



# 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

Roats Water System, Inc.

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

## INSTRUCTIONS

Roats Water System, Inc.

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**

Roats Water System, Inc.

**Complete Address of Reporting Utility**

Line 1:	61147 SW Hamilton Lane
Line 2:	
City:	Bend
State:	Oregon
Zip:	97702
phone:	(541) 382-3029
email:	bill@roatswater.com
fax:	(541)382-2292
website:	www.roatswatersystem.com

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

Name:	William K. Roats
Title:	President
Phone:	(541) 382-3029
Email:	bill@roatswater.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**

Roats Water System, Inc.

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

Name:	Charles F. Peters, CPA Retired
Address:	61147 SW Hamilton Lane
Phone:	(541) 382-3029
Email:	chuck@roatswater.com

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

Name:	Roats Water System, Inc.
Address:	61147 SW Hamilton Lane
Phone:	(541) 382-3029
Email:	chuck@roatswater.com

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

Name:	NONE
Address:	
Phone:	
Email:	

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

8/15/1963
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**Provide the following information for all utility officers and directors**

Name	Title	Phone #	Email
William K. Roats	President	(541) 382-3029	bill@roatswater.com
William C. Roats	Vice President	(541) 382-3029	
Shirley Roats	Secretary	(541) 382-3029	

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

Name	Title	Phone #	Email
Wesley B. Price	CPA	(541) 382-4791	price@bendcpa.com
Neil R. Bryant	Attorney	(541) 382-4331	

**ORGANIZATION**

Roats Water System, Inc.

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	
	Address	
	% interest or equity	
	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	William K. and Shirley Roats
	Title	President and Secretary
	Address	61147 SW Hamilton Lane, Bend, OR, 97702
	# shares owned	44.00
2	Name of stockholder/director/officer	William C. Roats
	Title	Vice President
	Address	61147 SW Hamilton Lane, Bend, OR, 97702
	# shares owned	6.00
3	Name of stockholder/director/officer	Michelle Berg
	Title	Director
	Address	61147 SW Hamilton Lane, Bend, OR, 97702
	# shares owned	6.00
4	Name of stockholder/director/officer	
	Title	
	Address	
	# shares owned	

**Part C: Corporation - Shares Outstanding**

	Common Stock	Preferred Stock
# shares authorized	500	
# shares issued at year end	56	
Par or stated value per share:	\$ 122.8200	
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
William K. Roats	Facility rents	Approved affiliated interest	\$ 126,036
William K. Roats	Salary, health and retirement benefits	Approved affiliated interest	\$ 109,291
			\$ 235,327
<b>TOTAL</b>			\$ (235,327)

Explanations or Notes

**REVENUES**

Roats Water System, Inc.

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**Consumption and Revenue**

	Act #	# customers at year beginning	# customers at year end	Total Quantity water sold	revenues
Unmetered (flat rate) water sales	460				
Metered sales to RESIDENTIAL customers	461.1	2,312	2,338	41,997,511	\$ 1,444,195
Metered sales to COMMERCIAL customers	461.2	193	192	11,300,288	\$ 306,211
Metered sales to INDUSTRIAL customers	461.3				
Other metered sales to public authorities	461.4				
Metered sales to multiple family dwellings	461.5				
Public fire protection revenue	462.1	2,499	2,521		\$ 15,216
Private fire protection revenue	462.2	41	42		\$ 14,525
Other Sales to public authorities	464				
Sales to irrigation customers	465	520	517		\$ 395,729
Sales for resale	466				\$ 286
Water Sales to golf course/recreation revenue	467				
Special contract/agreement revenue	468				
TOTAL		5,565	5,610	53,297,799	\$ 2,176,162

**Revenue other than water sales**

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 650
Rents from water property	472	
Interdepartmental rents	473	
Other	474	\$ 180
Cross Connection sales & services revenues	475	\$ 57,740
Total		\$ 58,570

Total Operating Revenue

\$ 2,234,732

**Average Monthly Consumption and Bill**

	Act #	Average Monthly Consumption per customer	Average Monthly Revenue per customer
Unmetered (flat rate) water sales	460		
Metered sales to RESIDENTIAL customers	461.1	1505.287133	51.76326165
Metered sales to COMMERCIAL customers	461.2	4891.899567	132.5588745
Metered sales to INDUSTRIAL customers	461.3		
Other metered sales to public authorities	461.4		
Metered sales to multiple family dwellings	461.5		
Public fire protection revenue	462.1		0.505179283
Private fire protection revenue	462.2		29.16666667
Other Sales to public authorities	464		
Sales to irrigation customers	465		63.60157506
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	\$	32,240
408.12	Payroll Tax	\$	62,383
408.13	Other Tax Other Than Income Tax	\$	5,875
408.2	Nonutility Taxes Other Than Income Tax		
		TOTAL	\$ 100,498

Act # **INCOME TAXES**

409.1	Federal Income Tax	\$	107,000
409.11	State Income Tax	\$	37,000
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
		TOTAL	\$ 144,000

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

410.1	Deferred Federal Income Taxes – Utility Operations	\$	7,037
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	\$ 7,037

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

Description	Amount
LOSS ON WRITE OFF OF ASSET NOT IN SERVICE	\$ (1,013)
Total	\$ (1,013)



## EXPENSES

Act #		Expense amount
601	Salaries and Wages - employees	\$ 422,194
603	Salaries and Wages – officers, directors, and majority stockholders	\$ 226,567
604	Employee Pensions & Benefits	\$ 125,013
610	Purchased Water	\$ 97,972
611	Telephone/Communications	\$ 18,589
615	Purchased Power	\$ 128,341
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	\$ 3,120
618	Chemicals & testing	
619	Office Supplies (excluding postage)	\$ 18,404
619.1	Postage	\$ 630
620	Materials & Supplies (O&M)	\$ 61,937
621	Repairs of Water Plant	\$ 15,024
631	Contractual Services - engineering	\$ 7,472
632	Contractual Services - accounting	\$ 39,650
633	Contractual Services - legal	\$ 4,725
634	Contractual Services - management	
635	Contractual Services – testing / sampling	\$ 3,867
636	Contractual Services – labor	\$ 3,364
637	Contractual Services - billing/collections	\$ 21,562
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 16,319
641	Rental of Building / Real Property	\$ 133,176
642	Rental of Equipment	\$ 20,987
643	Small Tools	\$ 9,294
648	Computer and electronic Expenses	\$ 3,106
650	Transportation Expenses	\$ 85,340
656	Insurance - Vehicle	\$ 12,408
657	Insurance – General Liability	\$ 18,690
658	Insurance – Workman’s Compensation	\$ 2,468
659	Insurance – Other	\$ 85
660	Public Relation / Advertising Expense	\$ 276
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 7,672
668	Conservation Expense	\$ 2,243
670	Bad Debt Expense	\$ 3,767
671.1	Cross Connection Control Program Expense	\$ 1,920
671.2	Cross Connection Testing & Maintenance Services	\$ 23,592
673	Training & Certification Expense	\$ 2,800
674	Consumer Confidence Report	
675	Miscellaneous Expense	\$ (38,069)
	TOTAL	\$ 1,504,505

**PLANT**

Roats Water System, Inc.

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					\$ -
304	Structures & improvements	\$ 445,293	\$ 2,145		\$ 1,200	\$ 448,638
305	Collecting & impounding reservoirs					\$ -
306	Lake, river & other intakes					\$ -
307	Wells & springs	\$ 200,837				\$ 200,837
308	Infiltration galleries & tunnels					\$ -
309	Supply mains					\$ -
310	Power generation equipment	\$ 118,220	\$ 16,874			\$ 135,094
311	Pumping equipment	\$ 260,309	\$ 17,683	\$ 31,441		\$ 246,551
320	Water treatment equipment	\$ 400				\$ 400
330	Distribution reservoirs & standpipes	\$ 500,237				\$ 500,237
331	Transmission & distribution mains	\$ 3,777,297	\$ 177,967			\$ 3,955,264
333	Services	\$ 369,199	\$ 35,064			\$ 404,263
334	Meters & meter installations	\$ 289,398				\$ 289,398
335	Hydrants	\$ 2,500				\$ 2,500
336	Backflow prevention devices (utility owned)					\$ -
339	Other plant & miscellaneous equipment					\$ -
340	Office furniture & equipment	\$ 25,551	\$ 550			\$ 26,101
341	Transportation equipment	\$ 546,620		\$ 24,485		\$ 522,135
343	Tools, shop & garage equipment	\$ 68,113	\$ 14,298			\$ 82,411
344	Laboratory equipment					\$ -
345	Power operated equipment	\$ 854,759	\$ 40,917			\$ 895,676
346	Communication equipment	\$ 102,342				\$ 102,342
347	Electronic & computer equipment	\$ 20,100	\$ 5,982			\$ 26,082
348	Miscellaneous equipment	\$ 49,824			\$ (1,200)	\$ 48,624
	<b>TOTAL</b>	<b>\$ 7,630,999</b>	<b>\$ 311,480</b>	<b>\$ 55,926</b>	<b>\$ -</b>	<b>\$ 7,886,553</b>

Explanation of unusual changes in utility plant during the year:

Retired asset are assets adjusted off as no longer in service and fully depreciated.

**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	\$ 2,137,938
Added during the year:	
Capacity charge	\$ 161,077
Main line extension charges	
Customer connection charges	\$ 35,064
Developer's property	
Other	\$ 87,799
Retired during the year	
End of year balance	\$ 2,421,878

**Accumulated Amortization of CIAC**

Beg of year balance	\$ 746,092
Add CIAC amortized during year	\$ 58,475
Subtract effects of CIAC disposals	
+/- other adjustments*	
Change in Accumulated Amortization during the year	\$ 58,475
End of year balance	\$ 804,567

\* Explain any adjustments:

OTHER CIAC ADDITIONS INCLUDE AN AMOUNT PAID TO WATER COMPANY BY PARK DISTRICT FOR INSTALATION OF IRRIGATION WATER LINE .

**DEPRECIATION**

Roats Water System, Inc.

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	\$ 9,444	\$ 170,786	\$ 9,444		\$ 180,230
305	Collecting & impounding reservoirs			\$ -		\$ -
306	Lake, river & other intakes			\$ -		\$ -
307	Wells & springs	\$ 6,411	\$ 118,746	\$ 6,411		\$ 125,157
308	Infiltration galleries & tunnels			\$ -		\$ -
309	Supply mains			\$ -		\$ -
310	Power generation equipment	\$ 4,222	\$ 4,396	\$ 4,222		\$ 8,618
311	Pumping equipment	\$ 8,527	\$ 160,264	\$ 8,527	\$ 31,441	\$ 137,350
320	Water treatment equipment		\$ 400	\$ -		\$ 400
330	Distribution reservoirs & standpipes	\$ 12,890	\$ 307,297	\$ 12,890		\$ 320,187
331	Transmission & distribution mains	\$ 75,646	\$ 988,086	\$ 75,646		\$ 1,063,732
333	Services	\$ 12,871	\$ 103,797	\$ 12,871		\$ 116,668
334	Meters & meter installations	\$ 10,823	\$ 145,952	\$ 10,823		\$ 156,775
335	Hydrants	\$ 63	\$ 2,411	\$ 63		\$ 2,474
336	Backflow prevention devices (utility owned)			\$ -		\$ -
339	Other plant & miscellaneous equipment			\$ -		\$ -
340	Office furniture & equipment	\$ 988	\$ 7,859	\$ 988		\$ 8,847
341	Transportation equipment	\$ 41,406	\$ 341,416	\$ 41,406	\$ 23,472	\$ 359,350
343	Tools, shop & garage equipment	\$ 2,456	\$ 41,026	\$ 2,456		\$ 43,482
344	Laboratory equipment			\$ -		\$ -
345	Power operated equipment	\$ 48,789	\$ 450,440	\$ 48,789		\$ 499,229
346	Communication equip	\$ 9,639	\$ 23,898	\$ 9,639		\$ 33,537
347	Electronic & computer Equipment	\$ 1,983	\$ 14,435	\$ 1,983		\$ 16,418
348	Miscellaneous Equipment	\$ 221	\$ 49,044	\$ 221		\$ 49,265
	<b>TOTAL</b>	<b>\$ 246,379</b>	<b>\$ 2,930,253</b>	<b>\$ 246,379</b>	<b>\$ 54,913</b>	<b>\$ 3,121,719</b>

\*Explanation of any adjustments made:

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## RETAINED EARNINGS

Roats Water System, Inc.

215	Unappropriated Retained Earnings (beginning of year balance)	\$	1,260,016
435	Balance transferred from income	\$	181,380
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)	\$	1,441,396

\* Explanation of any adjustments made to Retained Earnings

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**OTHER ACCOUNTS**

Roats Water System, Inc.  
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	\$	7,886,553
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	\$	109,385
108	Accumulated Depreciation of Utility Plant in Service	\$	3,121,719
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	\$	1,372,577
132	Special Deposits	\$	500
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$	234,995
142	Other Accounts Receivable		
143	Allowance for Uncollectible Accounts (Enter positive)		
144	Notes Receivable		
145	Accounts Receivable from Associated Companies		
146	Notes Receivable from Associated Companies		
151	Plant Materials and Supplies	\$	33,171
162	Prepayments	\$	28,695
171	Accrued Interest Receivable		
174	Miscellaneous Current and Accrued Assets	\$	1,500

Deferred Debits

181	Unamortized Debt Discount and Expense		
182	Extraordinary Property Losses		
186	Miscellaneous Deferred Debits		
190	Accumulated Deferred Income Taxes		

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

Equity

201	Common Stock Issued	\$	6,878
204	Preferred Stock Issued	\$	-
207	Premium on Capital Stock		
211	Paid in Capital	\$	1,100,725
212	Discount on Capital Stock		
213	Capital Stock Expense		
214	Appropriated Retained Earnings		
215	Unappropriated Retained Earnings	\$	1,441,396
216	Reacquired Capital Stock		
218	Proprietary Capital		

Long Term Debt

221	Bonds		
223	Advances from Associated Companies		
224	Other Long-Term Debt	\$	1,744,994

Current and Accrued Liabilities

231	Accounts Payable	\$	42,299
232	Notes Payable		
233	Accounts Payable to Associated Companies		
234	Notes Payable to Associated Companies		
235	Customer Deposits	\$	7,088
236	Accrued Taxes	\$	109,652
237	Accrued Interest	\$	61,242
238	Accrued Dividends		
239	Matured Long-Term Debt		
240	Matured Interest		
241	Miscellaneous Current and Accrued Liabilities	\$	41,570

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	\$	2,421,878
272	Accumulated Amortization of CIAC	\$	804,567

Accumulated Deferred Income Taxes

281	Accumulated Deferred Income Taxes - Accelerated Depreciation	\$	372,502
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		
283	Accumulated Deferred Income Taxes - Other		

WATER UTILITY PLANT ACCOUNTS (301-348)

301	Organization	\$	-
302	Franchises	\$	-
303	Land and Land Rights	\$	-
304	Structures and Improvements	\$	448,638
305	Collecting and Impounding Reservoirs	\$	-
306	Lakes, River and Other Intakes	\$	-
307	Wells and Springs	\$	200,837
308	Infiltration Galleries and Tunnels	\$	-
309	Supply Mains	\$	-
310	Power Generation Equipment	\$	135,094
311	Pumping Equipment	\$	246,551
320	Water Treatment Equipment	\$	400
330	Distribution Reservoirs and Standpipes	\$	500,237
331	Transmission and Distribution Mains	\$	3,955,264
333	Services	\$	404,263
334	Meters and Meter Installations	\$	289,398
335	Hydrants	\$	2,500
336	Backflow Prevention Devices	\$	-
339	Other Plant and Miscellaneous Equipment	\$	-
340	Office Furniture and Equipment	\$	26,101
341	Transportation Equipment	\$	522,135
343	Tools, Shop and Garage Equipment	\$	82,411
344	Laboratory Equipment	\$	-

345	Power Operated Equipment	\$	895,676
346	Communication Equipment	\$	102,342
347	Computer & electronic Equipment	\$	26,082
348	Miscellaneous Equipment	\$	48,624

INCOME ACCOUNTS (404-434)

Utility Operating Income

400	Operating Revenue	\$	2,234,732
401	Operating Expenses	\$	1,504,505
403	Depreciation Expense	\$	246,379
406	Amortization of Utility Plant Acquisition Adjustment		
407	Amortization Expense (no CIAC)		
408	Taxes Other than Income	\$	100,498
409	Income Taxes	\$	144,000
410	Provision for Deferred Income Taxes - Debit	\$	7,037
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	\$	(1,013)
415	Revenues from Merchandising, Jobbing, and Contract Work		
416	Cost and Expenses of Merchandising, Jobbing, and Contract Work		
419	Interest and Dividend Income	\$	6,848
421	Nonutility Income	\$	88,903
426	Nonutility Expenses	\$	106,246
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	\$	97,900
428	Amortization of Debt Discount and Expense		
429	Amortization of Premium on Debt		

Retained Earnings Account (435-439)

435	Balance Transferred from Income	\$	181,380
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	\$	-
461.1	Metered Sales to Residential Customers	\$	1,444,195
461.2	Metered Sales to Commercial Customers	\$	306,211
461.3	Metered Sales to Industrial Customers	\$	-
461.4	Metered Sales to Public Authorities	\$	-
461.5	Metered Sales to Multiple Family Dwellings	\$	-
462.1	1 Public Fire Protection	\$	15,216
462.2	2 Private Fire Protection	\$	14,525
464	Other Sales to Public Authorities	\$	-
465	Sales to Irrigation Customers	\$	395,729
466	Sales for Resale	\$	286
467	Interdepartmental Sales	\$	-
468	Special Contract/Agreement Revenue	\$	-
470	Forfeited Discounts	\$	-
471	Miscellaneous Service Revenues	\$	650
472	Rents From Water Property	\$	-
473	Interdepartmental Rents	\$	-
474	Other Water Revenues	\$	180
475	Cross Connection Sales & Services Revenues	\$	57,740

OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)

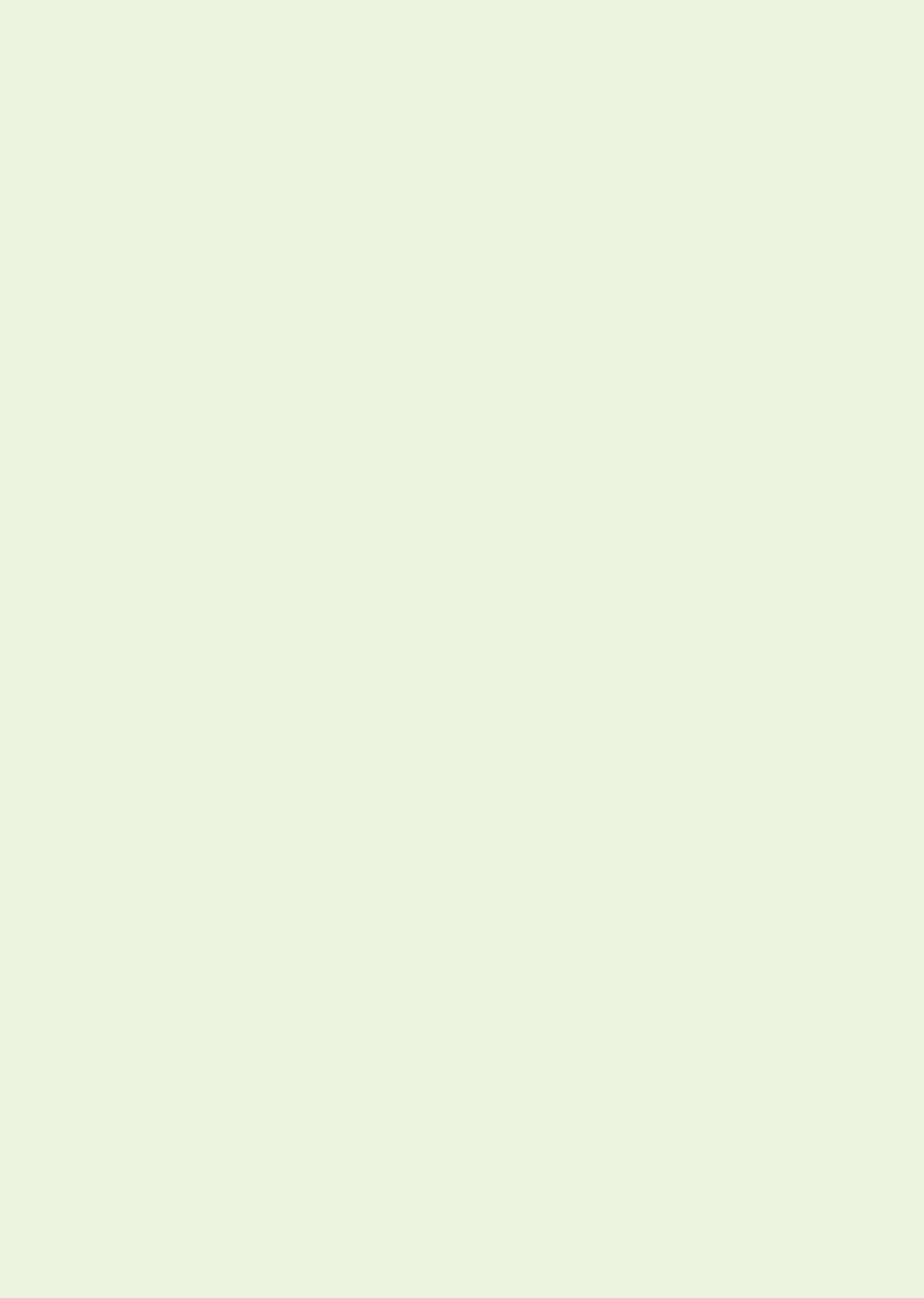
Source of Supply and Expenses

601	Salaries and Wages - Employees	\$	422,194
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$	226,567
604	Employee Pensions and Benefits	\$	125,013
610	Purchased Water	\$	97,972
611	Telephone/Communications	\$	18,589
615	Purchased Power	\$	128,341
616	Fuel for Power Production	\$	-
617	Utilities - Other	\$	3,120
618	Chemicals & testing	\$	-
619	Office Supplies (excluding postage)	\$	18,404
619.1	Postage	\$	630
620	Materials and Supplies	\$	61,937
621	Repairs to Water Plant	\$	15,024
631	Contractual Services - Engineering	\$	7,472
632	Contractual Services - Accounting	\$	39,650
633	Contractual Services - Legal	\$	4,725
634	Contractual Services - Management Fees	\$	-
635	Contractual Services - Testing/Sampling	\$	3,867
636	Contractual Services - Other	\$	3,364
637	Contractual Services - Billing/Collections	\$	21,562
638	Contractual Services - Meter Reading	\$	-
639	Contractual Services - Other	\$	16,319
641	Rental of Building/Real Property	\$	133,176
642	Rental of Equipment	\$	20,987
643	Small Tools	\$	9,294
648	Computer & Electronic Expenses	\$	3,106
650	Transportation Expenses	\$	85,340
656	Insurance - Vehicle	\$	12,408
657	Insurance - General Liability	\$	18,690
658	Insurance - Workman's Compensation	\$	2,468
659	Insurance - Other	\$	85
660	Public Relations / Advertising Expense	\$	276
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$	-
667	Regulatory Commission Expense - Other	\$	7,672
668	Water Resource Conservation Expense	\$	2,243
670	Bad Debt Expense	\$	3,767
671.1	Cross Connection Control Program Expense	\$	1,920
671.2	Cross Connection Testin & Maintenance Services	\$	23,592
672	System Capacity Development Program Expense		
673	Training & Certification Expense	\$	2,800
674	Consumer Confidence Report	\$	-
675	Miscellaneous Expenses	\$	(38,069)

**NOTES**

Roats Water System, Inc.

Notes and explanations:



## INCOME STATEMENT

Roats Water System, Inc.

400 Operating Revenue	\$ 2,234,732
401 Operating Expenses	\$ 1,504,505
403 Depreciation Expense	\$ 187,904
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 100,498
409 Income Taxes	\$ 144,000
410.1 Provision for Deferred Income Taxes - debit	\$ 7,037
411.1 Provision for Deferred Income Taxes - credit	\$ -
412 Investment Tax Credit	\$ -
413 Income From Utility Plant Leased to Others	\$ -
419 Interest & Dividend Income	\$ 6,848
427 Interest Expense	\$ 97,900
428-429 Amortization of Premium/Discount on Debt	\$ -
414 Gains/Losses From Utility Property Disposition (net)	\$ (1,013)
433-434 Extraordinary Income/deductions (net)	\$ -
NET UTILITY OPERATING INCOME	\$ 198,723
421 Nonutility Income	\$ 88,903
415 Revenue From Merchandising, Jobbing, & Contracts	\$ -
426 Nonutility Expense	\$ 106,246
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	\$ 181,380



**BALANCE SHEET**

Roats Water System

**Please do not submit to PUC until figures are balanced.**

101 Utility Plant in Service (excluding CIAC)	\$	7,886,553
108-110 Accumulated Depreciation & Amortization	\$	3,121,719
Subtotal	\$	4,764,834
102-104 Other Utility Plant	\$	-
105 Commission Approved Construction Work in Progress (CWIP)	\$	109,385
114 Commission Approved Utility Plant Acquisition Adjustments	\$	-
115 Accumulated Amortization of Commission Approved Acquisition Adjustments	\$	-
190 Accumulated Deferred Income Taxes (asset)	\$	-
Subtotal	\$	109,385
Net Utility Plant	\$	4,874,219
131 Cash	\$	1,372,577
132 Special Deposits	\$	500
141-142 Accounts Receivable	\$	234,995
143 Accumulated Provision for Uncollectible Accounts	\$	-
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	-
151 Materials & Supplies Inventory	\$	33,171
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	30,195
Net Current & Accrued Assets	\$	1,671,438
181-186 Deferred Debits	\$	-
Total Assets	\$	6,545,657
252 Advances for Construction	\$	-
271 CIAC	\$	2,421,878
272 Accumulated Amortization of CIAC	\$	804,567
Net CIAC & Advances for Construction	\$	1,617,311
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	1,744,994
231 Accounts Payable	\$	42,299
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	-
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	7,088
236 Accrued Taxes	\$	109,652
237 Accrued Interest	\$	61,242
238-241 Miscellaneous Current and Accrued Liabilities	\$	41,570
Liabilities	\$	2,006,845
251 Premium on Unamortized Debt	\$	-
253 Other Deferred Credit	\$	-
261-265 Reserves	\$	-
Other	\$	-
281 Accumulated Deferred Income Taxes-Accelerated Amortization	\$	372,502
282 Accumulated Deferred Income Taxes-Liberalized Depreciation	\$	-
283 Accumulated Deferred Income Taxes-Other	\$	-
Total Liabilities	\$	372,502
Total Liabilities	\$	2,379,347
201 Common Stock Issued	\$	6,878
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	-
211 Other Paid in Capital	\$	1,100,725
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	1,441,396
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	2,548,999
Total Liabilities and Equity	\$	6,545,657

## STATS

Roats Water System, Inc.

### Operating Revenues

Flat Rate	\$	-
Metered - Residential	\$	1,444,195
Metered - Commercial	\$	306,211
Irrigation (including golf courses)	\$	395,729
Fire Protection	\$	29,741
Other Sales of Water	\$	286
Other Operating Revenue	\$	58,570
<b>Total Operating Revenues</b>	\$	<u>2,234,732</u>

### Operating Expenses

Purchased Water	\$	97,972
Purchased Power	\$	128,341
Water Treatment	\$	3,867
Supplies and Expenses	\$	388,668
Repairs of Plant	\$	15,024
Administrative & General	\$	870,633
<b>Total Operating Expenses</b>	\$	<u>1,504,505</u>

### Other Revenue Deductions

Depreciation & Amortization	\$	187,904
Operating Income Taxes	\$	151,037
Other Operating Taxes	\$	100,498
Uncollectible Revenue/Bad Debt Expense	\$	3,767
<b>Total Revenue Deductions</b>	\$	<u>443,206</u>
<b>Total Expenses and Deductions</b>	\$	<u>1,947,711</u>

Other Income	\$	6,848
Interest on Long-Term Debt		
Other Interest Charges	\$	97,900
Other Income Deductions	\$	(7,037)
<b>Net Operating Income (or Loss)</b>	\$	<u>203,006</u>

### Assets & Other Debits

Utility Plant	\$	7,886,553
Less: Depreciation & Amortization Reserve	\$	3,121,719
Other Property & Investments	\$	1,373,077
Materials and Supplies	\$	33,171
Other Current & Accrued Assets	\$	374,575
Deferred Debits	\$	-
<b>Total Assets &amp; Other Debits</b>	\$	<u>6,545,657</u>

### Liabilities & Other Credits

Capital/Common Stock	\$	1,107,603
Retained Earnings	\$	1,441,396
Long-Term Debt	\$	1,744,994
Customer Deposits	\$	7,088
Other Current & Accrued Liabilities	\$	254,763
Advances for Construction	\$	-
Other Deferred Credits	\$	-
Contributions in Aid of Construction	\$	1,617,311
Accumulated Deferred Income Taxes	\$	372,502
<b>Total Liabilities &amp; Other Credits</b>	\$	<u>6,545,657</u>

### Average Number of Customers

Flat Rate	-
Metered - Residential	2,338
Metered - Commercial	192
Irrigation (including golf courses)	517
Fire Protection	2,563
Other	-
<b>Total Customers</b>	<u>5,610</u>