00	\$ -	\$ -	\$ 9,179.00		
<b>EXPLANATION OF UNUSUAL CHANGES IN UTILITY PLANT DURING THE YEAR:</b>							

Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011

<b>SCHEDULE 7 - DEPRECIATION RESERVE OR ACCUMULATED DEPRECIATION</b>		
<b>#</b>	<b>ITEMS</b>	<b>AMOUNT</b>
1	<b>ACCUMULATED BALANCE IN RESERVE AT BEGINNING OF YEAR</b>	\$ 314.00
2	<b>ADD :</b> DEPRECIATION EXPENSE	\$ 471.00
3	AMORTIZATION EXPENSE	
4	UTILITY PLANT SALVAGE	
5	OTHER (SPECIFY)	
6	<b>MINUS:</b> BOOK COST OF UTILITY PLANT RETIRED	
7	COST OF REMOVING RETIRED PLANT	
8	OTHER (SPECIFY)	
9	<b>ACCUMULATED BALANCE IN RESERVE AT END OF YEAR</b>	\$ 785.00
<b>EXPLANATION OF UNUSUAL CHANGES IN DEPRECIATION RESERVE:</b>		

Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011

Pg. 8

DETAILED CALCULATION OF ACHIEVED RATE OF RETURN WORKSHEET				
Revenues				
	REVENUES AND EXPENSES (whole \$'s only)			AMOUNT (List each expense separately)
#	ACCT		SHOULD BE THE SAME AS OR EMBEDDED IN:	
		TOTAL WATER SALES ONLY REVENUE	Pg 3, Line 23	\$ 10,304.00
WATER UTILITY EXPENSE DETAIL (separate costs by account)				
1	601	Employee salaries and wages	Pg 10, Line 21	\$ 6,996.00
2	603	Officer salaries & wages	Pg 10, Line 21	\$ -
3	604	Employee pension & benefit	Pg 10, Line 21	\$ -
4	610	Purchased water	Pg 10, Line 12	\$ 3,155.00
5	611	Telephone & communications	Pg 10, Line 22	\$ 120.00
6	615	Power purchased	Pg 10, Line 13	\$ 828.00
7	616	Fuel for power production	Pg 10, Line 22	\$ -
8	617	Other Utilities (garbage, natural gas)	Pg 10, Line 22	\$ -
9	618/ 635	Chemicals/testing & contract test services	Pg 10, Line 14	\$ 958.00
10	619	Offices supplies (619.1 postage)	Pg 10, Line 15	\$ 224.00
11	620	Materials & supplies (operation & maint)	Pg 10, Line 16	\$ -
12	621	Repairs of water plant	Pg 10, Line 17	\$ 436.00
13	631	Contract services – Engineering	Pg 10, Line 18	\$ -
14	632	Contract services – Accounting	Pg 10, Line 18	\$ -
15	633	Contract services – Legal	Pg 10, Line 18	\$ -
16	634	Contract services – Management	Pg 10, Line 18	\$ -
17	636	Contract services – Labor	Pg 10, Line 18	\$ -
18	637	Contract services – Billing/Collection	Pg 10, Line 18	\$ -
19	638	Contract services – Meter Reading	Pg 10, Line 18	\$ -
20	639	Contract services – Other	Pg 10, Line 18	\$ -
21	641/ 642	Rental-building (real property) & equipment	Pg 10, Line 19	\$ -
22	643	Small tools	Pg 10, Line 22	\$ -
23	648	Computer/electronic expense	Pg 10, Line 22	\$ -
24	650/ 656	Transportation expenses & vehicle insurance	Pg 10, Line 20	\$ -
25	657	Insurance - general liability	Pg 10, Line 22	\$ 361.00
26	658	Insurance – worker's compensation	Pg 10, Line 22	\$ -
27	659	Insurance - other	Pg 10, Line 22	\$ -
28	660	Public relations/advertising expense	Pg 10, Line 22	\$ -
29	666	Amortization of rate case expense	Pg 10, Line 22	\$ 3,153.00
30	667	PUC Gross Revenue Fee	Pg 10, Line 22	\$ 62.00
31	668	Water resource conservation expense	Pg 10, Line 22	\$ -
32	670	Bad debt expense	Pg 10, Line 29	\$ -
33	671.1	Cross connection control program expense	Pg 10, Line 22	\$ 30.00
34	671.2	Cross connection testing & maint services	Pg 10, Line 22	\$ -
35	672	Other Utilities (garbage, natural gas)	Pg 10, Line 22	\$ -
36	673	Training & certification expense	Pg 10, Line 22	\$ -
37	674	Consumer confidence report expense	Pg 10, Line 22	\$ -
38	675	Miscellaneous expense	Pg 10, Line 22	\$ 250.00
39	401	<b>TOTAL OPERATING EXPENSE</b>		\$ 16,573.00

Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011

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CALCULATION OF ACHIEVED RATE OF RETURN WORKSHEET - CONTINUED				
OTHER DEDUCTIONS				
40	403	Depreciation expense	Pg 10, Line 24	\$ 471.00
41	407	Amortization expense	Pg 10, Line 25	\$ -
42	408	Taxes other than income expenses(1)	Pg 10, Line 26	\$ -
43	409	Income Taxes (add state & federal taxes together)(1)	Pg 10, Line 27	\$ -
44	410	Provision for Deferred Income Taxes (add state & federal taxes together)(1)	Pg 10, Line 28	
45	411	Provision for Deferred Income Taxes - Credit (add state & federal taxes together)(1)	Pg 10, Line 28	
46		Total Deductions (pg 8, line 39 plus Lines 40 through 45)	Pg 10, Line 30	\$ 17,044.00
47		UTILITY OPERATING INCOME (Revenue pg 3, line 23, minus Deductions line 46 above)	Pg 11, Line 31	\$ (6,740.00)
UTILITY PLANT				
48	101	Utility plant in service (NO CIAC)	Schedule 6, Line 26 Column 4	\$ 9,179.00
49	108/ 110	Minus accumulated depreciation and/or amortization	Schedule 7, Line 9	\$ 785.00
50	252	Minus advances for construction	Pg 12, Line 26, Column 2	
51		<b>Subtotal</b>		\$ 8,394.00
52	105	Add construction work in progress (CWIP)(2)		
53	103	Add plant held for future use		
54	151	Add inventory - materials & supplies	Pg 12, Line 11, Column 2	
55		<b>Subtotal</b>		
56	114	Add acquisition adjustments (2)	Schedule 6, Line 23, Column 2	\$ -
57	115	Minus accumulated amortization of acquisition adj. (2)		
58	190	Minus accumulated deferred income tax		
59				
60		<b>TOTAL RATE BASE</b> (Utility plant in service +/- adjustments)		\$ 8,394.00
61	400	UTILITY OPERATING INCOME	Line 47 Above (should match Income Statement, Pg 10, line 30, Column 2)	\$ (6,740.00)
62		<b>ACHIEVED RATE OF RETURN (percentage)</b> (Line 47 divided by line 60)		-80.30%

(1) Estimated if not known. (2) Include only those acquisition adjustments that have been approved by the Commission



**Pelican Bay Heights Water System LLC**  
**FOR THE YEAR ENDING DECEMBER 31, 2011**

<b>INCOME STATEMENT</b>			
#	OPERATING REVENUES	PREVIOUS YEAR (1)	YEAR REPORTED (2)
1	FLAT RATE (UNMETERED) RESIDENTIAL WATER REVENUE (ACCT 460, Pg 3, Line 1)		\$ -
2	FLAT RATE (UNMETERED) OTHER THAN RESIDENTIAL SALES (ACCT 460 Pg 3, Line 2)		\$ -
3	RESIDENTIAL ( METERED) WATER SALES (ACCT 461.1, Pg 3, Line 4)		\$ 10,304.00
4	COMMERCIAL/INDUSTRIAL (METERED) WATER SALES (ACCT 461.2 & 461.3, Pg 3, Lines 5 & 6)		\$ -
5	METERED SALES TO PUBLIC AUTHORITIES (ACCT 461.4, Pg 3, Line 7)		\$ -
6	MULTIPLE FAMILY & COMMERCIAL UNITS (METERED) WATER SALES (ACCT 461.5 & 461.6, Pg 3, Lines 8 & 9)		\$ -
7	FIRE PROTECTION (PUBLIC & PRIVATE) (ACCT 462.1 & 462.2, Pg 3, Line 16)		\$ -
8	IRRIGATION WATER SALES INC GOLF COURSES (ACCT 465.1 & 465.2, Pg 3, Lines 10 & 11)		\$ -
9	OTHER WATER SALES (ACCT's 464, 466, 467 & 468, Pg 3, Line 22, sales for resale, other public authorities, or other)		\$ -
10	<b>TOTAL OPERATING REVENUES (Add lines 1 – 9)</b>	<b>\$ -</b>	<b>\$ 10,304.00</b>
11	<b>OPERATING EXPENSES AND DEDUCTIONS</b>		
12	PURCHASED WATER (ACCT 610, Pg 8, Line 4)		\$ 3,155.00
13	POWER EXPENSE (ACCT 615, Pg 8, Line 6)		\$ 828.00
14	TREATMENT, PURIFICATION, TESTING EXPENSE (ACCTS 618 & 635, Pg 8, Line 9)		\$ 958.00
15	OFFICE EXPENSE, Including POSTAGE) (ACCT 619, Pg 8, Line 10)		\$ 224.00
16	O & M – MATERIAL & SUPPLIES EXPENSE (ACCT 620, Pg 8, Line 11)		\$ -
17	REPAIRS TO PLANT (ACCT 621, Pg 8, Line 12)		\$ 436.00
18	CONTRACT SERVICES (Engineering, accounting, legal, management, labor, meter reading, billing/collection) (ACCTS 631- 634 & 636- 639, Pg 8, Lines 13 to 20)		\$ -
19	RENTAL OF BUILDING OR EQUIPMENT (ACCTS 641 & 642, Pg 8, Line 21)		\$ -
20	TRANSPORTATION EXPENSES (ACCTS 650 & 656, Pg 8, Line 24)		\$ -
21	SALARIES, WAGES, & BENEFITS – EMPLOYEES & OFFICERS (ACCT 601, 603 & 604, Pg 8, Lines 1, 2 & 3)		\$ 6,996.00
22	<b>TOTAL - REMAINING EXPENSES (found on Pg. 8) Line/Acct # : Line 5( 611), 7(616), 8(617), 22(643), 23(648), 25(657), 26(658), 27(659), 28(660), 29(666), 30(667), 31(668), 33(671.1), 34(671.2), 35(672), 36(673), 37(674), 38(675)</b>		<b>\$ 3,976.00</b>
23	<b>TOTAL OPERATING &amp; MAINTENANCE EXPENSE (Add lines 12-22 )</b>	<b>\$ -</b>	<b>\$ 16,573.00</b>
24	DEPRECIATION EXPENSE (ACCT 403, Pg 9, Line 40)		\$ 471.00
25	AMORTIZATION EXPENSE (ACCT 407, Pg 9, Line 41)		\$ -
26	NON-INCOME TAXES (ACCT 408, Pg 9, Line 42)		\$ -
27	INCOME TAXES (ACCT 409, Pg 9, Line 43)		\$ -
28	DEFERRED INCOME TAX (ACCT 410 & 411, Pg 9, Lines 44 & 45)		\$ -
29	UNCOLLECTIBLE OPERATING REVENUE (BAD DEBT EXP) (ACCT 670, pg 8, line 32)		\$ -

30	<b>TOTAL REVENUE DEDUCTIONS</b> (Should equal pg 9, line 46) Add lines 23-29 above	\$ -	\$ 17,044.00
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**Pelican Bay Heights Water System LLC**  
**FOR THE YEAR ENDING DECEMBER 31, 2011**

**Pg. 11**

31	OPERATING INCOME (Should equal Pg 9, Line 47) Line 10 (Revenues) minus line 30 (Revenue Deductions) above	\$ -	\$ (6,740.00)
32	INCOME OTHER THAN WATER SALES (TOTAL OTHER REVENUE, Pg 4, Line 21)		\$ 3,134.00
33	INTEREST CHARGES PAID (ACCT 427)		
34	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION		
35	OTHER INCOME DEDUCTIONS		
36	<b>NET INCOME</b> Add Lines 31 & 32 minus Lines 33 – 35 above	\$ -	\$ (3,606.00)

**STATEMENT OF RETAINED EARNINGS**

DIVIDENDS SHOULD BE SHOWN FOR EACH CLASS AND SERIES OF CAPITAL STOCK. SHOW AMOUNTS OF DIVIDENDS PER SHARE. SHOW SEPARATELY THE STATE AND FEDERAL INCOME TAX EFFECT OF ITEMS SHOWN IN ACCOUNT 439.

1	ACCT. NO.	ACCOUNT NAME	AMOUNT
2	215	UNAPPROPRIATED RETAINED EARNINGS (Balance at the beginning of year)	
3		CREDITS:	
4		DEBITS:	
5	435	BALANCE TRANSFER FROM INCOME (Net Income)	\$ (3,606.00)
6	436	APPROPRIATIONS OF RETAINED EARNINGS	
7		<b>SUBTOTAL (Add lines 2, 3 &amp; 5 Subtract lines 4 &amp; 6)</b>	\$ (3,606.00)
8		DIVIDENDS DECLARED:	
9	437	PREFERRED STOCK DIVIDENDS DECLARED	
10	438	COMMON STOCK DIVIDENDS DECLARED	
11	439	CHANGES TO ACCOUNT: ADJUSTMENTS TO RETAINED EARNINGS	
12		<b>TOTAL DIVIDENDS DECLARED (Add lines 8-11)</b>	\$ -
13		<b>BALANCE AT END OF YEAR (Line 7 minus Line 12)</b>	\$ (3,606.00)

	214	APPROPRIATED RETAINED EARNINGS STATE BALANCE & PURPOSE OF EACH APPROPRIATED AMOUNT AT YEAR END	AMOUNT
14			
15			
16			
18			
19			
21			
22		<b>TOTAL APPROPRIATED RETAINED EARNINGS</b>	\$ -

Pelican Bay Heights Water System LLC  
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<b>BALANCE SHEET</b>			
#	ASSETS & OTHER DEBITS	BALANCE AT BEGINNING OF YEAR (Col 1)	BALANCE AT END OF YEAR (Col 2)
1	UTILITY PLANT (SCHEDULE 6, LINE 26, COLUMNS 1 & 4)	\$ 9,179.00	\$ 9,179.00
2	ACCUM DEPRECIATION & AMORTIZATION OF UTILITY PLANT (SCHEDULE 7, LINES 1 & 9)	\$ (314.00)	\$ (785.00)
3	DONATED/CONTRIBUTED (CIAC) UTILITY PLANT (SCHEDULE 4, LINE 12, COLUMNS 1 & 4)	\$ -	\$ -
4	ACCUMULATED DEPRECIATION AND AMORTIZATION OF DONATED OR CONTRIBUTED (CIAC) UTILITY PLANT (SCHEDULE 5, Lines 13 & 20)	\$ -	\$ -
5	NONUTILITY PROPERTY (ACCT 121)		
6	INVESTMENT IN ASSOCIATED COMPANIES (ACCT 123)		
7	UTILITY INVESTMENTS NONASSOCIATED COMPANIES USED IN WTR SERV (ACCT 124)		
8	OTHER INVESTMENTS NONASSOCIATED COMPANIES (ACCT 125)		
9	CASH (ACCT 131)		
10	ACCOUNTS & NOTES RECEIVABLE (ACCTS 141 & 144)		
11	MATERIALS & SUPPLIES INVENTORY (ACCT 151, Pg 5, Line 57)		
12	CURRENT & ACCRUED ASSETS & PREPAYMENTS (ACCTS 131-135, 145-146, & 162-174)		
13	DEFERRED DEBITS INC. ACCUMULATED DEFERRED INCOME TAXES (ACCTS 181 - 190)		
14	<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 8,865.00</b>	<b>\$ 8,394.00</b>
15	<b>LIABILITIES AND OTHER CREDITS</b>		
16	CAPITAL STOCK (ACCTS 201 & 204)		
17	OTHER PAID-IN CAPITAL (ACCT 211)		
18	DISCOUNT & EXPENSE ON CAPITAL STOCK (ACCTS 212 & 213)		
19	RETAINED EARNINGS (ACCT 214)	\$ -	\$ (3,606.00)
20	PROPRIETARY CAPITAL (ACCT 218)		
21	LONG-TERM DEBT (ACCT 224)		
22	CUSTOMER DEPOSITS (ACCT 235)		
23	ACCOUNTS & NOTES PAYABLE (ACCTS 231 & 232)		
24	OTHER CURRENT & ACCRUED LIABILITIES (ACCTS 233-234, 236-238 & 241)		
25	OTHER DEFERRED CREDITS INCLUDING DEFERRED TAXES (ACCT 253 & 410)		
26	ADVANCES FOR CONSTRUCTION (ACCT 252 TO BE PAID BACK IN PART OR IN FULL)		
27	ACCUMULATED CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) (ACCT 271)		
28	ACCUMULATED DEFERRED INCOME TAXES (ACCT 280)		
29	<b>TOTAL LIABILITIES AND OTHER CREDITS</b>	<b>\$ -</b>	<b>\$ (3,606.00)</b>

Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011

SERVICE & PUMPING DATA			
#	SOURCE/PUMP	# IN SERVICE AT YEAR END	COMMENTS
1	NUMBER OF WELLS	0	
2	NUMBER OF SPRINGS	0	
3	NUMBER OF SURFACE SOURCES	0	
4	PURCHASES	0	
5	OTHER SOURCES	0	
6	EMERGENCY SOURCES	0	
7	NUMBER OF PUMPS IN SERVICE	2	
8	TOTAL PUMPING CAPACITY (GPM)	0	
9	PURIFICATION? YES _____ NO _____ IF YES, WHAT TYPE?		

SERVICE CONNECTIONS							
#	CLASSIFICATION	NO. OF CONNECTIONS AT BEGINNING OF REPORTING YEAR		NO. OF NEW CONNECTIONS AT THE END OF REPORTING YEAR		NUMBER OF INACTIVE CONNECTIONS AT THE END OF THE REPORTING YEAR	
		Metered	Flat	Metered	Flat	Metered	Flat
1	RESIDENTIAL	20	0	0	0	0	0
2	COMMERCIAL	0	0	0	0	0	0
3	INDUSTRIAL	0	0	0	0	0	0
4	IRRIGATION	0	0	0	0	0	0
5	MULTI-FAMILY	0	0	0	0	0	0
6	FIRE PROTECTION (HYDRANTS)	0	0	0	0	0	0
7	OTHER - SPECIFY	0	0	0	0	0	0
8							
9							
10	<b>TOTAL</b>	20	0	0	0	0	0

Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011

STORAGE FACILITIES			
#	TYPE & DESCRIPTION	HOW MANY	COMBINED CAPACITY IN GALLONS
1	RESERVOIRS/TANKS	0	
2	CONCRETE	0	
3	EARTH	0	
4	STEEL	0	
5	WOOD	0	
6	PRESSURE TANKS	0	
7	OTHER	0	
8	<b>TOTAL CAPACITY IN GALLONS</b>		0

TRANSMISSION AND DISTRIBUTION PIPE (do not include customer service pipes)								
#	DESCRIPTION	3/4 TO 1 INCH LINEAR FEET	1 1/4 TO 1 1/2 INCH LINEAR FEET	2 TO 2 1/2 INCHES LINEAR FEET	3 TO 3 1/2 INCHES LINEAR FEET	4 INCHES LINEAR FEET	OTHER SIZES (SPECIFY)	TOTAL LINEAR FEET
1	CAST IRON							0
2	WELDED STEEL							0
3	STANDARD SCREW							0
4	CEMENT - ASBESTOS							0
5	PLASTIC	3,598						3,598
6	OTHER (specify)							0
7	OTHER (specify)							0
8	OTHER (specify)							0
9	OTHER (specify)							0
10	PRESSURE RANGE: MAXIMUM 68 PSI MINIMUM 32 PSI							
EXPLANATION OF UNUSUAL CHANGES IN DEPRECIATION RESERVE:								

Pelican Bay Heights Water System LLC  
FOR THE YEAR ENDING DECEMBER 31, 2011

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR  
FEDERAL INCOME TAXES**

**UTILITY OPERATIONS**

The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

DESCRIPTION (1)	REFERENCE (2)	AMOUNT (3)
Net Income for the year		\$ (3,606.00)
Reconciling items for the year		
Taxable income not reported on books:		\$ -
Deductions recorded on books not deducted for return:		\$ -
		\$ -
Income recorded on books not included in return:		\$ -
Deduction on return not charged against book income:		\$ -
Federal tax net income:		
Computation of tax:		

**VERIFICATION:** I DECLARE UNDER PENALTIES OF FALSE SWEARING THAT THIS REPORT, INCLUDING ANY ACCOMPANYING SCHEDULES AND STATEMENTS, HAS BEEN EXAMINED BY ME AND, TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS A TRUE, CORRECT AND COMPLETE REPORT OF OPERATIONS

<b>SIGNATURE:</b> Jan Amlin	<b>TITLE:</b> Manager/Operator
<b>PRINT NAME:</b> Jan Amlin	<b>DATE:</b> 29-Mar-12
<b>FULL NAME OF REPORTING UTILITY:</b> Pelican Bay Heights Water System LLC	<b>TELEPHONE NUMBER:</b> 541-412-7566