



ANNUAL RESULTS OF OPERATIONS REPORT

SELECT COMPANY SIZE (based on Annual Revenue)

Class A Water Utility
(Annual Gross Revenue of \$1,000,000 or more)

FOR THE CALENDAR YEAR

2016

COMPANY NAME

Roats Water System, Inc.

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 and any supplementary pages to an email addressed to the following address: puc.filingcenter@state.or.us.

- Interpret all accounting words and phrases in accordance with the USOA.
- Special or unusual entries and all discrepancies should be fully explained. If necessary, 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 ON EXCEL PROGRAM, ACCOUNTS, OR REPORTING, CONTACT GREG MILLER AT 503-373-7867 OR EMAIL AT GREG.MILLER@STATE.OR.US

Oath

Roats Water System, Inc.

Complete Address of Reporting Utility

Line 1:	Roats Water System, Inc.
Line 2:	61147 SW Hamilton Lane
City:	Bend
State:	Oregon
Zip:	97702
phone:	541-382-3029
email:	
fax:	541-382-2292
website:	

Name and title of person responsible for report

Name:	William K Roats
Title:	President
Phone:	541-382-3029
Email:	

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:	Wesley B Price
Address:	2796 NW Clearwater Drive Bned, OR 97703
Phone:	541-382-4791
Email:	price@bendcpa.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 Bend, OR 97702
Phone:	541-382-3029
Email:	

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

Name:	
Address:	
Phone:	
Email:	

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

5/15/1963

Provide the following information for all utility officers and directors

Name	Title	Phone #	Email
William K Roats	President	541-382-3029	
Willim 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	
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
	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 Roats
	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:		
Dividends declared per share during the year:		

Affiliates

Roats Water System, Inc.

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the company and an affiliated business or financial organization, firm, partnership, or individual. For a definition of affiliated, 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
Roats Excavation LLC	construction services	approved affiliated interest	
William K Roats	facility rents	approved affiliated interest	\$ 88,000
			\$ 88,000

TOTAL \$ (88,000)

Explanations or Notes

Revenues

Roats Water System, Inc.

gal or cf

cf

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	1,589	1,628	37,192,626	\$ 786,608
Metered sales to COMMERCIAL customers	461.2	185	202	13,236,044	\$ 237,964
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	92	92	flat rate	\$ 13,512
Private fire protection revenue	462.2				
Other Sales to public authorities	464				
Sales to irrigation customers	465				
Sales for resale	466			water truck	\$ 1,175
Water Sales to golf course/recreation revenue	467				
Special contract/agreement revenue	468				
TOTAL		1,866	1,922	50,428,670	\$ 1,039,259

Revenue other than water sales

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 4,339
Rents from water property	472	
Interdepartmental rents	473	
Other	474	\$ 10,332
Cross Connection sales & services revenues	475	\$ 50,408
Total		\$ 65,079

Total Operating Revenue

\$ 1,104,338

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	1926.879391	40.75266812
Metered sales to COMMERCIAL customers	461.2	5700.277347	102.4823428
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	#VALUE!	12.23913043
Private fire protection revenue	462.2		
Other Sales to public authorities	464		
Sales to irrigation customers	465		
Sales for resale	466		
Water Sales to golf course/recreation revenue	467		
Special contract/agreement revenue	468		

Taxes & property sales

Roats Water System, Inc.

Act # **TAXES OTHER THAN INCOME TAX**

408.11	Property Tax	\$	14,588
408.12	Payroll Tax	\$	33,675
408.13	Other Tax Other Than Income Tax	\$	3,583
408.2	Nonutility Taxes Other Than Income Tax		
		TOTAL	\$ 51,846

Act # **INCOME TAXES**

409.1	Federal Income Tax	\$	(19)
409.11	State Income Tax	\$	1,000
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
		TOTAL	\$ 981

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

410.1	Deferred Federal Income Taxes – Utility Operations		
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	\$ -

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

Description	Amount	
Total		\$ -

Expenses

Roats Water System, Inc.

Act #		Expense amount
601	Salaries and Wages - employees	\$ 160,519
603	Salaries and Wages – officers, directors, and majority stockholders	\$ 219,673
604	Employee Pensions & Benefits	\$ 80,301
610	Purchased Water	\$ 12,178
611	Telephone/Communications	\$ 12,119
615	Purchased Power	\$ 48,103
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	\$ 2,120
618	Chemicals & testing	
619	Office Supplies (excluding postage)	\$ 12,361
619.1	Postage	
620	Materials & Supplies (O&M)	\$ 128,517
621	Repairs of Water Plant	\$ 13,664
631	Contractual Services - engineering	
632	Contractual Services - accounting	\$ 2,885
633	Contractual Services - legal	\$ 2,640
634	Contractual Services - management	
635	Contractual Services – testing / sampling	\$ 1,220
636	Contractual Services – labor	\$ 323
637	Contractual Services - billing/collections	\$ 19,266
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 11,215
641	Rental of Building / Real Property	\$ 88,000
642	Rental of Equipment	\$ 232
643	Small Tools	\$ 1,728
648	Computer and electronic Expenses	\$ 8,673
650	Transportation Expenses	\$ 53,296
656	Insurance - Vehicle	\$ 9,197
657	Insurance – General Liability	\$ 11,011
658	Insurance – Workman’s Compensation	\$ 5,427
659	Insurance – Other	\$ 85
660	Public Relation / Advertising Expense	\$ 242
666	Amortization of Rate Case Expense	\$ 79,645
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 2,796
668	Conservation Expense	
670	Bad Debt Expense	
671.1	Cross Connection Control Program Expense	\$ 8,842
671.2	Cross Connection Testing & Maintenance Services	
673	Training & Certification Expense	\$ 129
674	Consumer Confidence Report	
675	Miscellaneous Expense	\$ 13,710
	TOTAL	\$ 1,010,117

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	\$ 1,201			\$ (1,201)	\$ -
304	Structures & improvements	\$ 490,389	\$ 4,149		\$ (107,057)	\$ 387,481
305	Collecting & impounding reservoirs					\$ -
306	Lake, river & other intakes					\$ -
307	Wells & springs	\$ 202,308			\$ (1,471)	\$ 200,837
308	Infiltration galleries & tunnels					\$ -
309	Supply mains					\$ -
310	Power generation equipment					\$ -
311	Pumping equipment	\$ 335,741			\$ 3	\$ 335,744
320	Water treatment equipment	\$ 400				\$ 400
330	Distribution reservoirs & standpipes	\$ 389,712			\$ 116,780	\$ 506,492
331	Transmission & distribution mains	\$ 2,080,627	\$ 41,484		\$ (149,818)	\$ 1,972,293
333	Services	\$ 45,264			\$ 231,959	\$ 277,223
334	Meters & meter installations	\$ 291,507	\$ 29,730		\$ (31,839)	\$ 289,398
335	Hydrants	\$ 2,500				\$ 2,500
336	Backflow prevention devices (utility owned)					\$ -
339	Other plant & miscellaneous equipment	\$ 64,806			\$ (64,806)	\$ -
340	Office furniture & equipment	\$ 39,423	\$ 2,075		\$ (32,223)	\$ 9,275
341	Transportation equipment	\$ 275,023	\$ 3,100		\$ 50,000	\$ 328,123
343	Tools, shop & garage equipment	\$ 12,516			\$ 26,202	\$ 38,718
344	Laboratory equipment					\$ -
345	Power operated equipment	\$ 403,563			\$ 9,944	\$ 413,507
346	Communication equipment	\$ 3,574			\$ 2,368	\$ 5,942
347	Electronic & computer equipment	\$ 33,545			\$ 12,136	\$ 45,681
348	Miscellaneous equipment	\$ 117,805			\$ (81,747)	\$ 36,058
	TOTAL	\$ 4,789,904	\$ 80,538	\$ -	\$ (20,770)	\$ 4,849,672

Explanation of unusual changes in utility plant during the year:

Adjustments are a collection of reclassifications and corrections arising from the most recent rate case and a thorough review of fixed plant assets.

Roats Water System, Inc.

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	\$ 2,015,017
Added during the year:	
Capacity charge	
Main line extension charges	
Customer connection charges	\$ 27,930
Developer's property	\$ 133,649
Other	
Retired during the year	\$ (908,182)
End of year balance	\$ 1,268,414

Accumulated Amortization of CIAC

Beg of year balance	
Add CIAC amortized during year	
Subtract effects of CIAC disposals	
+/- other adjustments*	
Change in Accumulated Amortization during the year	\$ -
End of year balance	\$ -

* Explain any adjustments:

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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		\$ -			\$ -
305	Collecting & impounding reservoirs		\$ -			\$ -
306	Lake, river & other intakes		\$ -			\$ -
307	Wells & springs		\$ -			\$ -
308	Infiltration galleries & tunnels		\$ -			\$ -
309	Supply mains		\$ -			\$ -
310	Power generation equipment		\$ -			\$ -
311	Pumping equipment		\$ -			\$ -
320	Water treatment equipment		\$ -			\$ -
330	Distribution reservoirs & standpipes		\$ -			\$ -
331	Transmission & distribution mains		\$ -			\$ -
333	Services		\$ -			\$ -
334	Meters & meter installations		\$ -			\$ -
335	Hydrants		\$ -			\$ -
336	Backflow prevention devices (utility owned)		\$ -			\$ -
339	Other plant & miscellaneous equipment		\$ -			\$ -
340	Office furniture & equipment		\$ -			\$ -
341	Transportation equipment		\$ -			\$ -
343	Tools, shop & garage equipment		\$ -			\$ -
344	Laboratory equipment		\$ -			\$ -
345	Power operated equipment		\$ -			\$ -
346	Communication equip		\$ -			\$ -
347	Electronic & computer Equipment		\$ -			\$ -
348	Miscellaneous Equipment	\$ 127,193	\$ 2,337,382	\$ 127,193	\$ (7,550)	\$ 2,457,025
	TOTAL	\$ 127,193	\$ 2,337,382	\$ 127,193	\$ (7,550)	\$ 2,457,025

*Explanation of any adjustments made:

Retained Earnings

Roats Water System, Inc.

215	Unappropriated Retained Earnings (beginning of year balance)	\$	589,106
435	Balance transferred from income	\$	(25,192)
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)	\$	563,914

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)

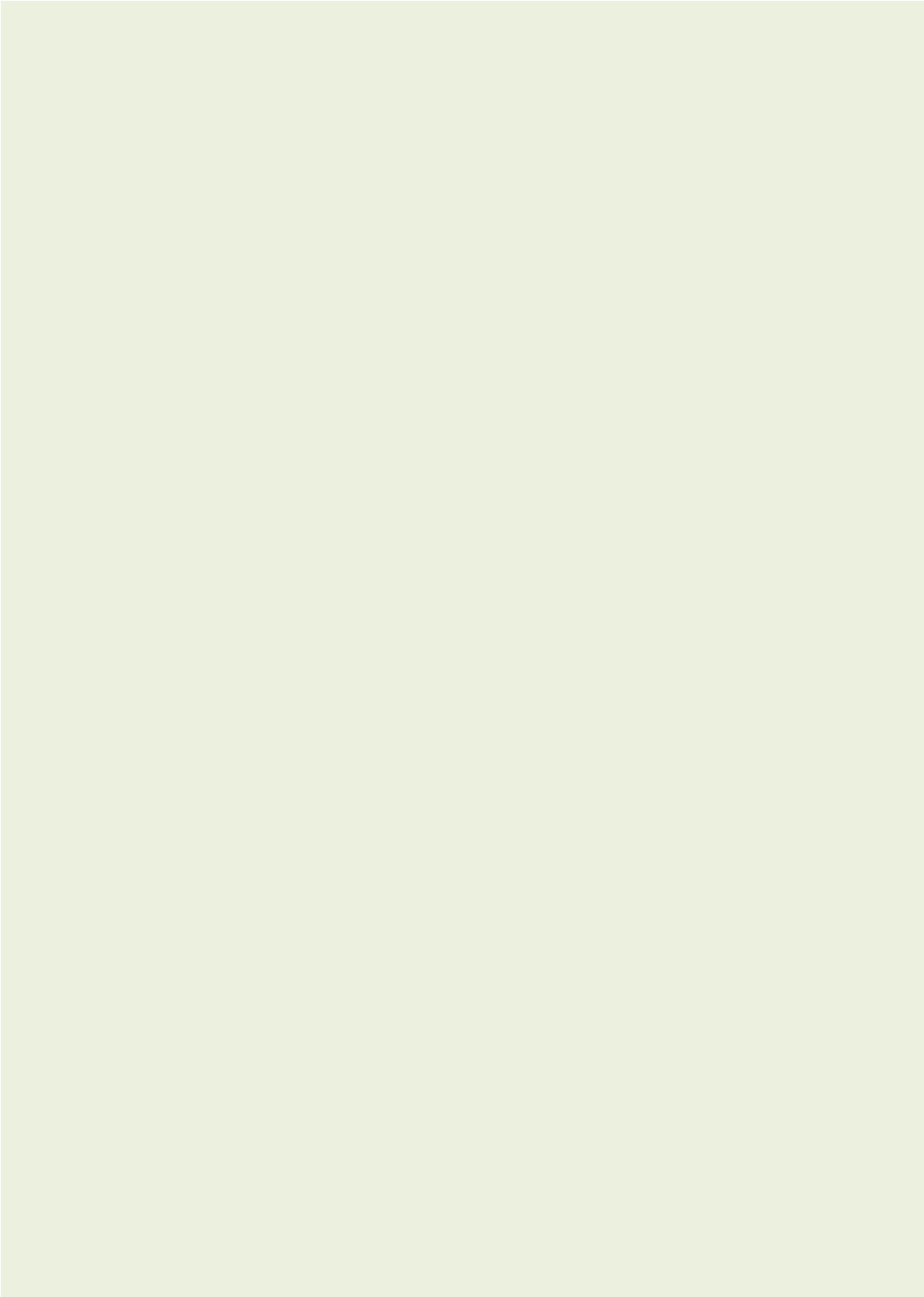
Utility Plant		
101	Utility Plant in Service	\$ 4,849,672
102	Utility Plant Leased to Others	
103	Property Held for Future Use	
104	Utility Plant Purchased or Sold	
105	Construction Work in Progress - Commission Approved	
108	Accumulated Depreciation of Utility Plant in Service	\$ 2,457,025
110	Accumulated 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	\$ 450,841
132	Special Deposits	
134	Working Funds	
135	Temporary Cash Investments	
141	Customer Accounts Receivable	
142	Other Accounts Receivable	\$ 109,354
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	\$ 25,000
162	Prepayments	\$ 13,469
171	Accrued Interest Receivable	
174	Miscellaneous Current and Accrued Assets	
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	\$ -
204	Preferred Stock Issued	\$ -
207	Premium on Capital Stock	
211	Paid in Capital	\$ 854,582
212	Discount on Capital Stock	
213	Capital Stock Expense	
214	Appropriated Retained Earnings	
215	Unappropriated Retained Earnings	\$ 563,914
216	Reacquired Capital Stock	
218	Proprietary Capital	
Long Term Debt		
221	Bonds	
223	Advances from Associated Companies	
224	Other Long-Term Debt	\$ 266,129
Current and Accrued Liabilities		
231	Accounts Payable	\$ 40,352
232	Notes Payable	
233	Accounts Payable to Associated Companies	
234	Notes Payable to Associated Companies	
235	Customer Deposits	
236	Accrued Taxes	\$ (2,080)
237	Accrued Interest	
238	Accrued Dividends	
239	Matured Long-Term Debt	
240	Matured Interest	
241	Miscellaneous Current and Accrued Liabilities	
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	\$ 1,268,414
272	Accumulated Amortization of CIAC	\$ -
Accumulated Deferred Income Taxes		
281	Accumulated Deferred Income Taxes - Accelerated Depreciation	
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	\$ 387,481
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	\$ -
311	Pumping Equipment	\$ 335,744
320	Water Treatment Equipment	\$ 400
330	Distribution Reservoirs and Standpipes	\$ 506,492
331	Transmission and Distribution Mains	\$ 1,972,293
333	Services	\$ 277,223
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	\$ 9,275
341	Transportation Equipment	\$ 328,123
343	Tools, Shop and Garage Equipment	\$ 38,718
344	Laboratory Equipment	\$ -

345	Power Operated Equipment	\$ 413,507
346	Communication Equipment	\$ 5,942
347	Computer & electronic Equipment	\$ 45,681
348	Miscellaneous Equipment	\$ 36,058
INCOME ACCOUNTS (404-434)		
Utility Operating Income		
400	Operating Revenue	\$ 1,104,338
401	Operating Expenses	\$ 1,010,117
403	Depreciation Expense	\$ 127,193
406	Amortization of Utility Plant Acquisition Adjustment	
407	Amortization Expense (no CIAC)	
408	Taxes Other than Income	\$ 51,846
409	Income Taxes	\$ 981
410	Provision for Deferred Income Taxes - Debit	\$ -
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	
416	Cost and Expenses of Merchandising, Jobbing, and Contract Work	
419	Interest and Dividend Income	\$ 6,233
421	Nonutility Income	
426	Nonutility Expenses	
433	Extraordinary Income	\$ 54,392
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	\$ 18
428	Amortization of Debt Discount and Expense	
429	Amortization of Premium on Debt	
Retained Earnings Account (435-439)		
435	Balance Transferred from Income	\$ (25,192)
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	\$ 786,608
461.2	Metered Sales to Commercial Customers	\$ 237,964
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	\$ 13,512
462.2	Private Fire Protection	\$ -
464	Other Sales to Public Authorities	\$ -
465	Sales to Irrigation Customers	\$ -
466	Sales for Resale	\$ 1,175
467	Interdepartmental Sales	\$ -
468	Special Contract/Agreement Revenue	\$ -
470	Forfeited Discounts	\$ -
471	Miscellaneous Service Revenues	\$ 4,339
472	Rents From Water Property	\$ -
473	Interdepartmental Rents	\$ -
474	Other Water Revenues	\$ 10,332
475	Cross Connection Sales & Services Revenues	\$ 50,408
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)		
Source of Supply and Expenses		
601	Salaries and Wages - Employees	\$ 160,519
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$ 219,673
604	Employee Pensions and Benefits	\$ 80,301
610	Purchased Water	\$ 12,178
611	Telephone/Communications	\$ 12,119
615	Purchased Power	\$ 48,103
616	Fuel for Power Production	\$ -
617	Utilities - Other	\$ 2,120
618	Chemicals & testing	\$ -
619	Office Supplies (excluding postage)	\$ 12,361
619.1	Postage	\$ -
620	Materials and Supplies	\$ 128,517
621	Repairs to Water Plant	\$ 13,664
631	Contractual Services - Engineering	\$ -
632	Contractual Services - Accounting	\$ 2,885
633	Contractual Services - Legal	\$ 2,640
634	Contractual Services - Management Fees	\$ -
635	Contractual Services - Testing/Sampling	\$ 1,220
636	Contractual Services - Other	\$ 323
637	Contractual Services - Billing/Collections	\$ 19,266
638	Contractual Services - Meter Reading	\$ -
639	Contractual Services - Other	\$ 11,215
641	Rental of Building/Real Property	\$ 88,000
642	Rental of Equipment	\$ 232
643	Small Tools	\$ 1,728
648	Computer & Electronic Expenses	\$ 8,673
650	Transportation Expenses	\$ 53,296
656	Insurance - Vehicle	\$ 9,197
657	Insurance - General Liability	\$ 11,011
658	Insurance - Workman's Compensation	\$ 5,427
659	Insurance - Other	\$ 85
660	Public Relations / Advertising Expense	\$ 242
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$ 79,645
667	Regulatory Commission Expense - Other	\$ 2,796
668	Water Resource Conservation Expense	\$ -
670	Bad Debt Expense	\$ -
671.1	Cross Connection Control Program Expense	\$ 8,842
671.2	Cross Connection Testin & Maintenance Services	\$ -
672	System Capcity Development Program Expense	\$ -
673	Training & Certification Expense	\$ 129
674	Consumer Confidence Report	\$ -
675	Miscellaneous Expenses	\$ 13,710

Notes

Roats Water System, Inc.

Notes and explanations:



Income Statement

Roats Water System, Inc.

400 Operating Revenue	\$ 1,104,338
401 Operating Expenses	\$ 1,010,117
403 Depreciation Expense	\$ 127,193
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 51,846
409 Income Taxes	\$ 981
410.1 Provision for Deferred Income Taxes - debit	\$ -
411.1 Provision for Deferred Income Taxes - credit	\$ -
412 Investment Tax Credit	\$ -
413 Income From Utility Plant Leased to Others	\$ -
419 Interest & Dividend Income	\$ 6,233
427 Interest Expense	\$ 18
428-429 Amortization of Premium/Discount on Debt	\$ -
414 Gains/Losses From Utility Property Disposition (net)	\$ -
433-434 Extraordinary Income/deductions (net)	\$ 54,392
NET UTILITY OPERATING INCOME	\$ (25,192)
421 Nonutility Income	\$ -
415 Revenue From Merchandising, Jobbing, & Contracts	\$ -
426 Nonutility Expense	\$ -
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	\$ (25,192)

Balance Sheet

Roats Water System

101 Utility Plant in Service (excluding CIAC)	\$	4,849,672
108-110 Accumulated Depreciation & Amortization	\$	2,457,025
Subtotal	\$	2,392,647
102-104 Other Utility Plant	\$	-
105 Commission Approved Construction Work in Progress (CWIP)	\$	-
114 Commission Approved Utility Plant Acquisition Adjustments	\$	-
115 Accumulated Amortization of Commission Approved Acquisition Adjustments	\$	-
190 Accumulated Deferred Income Taxes (asset)	\$	-
Subtotal	\$	-
Net Utility Plant	\$	2,392,647
131 Cash	\$	450,841
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	109,354
143 Accumulated Provision for Uncollectible Accounts	\$	-
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	-
151 Materials & Supplies Inventory	\$	25,000
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	13,469
Net Current & Accrued Assets	\$	598,664
181-186 Deferred Debits	\$	-
Total Assets	\$	2,991,311
252 Advances for Construction	\$	-
271 CIAC	\$	1,268,414
272 Accumulated Amortization of CIAC	\$	-
Net CIAC & Advances for Construction	\$	1,268,414
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	266,129
231 Accounts Payable	\$	40,352
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	-
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	-
236 Accrued Taxes	\$	(2,080)
237 Accrued Interest	\$	-
238-241 Miscellaneous Current and Accrued Liabilities	\$	-
Liabilities	\$	304,401
251 Premium on Unamortized Debt	\$	-
253 Other Deferred Credit	\$	-
261-265 Reserves	\$	-
Other	\$	-
281 Accumulated Deferred Income Taxes-Accelerated Amortization	\$	-
282 Accumulated Deferred Income Taxes-Liberalized Depreciation	\$	-
283 Accumulated Deferred Income Taxes-Other	\$	-
Total Liabilities	\$	304,401
201 Common Stock Issued	\$	-
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	-
211 Other Paid in Capital	\$	854,582
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	563,914
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	1,418,496
Total Liabilities and Equity	\$	2,991,311

Stats

Roats Water System, Inc.

Operating Revenues

Flat Rate	\$	-
Metered - Residential	\$	786,608
Metered - Commercial	\$	237,964
Irrigation (including golf courses)	\$	-
Fire Protection	\$	13,512
Other Sales of Water	\$	1,175
Other Operating Revenue	\$	65,079
Total Operating Revenues	\$	1,104,338

Operating Expenses

Purchased Water	\$	12,178
Purchased Power	\$	48,103
Water Treatment	\$	1,220
Supplies and Expenses	\$	438,130
Repairs of Plant	\$	13,664
Administrative & General	\$	496,822
Total Operating Expenses	\$	1,010,117

Other Revenue Deductions

Depreciation & Amortization	\$	127,193
Operating Income Taxes	\$	981
Other Operating Taxes	\$	51,846
Uncollectible Revenue/Bad Debt Expense	\$	-
Total Revenue Deductions	\$	180,020

Total Expenses and Deductions

	\$	1,190,137
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Other Income	\$	6,233
Interest on Long-Term Debt		
Other Interest Charges	\$	18
Other Income Deductions	\$	-
Net Operating Income (or Loss)	\$	(79,584)

Assets & Other Debits

Utility Plant	\$	4,849,672
Less: Depreciation & Amortization Reserve	\$	2,457,025
Other Property & Investments	\$	450,841
Materials and Supplies	\$	25,000
Other Current & Accrued Assets	\$	122,823
Deferred Debits	\$	-
Total Assets & Other Debits	\$	2,991,311

Liabilities & Other Credits

Capital/Common Stock	\$	854,582
Retained Earnings	\$	563,914
Long-Term Debt	\$	266,129
Customer Deposits	\$	-
Other Current & Accrued Liabilities	\$	38,272
Advances for Construction	\$	-
Other Deferred Credits	\$	-
Contributions in Aid of Construction	\$	1,268,414
Accumulated Deferred Income Taxes	\$	-
Total Liabilities & Other Credits	\$	2,991,311

Average Number of Customers

Flat Rate	-
Metered - Residential	1,628
Metered - Commercial	202
Irrigation (including golf courses)	-
Fire Protection	92
Other	-
Total Customers	1,922