

RW 16

FOR THE YEAR ENDING September 30, 2012

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ANNUAL RESULTS OF OPERATIONS REPORT

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

FORM C

Squaw Creek Canyon Rec. Estates Inc.

P.O. Box 7660
Sisters, OR 97759
541.549.6261

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

The Annual Report, required by the Public Utility Commission (PUC) 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 with the PUC on or before April 1st 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.

- 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.
- Please use the checklist to verify the completeness of the report before submitting your final annual report to the PUC. This will facilitate our review of your report and reduce the need for future correspondence.

FOR QUESTIONS ON EXCEL PROGRAM, ACCOUNTS, OR REPORTING, CONTACT BRIAN BAHR AT 503-378-4362.

CHECKLIST

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

Squaw Creek Canyon Rec. Estates Inc.
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1. Provide the following information for the contact person regarding this report.

Name: Ronald D. Remund Jr.
Address: P.O. Box 760, Sisters, OR 97759
Telephone: 541.549.6261
Email Address:
Fax Number:

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

Name:
Address: P.O. Box 760, Sisters, OR 97759
Telephone: 541.549.6261
Email Address:
Fax Number:

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):

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

NAME	TITLE	ADDRESS	PHONE #	E MAIL
Ronald D. Remund	President	P.O. Box 760, Sisters, OR	541.549.6261	

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

NAME	TITLE	ADDRESS	PHONE #	E MAIL
Wesley B. Price	CPA	Bend, OR	541.382.4791	
Neil Bryant	Attorney	Bend, OR	541.382.4331	

Squaw Creek Canyon Rec. Estates Inc.
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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

The Company supplies water services to a single subdivision located near Sisters, Oregon. Ownership has worked hard to keep operating costs low and to survive during the recent economic downturn. Revenues stabilized in years 2010 / 2011 and are seeing a slight increase in 2012 with improvements in the housing development market. The Company hopes to improve its profitability and cash flow as housing developments begin to prosper further.

Squaw Creek Canyon Rec. Estates Inc.
FOR THE YEAR ENDING September 30, 2012

Pg. 1

ACCOUNTING METHOD: ACCRUAL <u>CASH</u> (please circle or bold one accounting method)			
ORGANIZATION			
NAME OF COMPANY: Squaw Creek Canyon Rec. Estates		STREET ADDRESS: P.O. Box 760	
CITY: Sisters	STATE OR	ZIP CODE 97759	TELEPHONE NUMBER 541.549.6261
TYPE OF ORGANIZATION			
<p>CIRCLE (OR BOLD) ONE: SOLE PROPRIETORSHIP PARTNERSHIP <u>CORPORATION</u></p> <p>CIRCLE (OR BOLD) ONE: <u>PRIVATE/INVESTOR OWNED</u> ASSOCIATION MOBILE HOME PARK</p>			
<p>INSTRUCTIONS: 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.</p>			
PART A: SOLE PROPRIETORSHIP OR PARTNERSHIP			
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
PART B: CORPORATION			
1	NAME OF STOCKHOLDER, DIRECTOR, OFFICER RONALD D. REMUND JR		ADDRESS, CITY, STATE, ZIP CODE P.O. Box 760
	NUMBER OF SHARES OWNED: 100	TITLE President	Sisters, OR 97759
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	
NUMBER OF SHARES OUTSTANDING AT THE END OF YEAR 100		<u>COMMON STOCK</u>	<u>PREFERRED STOCK</u>
PAR OR STATED VALUE PER SHARE NONE		\$ 1,000.00	\$ -
DIVIDENDS PER SHARE DECLARED DURING THE YEAR NONE		\$ -	\$ -

Squaw Creek Canyon Rec. Estates Inc.
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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		
		Flat Rate Customers				
1	460	Flat Rate Residential Revenues (separated)				
2	460	Flat Rate Other Revenues (separated)				
3		Metered Customers				
4	461.1	Metered Sales - Residential Customers	139	143	12,995,800	\$ 110,806.91
5	461.2	Metered Sales - Commercial Customers				
6	461.3	Metered Sales - Industrial Customers				
7	461.4	Metered Sales - Public Authorities				
8	461.5	Metered Sales - Multiple Family Units				
9	461.6	Metered Sales - Multiple Commercial Units				
10	465.1	Sales to Irrigation Customers				
11	465.2	Sales to Golf Courses - Irrigation				
12		TOTAL (add lines 1,2,4,5,6,7,8,9,10,11)	139	143	12,995,800	\$ 110,806.91
13		Fire Protection				
14	462.1	Public Fire Protection				
15	462.2	Private Fire Protection				
16		TOTAL FIRE PROTECTION (add lines 14, 15)	0	0	0	\$ -
17		Other Customers				
18	464	Special Contracts to Public Authorities				
19	466	Sales for Resale				
20	467	Sales to Recreational Use				
21	468	Special Contracts - Other				
22		TOTAL OTHER CUSTOMERS (Add lines 18, 19, 20 & 21 above)	0	0	0	\$ -
23		TOTALS (Add lines 12, 16 & 22 above)	139	143	12,995,800	\$ 110,806.91

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AVERAGE MONTHLY BILL AND CONSUMPTION PER CUSTOMER				
1	FLAT RATE CUSTOMERS	CUSTOMER AVERAGE MONTHLY CONSUMPTION (Annual consumption divided by number of customers divided by 12 months)		AVERAGE CUSTOMER MONTHLY BILL (Revenue/No. of customers/12)
2	Residential Flat - Master Meter		Circle (or Bold) One: cf or gals	
3	METERED CUSTOMERS	CUSTOMER AVERAGE MONTHLY CONSUMPTION (Annual consumption divided by number of customers divided by 12 months)		AVERAGE CUSTOMER MONTHLY BILL (Revenue/No. of customers/12)
4	Metered Sales - Residential Customers	7,681	Circle (or Bold) One: cf or <u>gals</u>	\$ 65.49
5	Metered Sales - Commercial Customers		Circle (or Bold) One: cf or gals	
6	Metered Sales - Industrial Customers		Circle (or Bold) One: cf or gals	
7	Metered Sales - Public Authorities		Circle (or Bold) One: cf or gals	
8	Metered Sales - Multiple Family Units		Circle (or Bold) One: cf or gals	
9	Sales to Irrigation Customers		Circle (or Bold) One: cf or gals	
10	Sales to Golf Courses - Irrigation		Circle (or Bold) One: cf or gals	
11	Special Contracts to Public Authorities		Circle (or Bold) One: cf or gals	
12	Sales for Resale		Circle (or Bold) One: cf or gals	
13	Special Contracts - Recreational		Circle (or Bold) One: cf or gals	
14	Special Contracts - Other		Circle (or Bold) One: cf or gals	

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

SCHEDULE 3 - TAXES - Federal, State & Utility Property				
22	TO WHOM PAID	KIND OF TAX		AMOUNT
23	FEDERAL GOVERNMENT	INCOME TAX		
24	STATE GOVERNMENT	INCOME TAX		\$150.00
25	CITY	FRANCHISE FEE		
26	COUNTY	PROPERTY TAX		\$6,561.89
27	DEFERRED TAXES	DEFERRED TAX		
28	OTHER - SPECIFY			
29		TOTAL		\$ 6,711.89

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SCHEDULE 4 – CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) OR DONATED							
#	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)	ANNUAL DEPRECIATION EXPENSES (6)
1	Line extension	\$ 10,000.00			\$ 10,000.00	50	\$ -
2					\$ -		
3					\$ -		
4					\$ -		
5					\$ -		
6					\$ -		
7					\$ -		
8					\$ -		
9					\$ -		
10	TOTAL CIAC UTILITY PLANT (Total of Lines 1-9)	\$ 10,000.00	\$ -	\$ -	\$ 10,000.00		\$ -
11	Less CIAC Accumulated Depreciation						
12	NET CIAC UTILITY PLANT	\$ 10,000.00	\$ -	\$ -	\$ 10,000.00		\$ -

SCHEDULE 5 - CIAC DEPRECIATION RESERVE OR ACCUMULATED		
#	ITEMS	AMOUNT
13	ACCUMULATED CIAC DEPRECIATION BALANCE IN RESERVE AT BEGINNING OF YEAR (Schedule 4, line 11, Column 1)	\$ -
14	ADD: CIAC DEPRECIATION EXPENSE ACCRUAL (Schedule 4, line 10, Column 6)	\$ -
15	CIAC UTILITY PLANT SALVAGE	
16	CIAC OTHER (SPECIFY)	
17	MINUS 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:		

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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)	\$ 380,882.00		\$ 8,166.00	\$ 372,716.00	50	\$ 7,454.00
6	OTHER STRUCTURES				\$ -		
7	PUMPING EQUIP	\$ 65,310.00		\$ 33,608.00	\$ 31,702.00	25	\$ 1,268.00
8	PURIFICATION SYSTEM				\$ -		
9	RESERVOIRS & STANDPIPES	\$ 55,470.00		\$ 26,594.00	\$ 28,876.00	30	\$ 963.00
10	WATER MAINS & CANALS				\$ -		
11	SERVICES				\$ -		
12	CONSUMERS' METERS				\$ -		
13	HYDRANTS				\$ -		
14	TRANSPORTATION EQUIP	\$ 19,344.00		\$ 18,144.00	\$ 1,200.00	7	\$ 171.00
15	OFFICE FURNITURE				\$ -		
16	TOOLS & SHOP EQUIP				\$ -		
17	ELECTRONIC EQUIP				\$ -		
18	COMMUNICATION EQUIP				\$ -		
19	GENERAL EQUIP	\$ 111,190.00		\$ 49,053.00	\$ 62,137.00	15	\$ 4,142.00
20	OTHER PLANT (SPECIFY)				\$ -		
21	UNDISTRIBUTED FIXED CAPITAL				\$ -		
22	PLANT ACQUISITION ADJUSTMENTS				\$ -		
23	TOTAL PLANT IN SERVICE (Add Lines 1 - 23)	\$ 632,196.00	\$ -	\$ 135,565.00	\$ 496,631.00		\$ 13,998.00
24	UTILITY PLANT LEASED TO OTHERS						
25	ALL OTHER UTILITY PLANT INCREASE ADJUSTMENTS						
26	TOTAL PLANT (Add lines 23, 24, 25 above)	\$ 632,196.00	\$ -	\$ 135,565.00	\$ 496,631.00		
EXPLANATION OF UNUSUAL CHANGES IN UTILITY PLANT DURING THE YEAR:							

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SCHEDULE 7 - DEPRECIATION RESERVE OR ACCUMULATED DEPRECIATION		
#	ITEMS	AMOUNT
1	ACCUMULATED BALANCE IN RESERVE AT BEGINNING OF YEAR	\$ 287,255.14
2	ADD : DEPRECIATION EXPENSE	\$ 13,998.00
3	AMORTIZATION EXPENSE	
4	UTILITY PLANT SALVAGE	
5	OTHER (SPECIFY)	
6	MINUS: BOOK COST OF UTILITY PLANT RETIRED	\$ 135,565.00
7	COST OF REMOVING RETIRED PLANT	
8	OTHER (SPECIFY)	
9	ACCUMULATED BALANCE IN RESERVE AT END OF YEAR	\$ 165,688.14
EXPLANATION OF UNUSUAL CHANGES IN DEPRECIATION RESERVE:		

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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	\$ 110,806.91
WATER UTILITY EXPENSE DETAIL (separate costs by account)				
1	601	Employee salaries and wages	Pg 10, Line 21	
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	
5	611	Telephone & communications	Pg 10, Line 22	\$ 5,283.70
6	615	Power purchased	Pg 10, Line 13	\$ 10,162.21
7	616	Fuel for power production	Pg 10, Line 22	
8	617	Other Utilities (garbage, natural gas)	Pg 10, Line 22	\$ 104.60
9	618/ 635	Chemicals/testing & contract test services	Pg 10, Line 14	\$ 2,000.00
10	619	Offices supplies (619.1 postage)	Pg 10, Line 15	\$ 3,101.90
11	620	Materials & supplies (operation & maint)	Pg 10, Line 16	
12	621	Repairs of water plant	Pg 10, Line 17	\$ 8,134.93
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	\$ 3,166.00
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	\$ 35,270.00
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	\$ 5,312.64
25	657	Insurance - general liability	Pg 10, Line 22	\$ 6,404.74
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	
30	667	PUC Gross Revenue Fee	Pg 10, Line 22	\$ 750.20
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	
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	\$ 1,061.25
39	401	TOTAL OPERATING EXPENSE		\$ 80,752.17

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CALCULATION OF ACHIEVED RATE OF RETURN WORKSHEET - CONTINUED				
OTHER DEDUCTIONS				
40	403	Depreciation expense	Pg 10, Line 24	\$ 13,998.00
41	407	Amortization expense	Pg 10, Line 25	\$ -
42	408	Taxes other than income expenses(1)	Pg 10, Line 26	\$ 6,561.89
43	409	Income Taxes (add state & federal taxes together)(1)	Pg 10, Line 27	\$ 150.00
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	\$ 101,462.06
47		UTILITY OPERATING INCOME (Revenue pg 3, line 23, minus Deductions line 46 above)	Pg 11, Line 31	\$ 9,344.85
UTILITY PLANT				
48	101	Utility plant in service (NO CIAC)	Schedule 6, Line 26 Column 4	\$ 496,631.00
49	108/ 110	Minus accumulated depreciation and/or amortization	Schedule 7, Line 9	\$ 165,688.14
50	252	Minus advances for construction	Pg 12, Line 26, Column 2	
51		Subtotal		\$ 330,942.86
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		Subtotal		
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		TOTAL RATE BASE (Utility plant in service +/- adjustments)		\$ 330,942.86
61	400	UTILITY OPERATING INCOME	Line 47 Above (should match Income Statement, Pg 10, line 30, Column 2)	\$ 9,344.85
62		ACHIEVED RATE OF RETURN (percentage) (Line 47 divided by line 60)		2.82%

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

Squaw Creek Canyon Rec. Estates Inc.
FOR THE YEAR ENDING September 30, 2012

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INCOME STATEMENT			
#	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)	\$ 87,487.00	\$ 110,806.91
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	TOTAL OPERATING REVENUES (Add lines 1 – 9)	\$ 87,487.00	\$ 110,806.91
11	OPERATING EXPENSES AND DEDUCTIONS		
12	PURCHASED WATER (ACCT 610, Pg 8, Line 4)		\$ -
13	POWER EXPENSE (ACCT 615, Pg 8, Line 6)	\$ 12,471.18	\$ 10,162.21
14	TREATMENT, PURIFICATION, TESTING EXPENSE (ACCTS 618 & 635, Pg 8, Line 9)	\$ 900.00	\$ 2,000.00
15	OFFICE EXPENSE, Including POSTAGE) (ACCT 619, Pg 8, Line 10)	\$ 2,089.82	\$ 3,101.90
16	O & M – MATERIAL & SUPPLIES EXPENSE (ACCT 620, Pg 8, Line 11)		\$ -
17	REPAIRS TO PLANT (ACCT 621, Pg 8, Line 12)	\$ 3,491.11	\$ 8,134.93
18	CONTRACT SERVICES (Engineering, accounting, legal, management, labor, meter reading, billing/collection) (ACCTS 631- 634 & 636- 639, Pg 8, Lines 13 to 20)	\$ 32,842.50	\$ 38,436.00
19	RENTAL OF BUILDING OR EQUIPMENT (ACCTS 641 & 642, Pg 8, Line 21)		\$ -
20	TRANSPORTATION EXPENSES (ACCTS 650 & 656, Pg 8, Line 24)	\$ 5,369.04	\$ 5,312.64
21	SALARIES, WAGES, & BENEFITS – EMPLOYEES & OFFICERS (ACCT 601, 603 & 604, Pg 8, Lines 1, 2 & 3)		\$ -
22	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)	\$ 10,429.47	\$ 13,604.49
23	TOTAL OPERATING & MAINTENANCE EXPENSE (Add lines 12-22)	\$ 67,593.12	\$ 80,752.17
24	DEPRECIATION EXPENSE (ACCT 403, Pg 9, Line 40)	\$ 22,255.00	\$ 13,998.00
25	AMORTIZATION EXPENSE (ACCT 407, Pg 9, Line 41)		\$ -
26	NON-INCOME TAXES (ACCT 408, Pg 9, Line 42)	\$ 6,755.00	\$ 6,561.89
27	INCOME TAXES (ACCT 409, Pg 9, Line 43)	\$ 150.00	\$ 150.00
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	TOTAL REVENUE DEDUCTIONS (Should equal pg 9, line 46) Add lines 23-29 above	\$ 96,753.12	\$ 101,462.06

Squaw Creek Canyon Rec. Estates Inc.
FOR THE YEAR ENDING September 30, 2012

Pg. 11

31	OPERATING INCOME (Should equal Pg 9, Line 47) Line 10 (Revenues) minus line 30 (Revenue Deductions) above	\$ (9,266.12)	\$ 9,344.85
32	INCOME OTHER THAN WATER SALES (TOTAL OTHER REVENUE, Pg 4, Line 21)		\$ -
33	INTEREST CHARGES PAID (ACCT 427)		\$ 33.17
34	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION		
35	OTHER INCOME DEDUCTIONS		\$ 657.08
36	NET INCOME Add Lines 31 & 32 minus Lines 33 - 35 above	\$ (9,266.12)	\$ 8,654.60

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)	\$ (4,494.14)
3		CREDITS: rounding	\$ (0.68)
4		DEBITS: prior year mistatement	\$ 10.00
5	435	BALANCE TRANSFER FROM INCOME (Net Income)	\$ 8,654.60
6	436	APPROPRIATIONS OF RETAINED EARNINGS	
7		SUBTOTAL (Add lines 2, 3 & 5 Subtract lines 4 & 6)	\$ 4,149.78
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		TOTAL DIVIDENDS DECLARED (Add lines 8-11)	\$ -
13		BALANCE AT END OF YEAR (Line 7 minus Line 12)	\$ 4,149.78

APPROPRIATED RETAINED EARNINGS

STATE BALANCE & PURPOSE OF EACH APPROPRIATED AMOUNT AT YEAR END

14	214	AMOUNT
15		
16		
18		
19		
21		
22		TOTAL APPROPRIATED RETAINED EARNINGS \$ -

WATER UTILITY ANNUAL REPORT C - EXCEL
PUBLIC UTILITY COMMISSION OF OREGON

WATER UTILITY ANNUAL REPORT C - EXCEL
PUBLIC UTILITY COMMISSION OF OREGON

\$ 8,654.60

\$ 13,998.00

-19807

\$ 2,845.60

-11709

\$ (8,863.40)

Squaw Creek Canyon Rec. Estates Inc.
FOR THE YEAR ENDING September 30, 2012

BALANCE SHEET			
#	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)	\$ 632,196.00	\$ 496,631.00
2	ACCUM DEPRECIATION & AMORTIZATION OF UTILITY PLANT (SCHEDULE 7, LINES 1 & 9)	\$ (287,255.14)	\$ (165,688.14)
3	DONATED/CONTRIBUTED (CIAC) UTILITY PLANT (SCHEDULE 4, LINE 12, COLUMNS 1 & 4)	\$ (10,000.00)	\$ (10,000.00)
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)	\$ 21,424.00	\$ 40,321.43
10	ACCOUNTS & NOTES RECEIVABLE (ACCTS 141 & 144)		\$ 3,756.00
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	TOTAL ASSETS AND OTHER DEBITS	\$ 356,364.86	\$ 365,020.29
15	LIABILITIES AND OTHER CREDITS		
16	CAPITAL STOCK (ACCTS 201 & 204)	\$ 1,000.00	\$ 1,000.00
17	OTHER PAID-IN CAPITAL (ACCT 211)		
18	DISCOUNT & EXPENSE ON CAPITAL STOCK (ACCTS 212 & 213)		
19	RETAINED EARNINGS (ACCT 214)	\$ (4,494.14)	\$ 4,149.78
20	PROPRIETARY CAPITAL (ACCT 218)		
21	LONG-TERM DEBT (ACCT 224)	\$ 359,869.00	\$ 359,869.15
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	TOTAL LIABILITIES AND OTHER CREDITS	\$ 356,374.86	\$ 365,018.93

Squaw Creek Canyon Rec. Estates Inc.
FOR THE YEAR ENDING September 30, 2012

SERVICE & PUMPING DATA			
#	SOURCE/PUMP	# IN SERVICE AT YEAR END	COMMENTS
1	NUMBER OF WELLS	3	
2	NUMBER OF SPRINGS		
3	NUMBER OF SURFACE SOURCES		
4	PURCHASES		
5	OTHER SOURCES		
6	EMERGENCY SOURCES		
7	NUMBER OF PUMPS IN SERVICE	3	
8	TOTAL PUMPING CAPACITY (GPM)	500	
9	PURIFICATION? YES _____ NO <input checked="" type="checkbox"/> 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	139		4		2	
2	COMMERCIAL						
3	INDUSTRIAL						
4	IRRIGATION						
5	MULTI-FAMILY						
6	FIRE PROTECTION (HYDRANTS)						
7	OTHER - SPECIFY						
8							
9							
10	TOTAL	139	0	4	0	2	0

Squaw Creek Canyon Rec. Estates Inc.
FOR THE YEAR ENDING September 30, 2012

STORAGE FACILITIES			
#	TYPE & DESCRIPTION	HOW MANY	COMBINED CAPACITY IN GALLONS
1	RESERVOIRS/TANKS		
2	CONCRETE	2	120,000
3	EARTH		
4	STEEL		
5	WOOD		
6	PRESSURE TANKS		
7	OTHER		
8	TOTAL CAPACITY IN GALLONS		120,000

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					18,952	23,232	42,184
6	OTHER (specify)							0
7	OTHER (specify)							0
8	OTHER (specify)							0
9	OTHER (specify)							0
10	PRESSURE RANGE: MAXIMUM <u>105</u> PSI MINIMUM <u>95</u> PSI							
EXPLANATION OF UNUSUAL CHANGES IN DEPRECIATION RESERVE:								

Squaw Creek Canyon Rec. Estates Inc.
FOR THE YEAR ENDING September 30, 2012


**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		\$ 8,654.60
Reconciling items for the year		
Taxable income not reported on books:		
Deductions recorded on books not deducted for return:		
2012 depreciation - tax in excess of PUC		\$ (5,809.00)
2012 loss on disposal of assets		\$ (11,709.00)
Income recorded on books not included in return:		
Deduction on return not charged against book income:		
Federal tax net income:		\$ (8,863.40)
Computation of tax: Oregon		\$ 150.00

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

SIGNATURE: 	TITLE: owner
PRINT NAME: Ron Remund	DATE: 8/15/13
FULL NAME OF REPORTING UTILITY: Squaw Creek Canyon Water Co.	TELEPHONE NUMBER: 541-549-6261