



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

2021

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
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 & 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
NONE			
			\$ -

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	\$ 108,354
William C. Roats	Salary, health insurance and retirement benefits	Submitted for approval	\$ 82,001
Shirley Roats	Salary, health insurance and retirement benefits	Submitted for approval	\$ 79,999
Michelle Berg	Salary, health insurance and retirement benefits	Submitted for approval	\$ 79,731
			\$ 476,121
		TOTAL	\$ (476,121)

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	2,338	3,387	44,802,358	\$ 1,398,182
Metered sales to COMMERCIAL customers	461.2	192	544	21,464,113	\$ 370,406
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	2,561		\$ 16,096
Private fire protection revenue	462.2	42	42		\$ 14,522
Other Sales to public authorities	464				
Sales to irrigation customers	465	517	807		\$ 298,094
Sales for resale	466				
Water Sales to golf course/recreation revenue	467				
Special contract/agreement revenue	468		3		\$ 198,481
TOTAL		5,610	7,344	66,266,471	\$ 2,295,781

Revenue other than water sales

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 260
Rents from water property	472	
Interdepartmental rents	473	
Other	474	\$ 1,400
Cross Connection sales & services revenues	475	\$ 57,710
Total		\$ 59,370

Total Operating Revenue

\$ 2,355,151

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	1304.289898	40.70398836
Metered sales to COMMERCIAL customers	461.2	4860.532835	83.87817029
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		0.527876164
Private fire protection revenue	462.2		28.81349206
Other Sales to public authorities	464		
Sales to irrigation customers	465		37.52442095
Sales for resale	466		
Water Sales to golf course/recreation revenue	467		
Special contract/agreement revenue	468		5513.361111

TAXES AND PROPERTY SALES

Act # TAXES OTHER THAN INCOME TAX

408.11	Property Tax	\$	32,235
408.12	Payroll Tax	\$	63,396
408.13	Other Tax Other Than Income Tax	\$	5,650
408.2	Nonutility Taxes Other Than Income Tax		
TOTAL		\$	101,281

Act # INCOME TAXES

409.1	Federal Income Tax	\$	17,948
409.11	State Income Tax	\$	10,600
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
TOTAL		\$	28,548

Act # DEFERRED AND PROVISION FOR DEFERRED INCOME TAXES

410.1	Deferred Federal Income Taxes – Utility Operations	\$	34,800
410.11	Deferred State Income Taxes – Utility Operations	\$	7,400
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		\$	42,200

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

Description	Amount
Total	\$ -

EXPENSES

Act #		Expense amount
601	Salaries and Wages - employees	\$ 454,808
603	Salaries and Wages – officers, directors, and majority stockholders	\$ 226,159
604	Employee Pensions & Benefits	\$ 137,935
610	Purchased Water	\$ 92,432
611	Telephone/Communications	\$ 19,689
615	Purchased Power	\$ 159,820
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	\$ 2,927
618	Chemicals & testing	
619	Office Supplies (excluding postage)	\$ 24,720
619.1	Postage	\$ 708
620	Materials & Supplies (O&M)	\$ 98,236
621	Repairs of Water Plant	\$ 41,987
631	Contractual Services - engineering	\$ 220
632	Contractual Services - accounting	\$ 45,151
633	Contractual Services - legal	\$ 1,400
634	Contractual Services - management	\$ 274
635	Contractual Services – testing / sampling	\$ 3,570
636	Contractual Services – labor	\$ 1,501
637	Contractual Services - billing/collections	\$ 22,405
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 16,828
641	Rental of Building / Real Property	\$ 133,281
642	Rental of Equipment	\$ 18,141
643	Small Tools	\$ 2,160
648	Computer and electronic Expenses	\$ 4,712
650	Transportation Expenses	\$ 85,027
656	Insurance - Vehicle	\$ 12,536
657	Insurance – General Liability	\$ 20,710
658	Insurance – Workman’s Compensation	\$ 2,544
659	Insurance – Other	\$ 85
660	Public Relation / Advertising Expense	\$ 382
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 8,163
668	Conservation Expense	\$ 1,393
670	Bad Debt Expense	\$ 5,131
671.1	Cross Connection Control Program Expense	
671.2	Cross Connection Testing & Maintenance Services	\$ 42,271
673	Training & Certification Expense	\$ 2,966
674	Consumer Confidence Report	
675	Miscellaneous Expense	\$ (10,213)
	TOTAL	\$ 1,680,059

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	\$ 448,638	\$ 2,145	\$ 30,845		\$ 419,938
305	Collecting & impounding reservoirs					\$ -
306	Lake, river & other intakes					\$ -
307	Wells & springs	\$ 200,837		\$ 2,073		\$ 198,764
308	Infiltration galleries & tunnels					\$ -
309	Supply mains					\$ -
310	Power generation equipment	\$ 135,094				\$ 135,094
311	Pumping equipment	\$ 246,551	\$ 166,081	\$ 53,348		\$ 359,284
320	Water treatment equipment	\$ 400		\$ 400		\$ -
330	Distribution reservoirs & standpipes	\$ 500,237		\$ 17,831		\$ 482,406
331	Transmission & distribution mains	\$ 3,955,264	\$ 209,045	\$ 46,763		\$ 4,117,546
333	Services	\$ 404,263	\$ 40,738			\$ 445,001
334	Meters & meter installations	\$ 289,398				\$ 289,398
335	Hydrants	\$ 2,500	\$ 4,597			\$ 7,097
336	Backflow prevention devices (utility owned)					\$ -
339	Other plant & miscellaneous equipment					\$ -
340	Office furniture & equipment	\$ 26,101	\$ 1,899			\$ 28,000
341	Transportation equipment	\$ 522,135	\$ 10,260			\$ 532,395
343	Tools, shop & garage equipment	\$ 82,411	\$ 26,779	\$ 3,361	\$ 1,449	\$ 107,278
344	Laboratory equipment					\$ -
345	Power operated equipment	\$ 895,676	\$ 16,061	\$ 265	\$ (1,449)	\$ 910,023
346	Communication equipment	\$ 102,342		\$ 5,942		\$ 96,400
347	Electronic & computer equipment	\$ 26,082	\$ 829	\$ 230		\$ 26,681
348	Miscellaneous equipment	\$ 48,624		\$ 30,361		\$ 18,263
	TOTAL	\$ 7,886,553	\$ 478,434	\$ 191,419	\$ -	\$ 8,173,568

Explanation of unusual changes in utility plant during the year:

Retired assets 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	\$ 2,421,878
Added during the year:	
Capacity charge	\$ 63,943
Main line extension charges	
Customer connection charges	\$ 40,738
Developer's property	
Other	
Retired during the year	\$ (78,813)
End of year balance	\$ 2,447,746

Accumulated Amortization of CIAC

Beg of year balance	\$ 804,567
Add CIAC amortized during year	\$ 60,381
Subtract effects of CIAC disposals	\$ (47,771)
+/- other adjustments*	
Change in Accumulated Amortization during the year	\$ 12,610
End of year balance	\$ 817,177

* Explain any adjustments:

Capacity charge is development fees collected in cash. No non cash property was contributed by a developer during this fiscal year.

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	\$ 9,502	\$ 180,230	\$ 9,502	\$ 30,845	\$ 158,887
305	Collecting & impounding reservoirs			\$ -		\$ -
306	Lake, river & other intakes			\$ -		\$ -
307	Wells & springs	\$ 6,392	\$ 125,157	\$ 6,392	\$ 2,073	\$ 129,476
308	Infiltration galleries & tunnels			\$ -		\$ -
309	Supply mains			\$ -		\$ -
310	Power generation equipment	\$ 4,503	\$ 8,618	\$ 4,503	\$ 265	\$ 12,856
311	Pumping equipment	\$ 12,046	\$ 137,350	\$ 12,046	\$ 22,306	\$ 127,090
320	Water treatment equipment		\$ 400	\$ -	\$ 400	\$ -
330	Distribution reservoirs & standpipes	\$ 12,890	\$ 320,187	\$ 12,890	\$ 17,831	\$ 315,246
331	Transmission & distribution mains	\$ 82,753	\$ 1,063,732	\$ 82,753	\$ 46,763	\$ 1,099,722
333	Services	\$ 14,134	\$ 116,668	\$ 14,134		\$ 130,802
334	Meters & meter installations	\$ 10,823	\$ 156,775	\$ 10,823		\$ 167,598
335	Hydrants	\$ 92	\$ 2,474	\$ 92		\$ 2,566
336	Backflow prevention devices (utility owned)			\$ -		\$ -
339	Other plant & miscellaneous equipment			\$ -		\$ -
340	Office furniture & equipment	\$ 1,072	\$ 8,847	\$ 1,072		\$ 9,919
341	Transportation equipment	\$ 39,367	\$ 359,350	\$ 39,367		\$ 398,717
343	Tools, shop & garage equipment	\$ 3,984	\$ 43,482	\$ 3,984	\$ 3,361	\$ 45,554
344	Laboratory equipment			\$ -		\$ -
345	Power operated equipment		\$ 499,229	\$ -	\$ (1,449)	\$ 497,780
346	Communication equip	\$ 49,642	\$ 33,537	\$ 49,642	\$ 5,942	\$ 77,237
347	Electronic & computer Equipment	\$ 9,639	\$ 16,418	\$ 9,639	\$ 230	\$ 25,827
348	Miscellaneous Equipment	\$ 2,706	\$ 49,265	\$ 2,706	\$ 30,361	\$ 21,610
	TOTAL	\$ 259,545	\$ 3,121,719	\$ 259,545	\$ 160,377	\$ 3,220,887

*Explanation of any adjustments made:

RETAINED EARNINGS

ROATS WATER SYSTEM, INC.

215	Unappropriated Retained Earnings (beginning of year balance)	\$	1,441,396
435	Balance transferred from income	\$	215,695
436	Appropriations of Retained Earnings	\$	-
437	Preferred Stock dividends declared	\$	-
438	Common Stock dividends declared	\$	-
439	Adjustments to Retained Earnings*	\$	70,226
215	Unappropriated Retained Earnings (as of year end)	\$	1,727,317

* Explanation of any adjustments made to Retained Earnings

To adjust prior year deferred tax asset.

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	\$	8,173,568
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	\$	46,168
108	Accumulated Depreciation of Utility Plant in Service	\$	3,220,887
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	\$	1,268,911
132	Special Deposits		
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$	233,130
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	\$	28,962
162	Prepayments	\$	111,506
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	\$	73,246

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	\$	1,727,317
216	Reacquired Capital Stock		
218	Proprietary Capital		

Long Term Debt

221	Bonds		
223	Advances from Associated Companies	\$	344,994
224	Other Long-Term Debt	\$	1,363,941

Current and Accrued Liabilities

231	Accounts Payable	\$	13,118
232	Notes Payable		
233	Accounts Payable to Associated Companies		
234	Notes Payable to Associated Companies		
235	Customer Deposits	\$	4,511
236	Accrued Taxes	\$	5,263
237	Accrued Interest	\$	66,579
238	Accrued Dividends		
239	Matured Long-Term Debt		
240	Matured Interest		
241	Miscellaneous Current and Accrued Liabilities	\$	33,487

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	\$	2,447,746
272	Accumulated Amortization of CIAC	\$	817,177

Accumulated Deferred Income Taxes

281	Accumulated Deferred Income Taxes - Accelerated Depreciation	\$	417,722
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	\$	419,938
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	\$	135,094
311	Pumping Equipment	\$	359,284
320	Water Treatment Equipment	\$	-
330	Distribution Reservoirs and Standpipes	\$	482,406
331	Transmission and Distribution Mains	\$	4,117,546
333	Services	\$	445,001
334	Meters and Meter Installations	\$	289,398
335	Hydrants	\$	7,097
336	Backflow Prevention Devices	\$	-
339	Other Plant and Miscellaneous Equipment	\$	-
340	Office Furniture and Equipment	\$	28,000
341	Transportation Equipment	\$	532,395
343	Tools, Shop and Garage Equipment	\$	107,278
344	Laboratory Equipment	\$	-

345	Power Operated Equipment	\$	910,023
346	Communication Equipment	\$	96,400
347	Computer & electronic Equipment	\$	26,681
348	Miscellaneous Equipment	\$	18,263

INCOME ACCOUNTS (404-434)

Utility Operating Income

400	Operating Revenue	\$	2,355,151
401	Operating Expenses	\$	1,680,059
403	Depreciation Expense	\$	259,545
406	Amortization of Utility Plant Acquisition Adjustment		
407	Amortization Expense (no CIAC)		
408	Taxes Other than Income	\$	101,281
409	Income Taxes	\$	28,548
410	Provision for Deferred Income Taxes - Debit	\$	42,200
411	Provision for Deferred Income Taxes - Credit	\$	-
412	Investment Tax Credit		
413	Income from Utility Plant Leased to Others		
414	Gain/Loss from Utility Property Sales	\$	-
415	Revenues from Merchandising, Jobbing, and Contract Work	\$	11,656
416	Cost and Expenses of Merchandising, Jobbing, and Contract Work	\$	11,576
419	Interest and Dividend Income	\$	6,031
421	Nonutility Income	\$	2,499
426	Nonutility Expenses	\$	302
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	\$	96,512
428	Amortization of Debt Discount and Expense		
429	Amortization of Premium on Debt		

Retained Earnings Account (435-439)

435	Balance Transferred from Income	\$	215,695
436	Appropriations of Retained Earnings		
437	Preferred Stock Dividends Declared	\$	-
438	Common Stock Dividends Declared	\$	-
439	Adjustment to Retained Earnings	\$	70,226

OPERATING REVENUE ACCOUNTS (460-475)

460	Unmetered Water Revenue	\$	-
461.1	Metered Sales to Residential Customers	\$	1,398,182
461.2	Metered Sales to Commercial Customers	\$	370,406
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	\$	16,096
462.2	2 Private Fire Protection	\$	14,522
464	Other Sales to Public Authorities	\$	-
465	Sales to Irrigation Customers	\$	298,094
466	Sales for Resale	\$	-
467	Interdepartmental Sales	\$	-
468	Special Contract/Agreement Revenue	\$	198,481
470	Forfeited Discounts	\$	-
471	Miscellaneous Service Revenues	\$	260
472	Rents From Water Property	\$	-
473	Interdepartmental Rents	\$	-
474	Other Water Revenues	\$	1,400
475	Cross Connection Sales & Services Revenues	\$	57,710

OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)

Source of Supply and Expenses

601	Salaries and Wages - Employees	\$	454,808
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$	226,159
604	Employee Pensions and Benefits	\$	137,935
610	Purchased Water	\$	92,432
611	Telephone/Communications	\$	19,689
615	Purchased Power	\$	159,820
616	Fuel for Power Production	\$	-
617	Utilities - Other	\$	2,927
618	Chemicals & testing	\$	-
619	Office Supplies (excluding postage)	\$	24,720
619.1	Postage	\$	708
620	Materials and Supplies	\$	98,236
621	Repairs to Water Plant	\$	41,987
631	Contractual Services - Engineering	\$	220
632	Contractual Services - Accounting	\$	45,151
633	Contractual Services - Legal	\$	1,400
634	Contractual Services - Management Fees	\$	274
635	Contractual Services - Testing/Sampling	\$	3,570
636	Contractual Services - Other	\$	1,501
637	Contractual Services - Billing/Collections	\$	22,405
638	Contractual Services - Meter Reading	\$	-
639	Contractual Services - Other	\$	16,828
641	Rental of Building/Real Property	\$	133,281
642	Rental of Equipment	\$	18,141
643	Small Tools	\$	2,160
648	Computer & Electronic Expenses	\$	4,712
650	Transportation Expenses	\$	85,027
656	Insurance - Vehicle	\$	12,536
657	Insurance - General Liability	\$	20,710
658	Insurance - Workman's Compensation	\$	2,544
659	Insurance - Other	\$	85
660	Public Relations / Advertising Expense	\$	382
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$	-
667	Regulatory Commission Expense - Other	\$	8,163
668	Water Resource Conservation Expense	\$	1,393
670	Bad Debt Expense	\$	5,131
671.1	Cross Connection Control Program Expense	\$	-
671.2	Cross Connection Testin & Maintenance Services	\$	42,271
672	System Capacity Development Program Expense	\$	-
673	Training & Certification Expense	\$	2,966
674	Consumer Confidence Report	\$	-
675	Miscellaneous Expenses	\$	(10,213)

NOTES

ROATS WATER SYSTEM, INC.

Notes and explanations:

Special contract/agreement revenue-Wheeling fee 64,800.Mobile homepark/RV park revenue-133,681. Revenues # of customers now reflect connections rather than customers in order to be consistent with numbers used in recent rate case.

INCOME STATEMENT

ROATS WATER SYSTEM, INC.

400 Operating Revenue	\$ 2,355,151
401 Operating Expenses	\$ 1,680,059
403 Depreciation Expense	\$ 199,164
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 101,281
409 Income Taxes	\$ 28,548
410.1 Provision for Deferred Income Taxes - debit	\$ 42,200
411.1 Provision for Deferred Income Taxes - credit	\$ -
412 Investment Tax Credit	\$ -
413 Income From Utility Plant Leased to Others	\$ -
419 Interest & Dividend Income	\$ 6,031
427 Interest Expense	\$ 96,512
428-429 Amortization of Premium/Discount on Debt	\$ -
414 Gains/Losses From Utility Property Disposition (net)	\$ -
433-434 Extraordinary Income/deductions (net)	\$ -
NET UTILITY OPERATING INCOME	\$ 213,418
421 Nonutility Income	\$ 2,499
415 Revenue From Merchandising, Jobbing, & Contracts	\$ 11,656
426 Nonutility Expense	\$ 302
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	\$ 11,576
Net Income	\$ 215,695

BALANCE SHEET

ROATS WATER SYST

Please do not submit to PUC until figures are balanced.

101 Utility Plant in Service (excluding CIAC)	\$	8,173,568
108-110 Accumulated Depreciation & Amortization	\$	3,220,887
Subtotal	\$	4,952,681
102-104 Other Utility Plant	\$	-
105 Commission Approved Construction Work in Progress (CWIP)	\$	46,168
114 Commission Approved Utility Plant Acquisition Adjustments	\$	-
115 Accumulated Amortization of Commission Approved Acquisition Adjustments	\$	-
190 Accumulated Deferred Income Taxes (asset)	\$	73,246
Subtotal	\$	119,414
Net Utility Plant	\$	5,072,095
131 Cash	\$	1,268,911
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	233,130
143 Accumulated Provision for Uncollectible Accounts	\$	-
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	-
151 Materials & Supplies Inventory	\$	28,962
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	112,006
Net Current & Accrued Assets	\$	1,643,009
181-186 Deferred Debits	\$	-
Total Assets	\$	6,715,104
252 Advances for Construction	\$	-
271 CIAC	\$	2,447,746
272 Accumulated Amortization of CIAC	\$	817,177
Net CIAC & Advances for Construction	\$	1,630,569
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	1,708,935
231 Accounts Payable	\$	13,118
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	-
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	4,511
236 Accrued Taxes	\$	5,263
237 Accrued Interest	\$	66,579
238-241 Miscellaneous Current and Accrued Liabilities	\$	33,487
Liabilities	\$	1,831,893
251 Premium on Unamortized Debt	\$	-
253 Other Deferred Credit	\$	-
261-265 Reserves	\$	-
Other	\$	-
281 Accumulated Deferred Income Taxes-Accelerated Amortization	\$	417,722
282 Accumulated Deferred Income Taxes-Liberalized Depreciation	\$	-
283 Accumulated Deferred Income Taxes-Other	\$	-
Total Liabilities	\$	2,249,615
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	\$	1,727,317
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	2,834,920
Total Liabilities and Equity	\$	6,715,104

STATS

ROATS WATER SYSTEM, INC.

Operating Revenues

Flat Rate	\$	-
Metered - Residential	\$	1,398,182
Metered - Commercial	\$	370,406
Irrigation (including golf courses)	\$	298,094
Fire Protection	\$	30,618
Other Sales of Water	\$	198,481
Other Operating Revenue	\$	59,370
Total Operating Revenues	\$	<u>2,355,151</u>

Operating Expenses

Purchased Water	\$	92,432
Purchased Power	\$	159,820
Water Treatment	\$	3,570
Supplies and Expenses	\$	470,438
Repairs of Plant	\$	41,987
Administrative & General	\$	911,812
Total Operating Expenses	\$	<u>1,680,059</u>

Other Revenue Deductions

Depreciation & Amortization	\$	199,164
Operating Income Taxes	\$	70,748
Other Operating Taxes	\$	101,281
Uncollectible Revenue/Bad Debt Expense	\$	5,131
Total Revenue Deductions	\$	<u>376,324</u>

Total Expenses and Deductions

	\$	2,056,383
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Other Income	\$	6,031
Interest on Long-Term Debt		
Other Interest Charges	\$	96,512
Other Income Deductions	\$	<u>(42,200)</u>
Net Operating Income (or Loss)	\$	250,487

Assets & Other Debits

Utility Plant	\$	8,173,568
Less: Depreciation & Amortization Reserve	\$	3,220,887
Other Property & Investments	\$	1,268,911
Materials and Supplies	\$	28,962
Other Current & Accrued Assets	\$	464,550
Deferred Debits	\$	-
Total Assets & Other Debits	\$	<u>6,715,104</u>

Liabilities & Other Credits

Capital/Common Stock	\$	1,107,603
Retained Earnings	\$	1,727,317
Long-Term Debt	\$	1,708,935
Customer Deposits	\$	4,511
Other Current & Accrued Liabilities	\$	118,447
Advances for Construction	\$	-
Other Deferred Credits	\$	-
Contributions in Aid of Construction	\$	1,630,569
Accumulated Deferred Income Taxes	\$	417,722
Total Liabilities & Other Credits	\$	<u>6,715,104</u>

Average Number of Customers

Flat Rate	-
Metered - Residential	3,387
Metered - Commercial	544
Irrigation (including golf courses)	807
Fire Protection	2,603
Other	<u>3</u>
Total Customers	<u>7,344</u>