



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

2022

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 1st 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@puc.oregon.gov

- 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@PUC.OREGON.GOV

OATH

ROATS WATER SYSTEM, INC.

Complete Address of Reporting Utility

Line 1:	61147 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 Hamilton Lane, Bend, OR. 97702
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 Hamilton Lane, Bend, OR. 97702
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

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	casey@roatswater.com
Shirley Roats	Secretary	(541) 382-3029	shirley@roatswater.com
Michelle R Berg	Director	(541) 382-3029	michelle@roatswater.com

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
Paul Taylor	Attorney	(541) 382-4331	paul@bljlawers.com

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 & Shirley Roats
	Title	President and Secretary
	Address	61147 SW Hamilton Lane Bend Or 97702
	# shares owned	84.00
2	Name of stockholder/director/officer	William C. Roats
	Title	Vice President
	Address	61147 SW Hamilton Lane Bend Or 97702
	# shares owned	15.00
3	Name of stockholder/director/officer	Michelle Berg
	Title	Director
	Address	61147 SW Hamilton Lane Bend Or 97702
	# shares owned	11.00
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	110	
Par or stated value per share:	\$ 62.5270	
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 insurance and retirement benefits	Approved affiliated interest	\$ 102,851
William C. Roats	Salary, health insurance and retirement benefits	Approved affiliated interest	\$ 60,549
Shirley Roats	Salary, health insurance and retirement benefits	Approved affiliated interest	\$ 72,901
Michelle Berg	Salary, health insurance and retirement benefits	Approved affiliated interest	\$ 83,234
			\$ 445,571
		TOTAL	\$ (445,571)

Explanations or Notes

REVENUES

ROATS WATER SYSTEM, INC.

gal or cf

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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	2,338	2,435	38,929,335	\$ 1,387,897
Metered sales to COMMERCIAL customers	461.2	192	554	14,324,182	\$ 414,516
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	2,521	2,977		\$ 17,123
Private fire protection revenue	462.2	42	86		\$ 15,082
Other Sales to public authorities	464				
Sales to irrigation customers	465	517	572		\$ 281,518
Sales for resale	466				
Water Sales to golf course/recreation revenue	467				
Special contract/agreement revenue	468		485		\$ 217,204
TOTAL		5,610	7,109	53,253,517	\$ 2,333,340

Revenue other than water sales

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 940
Rents from water property	472	
Interdepartmental rents	473	
Other	474	
Cross Connection sales & services revenues	475	\$ 58,118
Total		\$ 59,058

Total Operating Revenue

\$ 2,392,398

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	1359.359418	48.4634751
Metered sales to COMMERCIAL customers	461.2	3200.219392	92.60857909
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		0.51906754
Private fire protection revenue	462.2		19.63802083
Other Sales to public authorities	464		
Sales to irrigation customers	465		43.08509336
Sales for resale	466		
Water Sales to golf course/recreation revenue	467		
Special contract/agreement revenue	468		37.32027491

TAXES AND PROPERTY SALES

Act # TAXES OTHER THAN INCOME TAX

408.11	Property Tax	\$	34,145
408.12	Payroll Tax	\$	64,256
408.13	Other Tax Other Than Income Tax	\$	8,076
408.2	Nonutility Taxes Other Than Income Tax		
		TOTAL	\$ 106,477

Act # INCOME TAXES

409.1	Federal Income Tax	\$	33,100
409.11	State Income Tax	\$	9,700
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
		TOTAL	\$ 42,800

Act # DEFERRED AND PROVISION FOR DEFERRED INCOME TAXES

410.1	Deferred Federal Income Taxes – Utility Operations	\$	19,900
410.11	Deferred State Income Taxes – Utility Operations	\$	8,200
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	\$ 28,100

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

Description	Amount
Write off of assets no longer in service or replaced	\$ (8,042)
Total	\$ (8,042)

EXPENSES

Act #		Expense amount
601	Salaries and Wages - employees	\$ 365,383
603	Salaries and Wages – officers, directors, and majority stockholders	\$ 275,593
604	Employee Pensions & Benefits	\$ 136,906
610	Purchased Water	\$ 113,306
611	Telephone/Communications	\$ 21,407
615	Purchased Power	\$ 155,761
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	\$ 4,687
618	Chemicals & testing	
619	Office Supplies (excluding postage)	\$ 27,909
619.1	Postage	\$ 2,780
620	Materials & Supplies (O&M)	\$ 38,095
621	Repairs of Water Plant	\$ 47,159
631	Contractual Services - engineering	\$ 1,960
632	Contractual Services - accounting	\$ 47,459
633	Contractual Services - legal	\$ 3,121
634	Contractual Services - management	
635	Contractual Services – testing / sampling	\$ 8,784
636	Contractual Services – labor	
637	Contractual Services - billing/collections	\$ 24,196
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 14,531
641	Rental of Building / Real Property	\$ 128,436
642	Rental of Equipment	\$ 17,297
643	Small Tools	\$ 4,585
648	Computer and electronic Expenses	\$ 39,058
650	Transportation Expenses	\$ 59,595
656	Insurance - Vehicle	\$ 12,800
657	Insurance – General Liability	\$ 22,083
658	Insurance – Workman’s Compensation	\$ 5,346
659	Insurance – Other	\$ 356
660	Public Relation / Advertising Expense	
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 19,911
668	Conservation Expense	\$ 11,105
670	Bad Debt Expense	\$ 6,206
671.1	Cross Connection Control Program Expense	\$ 14,136
671.2	Cross Connection Testing & Maintenance Services	\$ 50,380
673	Training & Certification Expense	\$ 3,198
674	Consumer Confidence Report	
675	Miscellaneous Expense	\$ 27,709
	TOTAL	\$ 1,711,238

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	\$ 419,938	\$ 117,141	\$ 6,368		\$ 530,711
305	Collecting & impounding reservoirs					\$ -
306	Lake, river & other intakes					\$ -
307	Wells & springs	\$ 198,764				\$ 198,764
308	Infiltration galleries & tunnels					\$ -
309	Supply mains					\$ -
310	Power generation equipment	\$ 135,094	\$ 4,500	\$ 6,540		\$ 133,054
311	Pumping equipment	\$ 359,284	\$ 7,554	\$ 4,494		\$ 362,344
320	Water treatment equipment					\$ -
330	Distribution reservoirs & standpipes	\$ 482,406				\$ 482,406
331	Transmission & distribution mains	\$ 4,117,546	\$ 1,232			\$ 4,118,778
333	Services	\$ 445,001	\$ 1,091			\$ 446,092
334	Meters & meter installations	\$ 289,398				\$ 289,398
335	Hydrants	\$ 7,097	\$ 11,504			\$ 18,601
336	Backflow prevention devices (utility owned)					\$ -
339	Other plant & miscellaneous equipment					\$ -
340	Office furniture & equipment	\$ 28,000	\$ 1,914	\$ 1,249		\$ 28,665
341	Transportation equipment	\$ 532,395	\$ 1,400			\$ 533,795
343	Tools, shop & garage equipment	\$ 107,278	\$ 22,105		\$ 18,263	\$ 147,646
344	Laboratory equipment					\$ -
345	Power operated equipment	\$ 910,023	\$ 43,558			\$ 953,581
346	Communication equipment	\$ 96,400				\$ 96,400
347	Electronic & computer equipment	\$ 26,681	\$ 30,443	\$ 12,699		\$ 44,425
348	Miscellaneous equipment	\$ 18,263			\$ (18,263)	\$ -
	TOTAL	\$ 8,173,568	\$ 242,442	\$ 31,350	\$ -	\$ 8,384,660

Explanation of unusual changes in utility plant during the year:

Assets retired during the year are comprised of individual items identified as no longer in service or replaced. Misc equipment was reclassified to Tools

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	\$ 2,447,746
Added during the year:	
Capacity charge	\$ 2,675
Main line extension charges	
Customer connection charges	\$ 1,091
Developer's property	
Other	\$ 78,644
Retired during the year	
End of year balance	\$ 2,530,156

Accumulated Amortization of CIAC

Beg of year balance	\$ 817,177
Add CIAC amortized during year	\$ 58,230
Subtract effects of CIAC disposals	
+/- other adjustments*	\$ 477
Change in Accumulated Amortization during the year	\$ 58,707
End of year balance	\$ 875,884

* Explain any adjustments:

CIAC Other adjustments- It was determined that errors were made in prior years. Amounts of capacity charge collected had not been adjusted to increase CIAC liability. Adjustment to accumulated amortization was needed to adjust books to equal detail asset schedule.

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	\$ 9,781	\$ 158,887	\$ 9,781	\$ 6,368	\$ 118	\$ 162,418
305	Collecting & impounding reservoirs			\$ -			\$ -
306	Lake, river & other intakes			\$ -			\$ -
307	Wells & springs	\$ 6,392	\$ 129,476	\$ 6,392		\$ (4)	\$ 135,864
308	Infiltration galleries & tunnels			\$ -			\$ -
309	Supply mains			\$ -			\$ -
310	Power generation equipment	\$ 4,311	\$ 12,856	\$ 4,311		\$ (299)	\$ 16,868
311	Pumping equipment	\$ 14,467	\$ 127,090	\$ 14,467	\$ 4,494	\$ (64)	\$ 136,999
320	Water treatment equipment			\$ -			\$ -
330	Distribution reservoirs & standpipes	\$ 12,890	\$ 315,246	\$ 12,890			\$ 328,136
331	Transmission & distribution mains	\$ 83,742	\$ 1,099,722	\$ 83,742		\$ 1,241	\$ 1,184,705
333	Services	\$ 14,832	\$ 130,802	\$ 14,832		\$ (7)	\$ 145,627
334	Meters & meter installations	\$ 10,823	\$ 167,598	\$ 10,823			\$ 178,421
335	Hydrants	\$ 331	\$ 2,566	\$ 331		\$ 18	\$ 2,915
336	Backflow prevention devices (utility owned)			\$ -			\$ -
339	Other plant & miscellaneous equipment			\$ -			\$ -
340	Office furniture & equipment	\$ 1,093	\$ 9,919	\$ 1,093	\$ 266	\$ 136	\$ 10,882
341	Transportation equipment	\$ 32,868	\$ 398,717	\$ 32,868		\$ (6,018)	\$ 425,567
343	Tools, shop & garage equipment	\$ 5,668	\$ 45,554	\$ 5,668		\$ 17,775	\$ 68,997
344	Laboratory equipment			\$ -			\$ -
345	Power operated equipment	\$ 51,932	\$ 497,780	\$ 51,932	\$ 564	\$ 37,289	\$ 586,437
346	Communication equip	\$ 9,639	\$ 77,237	\$ 9,639		\$ (42,293)	\$ 44,583
347	Electronic & computer Equipment	\$ 6,413	\$ 25,827	\$ 6,413	\$ 11,616	\$ (6,807)	\$ 13,817
348	Miscellaneous Equipment		\$ 21,610	\$ -		\$ (21,610)	\$ -
	TOTAL	\$ 265,182	\$ 3,220,887	\$ 265,182	\$ 23,308	\$ (20,525)	\$ 3,442,236

*Explanation of any adjustments made:

Adjustments are the result changing the method of calculating fist year depreciation from using a half year assumption to a month placed in service assumption.

RETAINED EARNINGS

ROATS WATER SYSTEM, INC.

215	Unappropriated Retained Earnings (beginning of year balance)	\$	1,727,317
435	Balance transferred from income	\$	198,960
436	Appropriations of Retained Earnings	\$	-
437	Preferred Stock dividends declared	\$	-
438	Common Stock dividends declared	\$	-
439	Adjustments to Retained Earnings*	\$	(57,643)
215	Unappropriated Retained Earnings (as of year end)	\$	1,868,634

* Explanation of any adjustments made to Retained Earnings

see notes

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	\$	8,384,660
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	\$	120,964
108	Accumulated Depreciation of Utility Plant in Service	\$	3,442,236
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	\$	1,139,399
132	Special Deposits		
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$	256,403
142	Other Accounts Receivable	\$	8,540
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	\$	50,383
162	Prepayments	\$	45,454
171	Accrued Interest Receivable		
174	Miscellaneous Current and Accrued Assets	\$	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	\$	1,868,634
216	Reacquired Capital Stock		
218	Proprietary Capital		

Long Term Debt

221	Bonds		
223	Advances from Associated Companies		
224	Other Long-Term Debt	\$	1,325,538

Current and Accrued Liabilities

231	Accounts Payable	\$	140,688
232	Notes Payable		
233	Accounts Payable to Associated Companies		
234	Notes Payable to Associated Companies		
235	Customer Deposits	\$	3,221
236	Accrued Taxes	\$	14,463
237	Accrued Interest	\$	57,440
238	Accrued Dividends		
239	Matured Long-Term Debt		
240	Matured Interest		
241	Miscellaneous Current and Accrued Liabilities	\$	19,633

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	\$	2,530,156
272	Accumulated Amortization of CIAC	\$	875,884

Accumulated Deferred Income Taxes

281	Accumulated Deferred Income Taxes - Accelerated Depreciation	\$	372,576
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	\$	530,711
305	Collecting and Impounding Reservoirs	\$	-
306	Lakes, River and Other Intakes	\$	-
307	Wells and Springs	\$	198,764
308	Infiltration Galleries and Tunnels	\$	-
309	Supply Mains	\$	-
310	Power Generation Equipment	\$	133,054
311	Pumping Equipment	\$	362,344
320	Water Treatment Equipment	\$	-
330	Distribution Reservoirs and Standpipes	\$	482,406
331	Transmission and Distribution Mains	\$	4,118,778
333	Services	\$	446,092
334	Meters and Meter Installations	\$	289,398
335	Hydrants	\$	18,601
336	Backflow Prevention Devices	\$	-
339	Other Plant and Miscellaneous Equipment	\$	-
340	Office Furniture and Equipment	\$	28,665
341	Transportation Equipment	\$	533,795
343	Tools, Shop and Garage Equipment	\$	147,646
344	Laboratory Equipment	\$	-

345	Power Operated Equipment	\$	953,581
346	Communication Equipment	\$	96,400
347	Computer & electronic Equipment	\$	44,425
348	Miscellaneous Equipment	\$	-

INCOME ACCOUNTS (404-434)

Utility Operating Income

400	Operating Revenue	\$	2,392,398
401	Operating Expenses	\$	1,711,238
403	Depreciation Expense	\$	265,182
406	Amortization of Utility Plant Acquisition Adjustment		
407	Amortization Expense (no CIAC)		
408	Taxes Other than Income	\$	106,477
409	Income Taxes	\$	42,800
410	Provision for Deferred Income Taxes - Debit	\$	28,100
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	\$	(8,042)
415	Revenues from Merchandising, Jobbing, and Contract Work		
416	Cost and Expenses of Merchandising, Jobbing, and Contract Work		
419	Interest and Dividend Income	\$	3,635
421	Nonutility Income	\$	663
426	Nonutility Expenses	\$	124
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	\$	94,003
428	Amortization of Debt Discount and Expense		
429	Amortization of Premium on Debt		

Retained Earnings Account (435-439)

435	Balance Transferred from Income	\$	198,960
436	Appropriations of Retained Earnings		
437	Preferred Stock Dividends Declared	\$	-
438	Common Stock Dividends Declared	\$	-
439	Adjustment to Retained Earnings	\$	(57,643)

OPERATING REVENUE ACCOUNTS (460-475)

460	Unmetered Water Revenue	\$	-
461.1	Metered Sales to Residential Customers	\$	1,387,897
461.2	Metered Sales to Commercial Customers	\$	414,516
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	\$	17,123
462.2	2 Private Fire Protection	\$	15,082
464	Other Sales to Public Authorities	\$	-
465	Sales to Irrigation Customers	\$	281,518
466	Sales for Resale	\$	-
467	Interdepartmental Sales	\$	-
468	Special Contract/Agreement Revenue	\$	217,204
470	Forfeited Discounts	\$	-
471	Miscellaneous Service Revenues	\$	940
472	Rents From Water Property	\$	-
473	Interdepartmental Rents	\$	-
474	Other Water Revenues	\$	-
475	Cross Connection Sales & Services Revenues	\$	58,118

OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)

Source of Supply and Expenses

601	Salaries and Wages - Employees	\$	365,383
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$	275,593
604	Employee Pensions and Benefits	\$	136,906
610	Purchased Water	\$	113,306
611	Telephone/Communications	\$	21,407
615	Purchased Power	\$	155,761
616	Fuel for Power Production	\$	-
617	Utilities - Other	\$	4,687
618	Chemicals & testing	\$	-
619	Office Supplies (excluding postage)	\$	27,909
619.1	Postage	\$	2,780
620	Materials and Supplies	\$	38,095
621	Repairs to Water Plant	\$	47,159
631	Contractual Services - Engineering	\$	1,960
632	Contractual Services - Accounting	\$	47,459
633	Contractual Services - Legal	\$	3,121
634	Contractual Services - Management Fees	\$	-
635	Contractual Services - Testing/Sampling	\$	8,784
636	Contractual Services - Other	\$	-
637	Contractual Services - Billing/Collections	\$	24,196
638	Contractual Services - Meter Reading	\$	-
639	Contractual Services - Other	\$	14,531
641	Rental of Building/Real Property	\$	128,436
642	Rental of Equipment	\$	17,297
643	Small Tools	\$	4,585
648	Computer & Electronic Expenses	\$	39,058
650	Transportation Expenses	\$	59,595
656	Insurance - Vehicle	\$	12,800
657	Insurance - General Liability	\$	22,083
658	Insurance - Workman's Compensation	\$	5,346
659	Insurance - Other	\$	356
660	Public Relations / Advertising Expense	\$	-
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$	-
667	Regulatory Commission Expense - Other	\$	19,911
668	Water Resource Conservation Expense	\$	11,105
670	Bad Debt Expense	\$	6,206
671.1	Cross Connection Control Program Expense	\$	14,136
671.2	Cross Connection Testin & Maintenance Services	\$	50,380
672	System Capacity Development Program Expense	\$	-
673	Training & Certification Expense	\$	3,198
674	Consumer Confidence Report	\$	-
675	Miscellaneous Expenses	\$	27,709

NOTES

ROATS WATER SYSTEM, INC.

Notes and explanations:

Retained earnings adjustment- The adjustment to retained earnings includes a \$21,001 increase resulting from changing the method of calculating first year depreciation. Retained earnings have been decreased by \$78,644 due to previous year errors in recording deposits from developers that should have been added to the CIAC liability on the books. Revenues-The number of customers at beginning of year were calculated incorrectly. Current year customer counts are correct reflecting the number of connections. Special contrac/agreement revenue includes motorhome and RV park revenues.

INCOME STATEMENT

ROATS WATER SYSTEM, INC.

400 Operating Revenue	\$ 2,392,398
401 Operating Expenses	\$ 1,711,238
403 Depreciation Expense	\$ 206,952
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 106,477
409 Income Taxes	\$ 42,800
410.1 Provision for Deferred Income Taxes - debit	\$ 28,100
411.1 Provision for Deferred Income Taxes - credit	\$ -
412 Investment Tax Credit	\$ -
413 Income From Utility Plant Leased to Others	\$ -
419 Interest & Dividend Income	\$ 3,635
427 Interest Expense	\$ 94,003
428-429 Amortization of Premium/Discount on Debt	\$ -
414 Gains/Losses From Utility Property Disposition (net)	\$ (8,042)
433-434 Extraordinary Income/deductions (net)	\$ -
NET UTILITY OPERATING INCOME	\$ 198,421
421 Nonutility Income	\$ 663
415 Revenue From Merchandising, Jobbing, & Contracts	\$ -
426 Nonutility Expense	\$ 124
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	\$ 198,960

BALANCE SHEET

ROATS WATER SYST

Please do not submit to PUC until figures are balanced.

101 Utility Plant in Service (excluding CIAC)	\$	8,384,660
108-110 Accumulated Depreciation & Amortization	\$	3,442,236
Subtotal	\$	4,942,424
102-104 Other Utility Plant	\$	-
105 Commission Approved Construction Work in Progress (CWIP)	\$	120,964
114 Commission Approved Utility Plant Acquisition Adjustments	\$	-
115 Accumulated Amortization of Commission Approved Acquisition Adjustments	\$	-
190 Accumulated Deferred Income Taxes (asset)	\$	-
Subtotal	\$	120,964
Net Utility Plant	\$	5,063,388
131 Cash	\$	1,139,399
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	264,943
143 Accumulated Provision for Uncollectible Accounts	\$	-
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	-
151 Materials & Supplies Inventory	\$	50,383
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	45,954
Net Current & Accrued Assets	\$	1,500,679
181-186 Deferred Debits	\$	-
Total Assets	\$	6,564,067
252 Advances for Construction	\$	-
271 CIAC	\$	2,530,156
272 Accumulated Amortization of CIAC	\$	875,884
Net CIAC & Advances for Construction	\$	1,654,272
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	1,325,538
231 Accounts Payable	\$	140,688
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	-
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	3,221
236 Accrued Taxes	\$	14,463
237 Accrued Interest	\$	57,440
238-241 Miscellaneous Current and Accrued Liabilities	\$	19,633
Liabilities	\$	1,560,983
251 Premium on Unamortized Debt	\$	-
253 Other Deferred Credit	\$	-
261-265 Reserves	\$	-
Other	\$	-
281 Accumulated Deferred Income Taxes-Accelerated Amortization	\$	372,576
282 Accumulated Deferred Income Taxes-Liberalized Depreciation	\$	-
283 Accumulated Deferred Income Taxes-Other	\$	-
Total Liabilities	\$	1,933,559
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	\$	1,868,634
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	2,976,236
Total Liabilities and Equity	\$	6,564,067

STATS

ROATS WATER SYSTEM, INC.

Operating Revenues

Flat Rate	\$	-
Metered - Residential	\$	1,387,897
Metered - Commercial	\$	414,516
Irrigation (including golf courses)	\$	281,518
Fire Protection	\$	32,205
Other Sales of Water	\$	217,204
Other Operating Revenue	\$	59,058
Total Operating Revenues	\$	2,392,398

Operating Expenses

Purchased Water	\$	113,306
Purchased Power	\$	155,761
Water Treatment	\$	8,784
Supplies and Expenses	\$	510,873
Repairs of Plant	\$	47,159
Administrative & General	\$	875,355
Total Operating Expenses	\$	1,711,238

Other Revenue Deductions

Depreciation & Amortization	\$	206,952
Operating Income Taxes	\$	70,900
Other Operating Taxes	\$	106,477
Uncollectible Revenue/Bad Debt Expense	\$	6,206
Total Revenue Deductions	\$	390,535

Total Expenses and Deductions

	\$	2,101,773
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Other Income	\$	3,635
Interest on Long-Term Debt		
Other Interest Charges	\$	94,003
Other Income Deductions	\$	(28,100)
Net Operating Income (or Loss)	\$	228,357

Assets & Other Debits

Utility Plant	\$	8,384,660
Less: Depreciation & Amortization Reserve	\$	3,442,236
Other Property & Investments	\$	1,139,399
Materials and Supplies	\$	50,383
Other Current & Accrued Assets	\$	431,861
Deferred Debits	\$	-
Total Assets & Other Debits	\$	6,564,067

Liabilities & Other Credits

Capital/Common Stock	\$	1,107,603
Retained Earnings	\$	1,868,634
Long-Term Debt	\$	1,325,538
Customer Deposits	\$	3,221
Other Current & Accrued Liabilities	\$	232,224
Advances for Construction	\$	-
Other Deferred Credits	\$	-
Contributions in Aid of Construction	\$	1,654,272
Accumulated Deferred Income Taxes	\$	372,576
Total Liabilities & Other Credits	\$	6,564,067

Average Number of Customers

Flat Rate	-
Metered - Residential	2,435
Metered - Commercial	554
Irrigation (including golf courses)	572
Fire Protection	3,063
Other	485
Total Customers	7,109