



# ANNUAL RESULTS OF OPERATIONS REPORT

## SELECT COMPANY SIZE (based on Annual Revenue)

Class B Water Utility  
(Annual Gross Revenue between \$200,000 and \$999,999)

## FOR THE CALENDAR YEAR

2014

## COMPANY NAME

Roats Water System, Inc.

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

## Instructions

Roats Water System, Inc.

The Annual Results of Operations Report, required by the Public Utility Commission (PUC or Commission) under the authority of the Oregon Revised Statutes (ORS) 757.125 and 757.135, is based on the utility's operations for a calendar or fiscal year and is a convenient method for the Commission's staff to monitor the utility's results of operations. It must be filed electronically with the PUC on or before April 1<sup>st</sup> of the year following that for which the report is made. Attach the completed report and any supplementary pages to an email addressed to the following address: [puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us).

- Interpret all accounting words and phrases in accordance with the USOA.
- Special or unusual entries and all discrepancies 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:	61147 Hamilton Lane
Line 2:	
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:	975 SW Colorado Avenue, Suite 200 Bend, OR 97702
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 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	
William C Roats	Vice-president	541-382-3029	
Shirley Roats	Secretary	541-382-3029	

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

Name	Title	Phone #	Email
Wesly B Price	CPA	541-382-4791	
Neil 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 Hamilton Lane Bend, OR 97702
	# shares owned	44.00
2	Name of stockholder/director/officer	William C Roats
	Title	Vice President
	Address	61147 Hamilton Lane Bend, OR 97702
	# shares owned	6.00
3	Name of stockholder/director/officer	Michelle Roats
	Title	Director
	Address	61147 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 rent	approved affiliated interest	\$ 88,257
			\$ 88,257

TOTAL \$ (88,257)

Explanations or Notes

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**Revenues**

Roats Water System, Inc.

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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	1,490	1,527	31,459,522	\$ 740,711
Metered sales to COMMERCIAL customers	461.2	183	184	10,869,288	\$ 225,311
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				
Private fire protection revenue	462.2	92	92	Flat Rate	\$ 14,200
Other Sales to public authorities	464				
Sales to irrigation customers	465				
Sales for resale	466				
Water Sales to golf course/recreation revenue	467			water truck	\$ 4,121
Special contract/agreement revenue	468				
<b>TOTAL</b>		<b>1,765</b>	<b>1,803</b>	<b>42,328,810</b>	<b>\$ 984,343</b>

**Revenue other than water sales**

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 1,103
Rents from water property	472	
Interdepartmental rents	473	
Other	474	\$ 8,659
Cross Connection sales & services revenues	475	\$ 46,258
<b>Total</b>		<b>\$ 56,020</b>

Total Operating Revenue

\$ 1,040,363

**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	1737.903105	40.91873826
Metered sales to COMMERCIAL customers	461.2	4936.098093	102.3210718
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		
Private fire protection revenue	462.2	#VALUE!	12.86231884
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	\$	14,725
408.12	Payroll Tax	\$	16,414
408.13	Other Tax Other Than Income Tax		
408.2	Nonutility Taxes Other Than Income Tax		
TOTAL		\$	31,139

**Act # INCOME TAXES**

409.1	Federal Income Tax	\$	3,510
409.11	State Income Tax	\$	1,714
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
TOTAL		\$	5,224

**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.

<b>Act #</b>		<b>Expense amount</b>
601	Salaries and Wages - employees	\$ 108,941
603	Salaries and Wages – officers, directors, and majority stockholders	\$ 214,187
604	Employee Pensions & Benefits	\$ 9,029
610	Purchased Water	\$ 13,157
611	Telephone/Communications	\$ 9,779
615	Purchased Power	\$ 100,636
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	\$ 2,397
618	Chemicals & testing	
619	Office Supplies (excluding postage)	\$ 11,486
619.1	Postage	\$ 1,064
620	Materials & Supplies (O&M)	\$ 18,371
621	Repairs of Water Plant	\$ 22,574
631	Contractual Services - engineering	\$ 2,245
632	Contractual Services - accounting	\$ 13,275
633	Contractual Services - legal	\$ 3,543
634	Contractual Services - management	
635	Contractual Services – testing / sampling	\$ 6,841
636	Contractual Services – labor	\$ 892
637	Contractual Services - billing/collections	\$ 17,737
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 11,573
641	Rental of Building / Real Property	\$ 88,257
642	Rental of Equipment	
643	Small Tools	\$ 1,243
648	Computer and electronic Expenses	\$ 3,939
650	Transportation Expenses	\$ 62,632
656	Insurance - Vehicle	\$ 8,002
657	Insurance – General Liability	\$ 9,985
658	Insurance – Workman’s Compensation	\$ 2,464
659	Insurance – Other	\$ 85
660	Public Relation / Advertising Expense	\$ 159
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 2,612
668	Conservation Expense	
670	Bad Debt Expense	
671.1	Cross Connection Control Program Expense	
671.2	Cross Connection Testing & Maintenance Services	\$ 15,053
673	Training & Certification Expense	\$ 660
674	Consumer Confidence Report	
675	Miscellaneous Expense	\$ 12,360
	<b>TOTAL</b>	<b>\$ 775,178</b>

**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	\$ 439,433	\$ 7,565			\$ 446,998
305	Collecting & impounding reservoirs					\$ -
306	Lake, river & other intakes					\$ -
307	Wells & springs	\$ 202,308				\$ 202,308
308	Infiltration galleries & tunnels					\$ -
309	Supply mains					\$ -
310	Power generation equipment					\$ -
311	Pumping equipment	\$ 212,416	\$ 123,325			\$ 335,741
320	Water treatment equipment	\$ 400				\$ 400
330	Distribution reservoirs & standpipes	\$ 389,712				\$ 389,712
331	Transmission & distribution mains	\$ 1,977,001	\$ 47,660	\$ (17,680)		\$ 2,042,341
333	Services	\$ 45,264				\$ 45,264
334	Meters & meter installations	\$ 291,507				\$ 291,507
335	Hydrants	\$ 2,500				\$ 2,500
336	Backflow prevention devices (utility owned)					\$ -
339	Other plant & miscellaneous equipment	\$ 63,201	\$ 1,605			\$ 64,806
340	Office furniture & equipment	\$ 39,423				\$ 39,423
341	Transportation equipment	\$ 275,023				\$ 275,023
343	Tools, shop & garage equipment	\$ 12,516				\$ 12,516
344	Laboratory equipment					\$ -
345	Power operated equipment	\$ 353,563				\$ 353,563
346	Communication equipment	\$ 3,574				\$ 3,574
347	Electronic & computer equipment	\$ 31,145				\$ 31,145
348	Miscellaneous equipment	\$ 117,805				\$ 117,805
	<b>TOTAL</b>	<b>\$ 4,457,992</b>	<b>\$ 180,155</b>	<b>\$ (17,680)</b>	<b>\$ -</b>	<b>\$ 4,655,827</b>

Explanation of unusual changes in utility plant during the year:

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	\$ 1,951,412
Added during the year:	
Capacity charge	
Main line extension charges	
Customer connection charges	\$ 38,230
Developer's property	
Other	
Retired during the year	\$ (4,841)
End of year balance	\$ 1,984,801

**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	\$ 135,584	\$ 2,062,500	\$ 135,584		\$ 2,198,084
	<b>TOTAL</b>	<b>\$ 135,584</b>	<b>\$ 2,062,500</b>	<b>\$ 135,584</b>	<b>\$ -</b>	<b>\$ 2,198,084</b>

\*Explanation of any adjustments made:

Detail available upon request - CIAC add back for 2014 is \$3,582 added to income

## Retained Earnings

Roats Water System, Inc.

215	Unappropriated Retained Earnings (beginning of year balance)	\$	594,476
435	Balance transferred from income	\$	(70,838)
436	Appropriations of Retained Earnings	\$	-
437	Preferred Stock dividends declared	\$	-
438	Common Stock dividends declared	\$	-
439	Adjustments to Retained Earnings*	\$	7,736
215	Unappropriated Retained Earnings (as of year end)	\$	531,374

Explanation of any adjustments made to Retained Earnings

Adjustments is to correct spreadsheet error that subtracts rather than adding income.

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	\$	4,655,827
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	\$	2,198,084
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	\$	437,138
132	Special Deposits		
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$	89,933
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	\$	25,000
162	Prepayments	\$	12,309
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	\$	6,878
212	Discount on Capital Stock		
213	Capital Stock Expense		
214	Appropriated Retained Earnings		
215	Unappropriated Retained Earnings	\$	531,374
216	Reacquired Capital Stock		
218	Proprietary Capital		

Long Term Debt

221	Bonds		
223	Advances from Associated Companies		
224	Other Long-Term Debt	\$	409,162

Current and Accrued Liabilities

231	Accounts Payable	\$	24,503
232	Notes Payable		
233	Accounts Payable to Associated Companies		
234	Notes Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
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	\$	1,984,801
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	\$	1,201
304	Structures and Improvements	\$	446,998
305	Collecting and Impounding Reservoirs	\$	-
306	Lakes, River and Other Intakes	\$	-
307	Wells and Springs	\$	202,308
308	Infiltration Galleries and Tunnels	\$	-
309	Supply Mains	\$	-
310	Power Generation Equipment	\$	-
311	Pumping Equipment	\$	335,741
320	Water Treatment Equipment	\$	400
330	Distribution Reservoirs and Standpipes	\$	389,712
331	Transmission and Distribution Mains	\$	2,042,341
333	Services	\$	45,264
334	Meters and Meter Installations	\$	291,507
335	Hydrants	\$	2,500
336	Backflow Prevention Devices	\$	-
339	Other Plant and Miscellaneous Equipment	\$	64,806
340	Office Furniture and Equipment	\$	39,423
341	Transportation Equipment	\$	275,023
343	Tools, Shop and Garage Equipment	\$	12,516
344	Laboratory Equipment	\$	-

345	Power Operated Equipment	\$	353,563
346	Communication Equipment	\$	3,574
347	Computer & electronic Equipment	\$	31,145
348	Miscellaneous Equipment	\$	117,805

INCOME ACCOUNTS (404-434)

Utility Operating Income

400	Operating Revenue	\$	1,040,363
401	Operating Expenses	\$	775,178
403	Depreciation Expense	\$	135,584
406	Amortization of Utility Plant Acquisition Adjustment		
407	Amortization Expense (no CIAC)		
408	Taxes Other than Income	\$	31,139
409	Income Taxes	\$	5,224
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		
421	Nonutility Income		
426	Nonutility Expenses		
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	\$	22,400
428	Amortization of Debt Discount and Expense		
429	Amortization of Premium on Debt		

Retained Earnings Account (435-439)

435	Balance Transferred from Income	\$	70,838
436	Appropriations of Retained Earnings		
437	Preferred Stock Dividends Declared	\$	-
438	Common Stock Dividends Declared	\$	-
439	Adjustment to Retained Earnings	\$	7,736

OPERATING REVENUE ACCOUNTS (460-475)

460	Unmetered Water Revenue	\$	-
461.1	Metered Sales to Residential Customers	\$	740,711
461.2	Metered Sales to Commercial Customers	\$	225,311
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	\$	-
462.2	2 Private Fire Protection	\$	14,200
464	Other Sales to Public Authorities	\$	-
465	Sales to Irrigation Customers	\$	-
466	Sales for Resale	\$	-
467	Interdepartmental Sales	\$	4,121
468	Special Contract/Agreement Revenue	\$	-
470	Forfeited Discounts	\$	-
471	Miscellaneous Service Revenues	\$	1,103
472	Rents From Water Property	\$	-
473	Interdepartmental Rents	\$	-
474	Other Water Revenues	\$	8,659
475	Cross Connection Sales & Services Revenues	\$	46,258

OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)

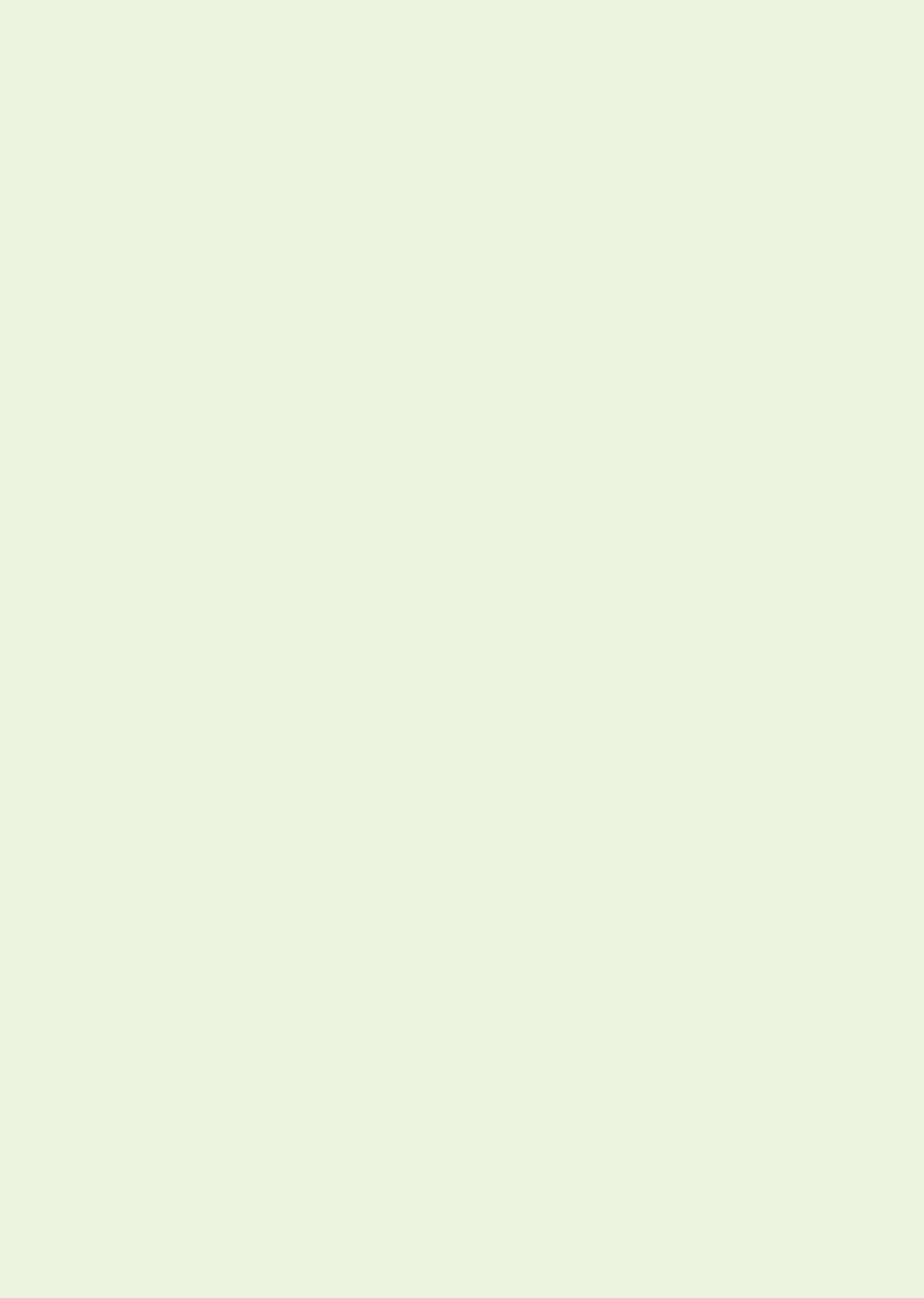
Source of Supply and Expenses

601	Salaries and Wages - Employees	\$	108,941
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$	214,187
604	Employee Pensions and Benefits	\$	9,029
610	Purchased Water	\$	13,157
611	Telephone/Communications	\$	9,779
615	Purchased Power	\$	100,636
616	Fuel for Power Production	\$	-
617	Utilities - Other	\$	2,397
618	Chemicals & testing	\$	-
619	Office Supplies (excluding postage)	\$	11,486
619.1	Postage	\$	1,064
620	Materials and Supplies	\$	18,371
621	Repairs to Water Plant	\$	22,574
631	Contractual Services - Engineering	\$	2,245
632	Contractual Services - Accounting	\$	13,275
633	Contractual Services - Legal	\$	3,543
634	Contractual Services - Management Fees	\$	-
635	Contractual Services - Testing/Sampling	\$	6,841
636	Contractual Services - Other	\$	892
637	Contractual Services - Billing/Collections	\$	17,737
638	Contractual Services - Meter Reading	\$	-
639	Contractual Services - Other	\$	11,573
641	Rental of Building/Real Property	\$	88,257
642	Rental of Equipment	\$	-
643	Small Tools	\$	1,243
648	Computer & Electronic Expenses	\$	3,939
650	Transportation Expenses	\$	62,632
656	Insurance - Vehicle	\$	8,002
657	Insurance - General Liability	\$	9,985
658	Insurance - Workman's Compensation	\$	2,464
659	Insurance - Other	\$	85
660	Public Relations / Advertising Expense	\$	159
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$	-
667	Regulatory Commission Expense - Other	\$	2,612
668	Water Resource Conservation Expense	\$	-
670	Bad Debt Expense	\$	-
671.1	Cross Connection Control Program Expense	\$	-
671.2	Cross Connection Testin & Maintenance Services	\$	15,053
672	System Capacity Development Program Expense		
673	Training & Certification Expense	\$	660
674	Consumer Confidence Report	\$	-
675	Miscellaneous Expenses	\$	12,360

**Notes**

Roats Water System, Inc.

Notes and explanations:



## Income Statement

Roats Water System, Inc.

400 Operating Revenue	\$ 1,040,363
401 Operating Expenses	\$ 775,178
403 Depreciation Expense	\$ 135,584
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 31,139
409 Income Taxes	\$ 5,224
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	\$ -
427 Interest Expense	\$ 22,400
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	\$ 70,838
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	\$ 70,838



**Balance Sheet**

Roats Water System, Inc.

101 Utility Plant in Service (excluding CIAC)	\$	4,655,827
108-110 Accumulated Depreciation & Amortization	\$	2,198,084
Subtotal	\$	2,457,743
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	\$	2,457,743
131 Cash	\$	437,138
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	89,933
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	\$	12,309
Net Current & Accrued Assets	\$	564,380
181-186 Deferred Debits	\$	-
Total Assets	\$	3,022,123
252 Advances for Construction	\$	-
271 CIAC	\$	1,984,801
272 Accumulated Amortization of CIAC	\$	-
Net CIAC & Advances for Construction	\$	1,984,801
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	409,162
231 Accounts Payable	\$	24,503
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	-
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	-
236 Accrued Taxes	\$	-
237 Accrued Interest	\$	-
238-241 Miscellaneous Current and Accrued Liabilities	\$	-
Liabilities	\$	433,665
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	\$	433,665
201 Common Stock Issued	\$	-
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	-
211 Other Paid in Capital	\$	6,878
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	(531,374)
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	(524,496)
Total Liabilities and Equity	\$	1,893,970

**Stats**

Roats Water System, Inc.

**Operating Revenues**

Flat Rate	\$	-
Metered - Residential	\$	740,711
Metered - Commercial	\$	225,311
Irrigation (including golf courses)	\$	4,121
Fire Protection	\$	14,200
Other Sales of Water	\$	-
Other Operating Revenue	\$	56,020
<b>Total Operating Revenues</b>	\$	<b>1,040,363</b>

**Operating Expenses**

Purchased Water	\$	13,157
Purchased Power	\$	100,636
Water Treatment	\$	6,841
Supplies and Expenses	\$	250,548
Repairs of Plant	\$	22,574
Administrative & General	\$	381,422
<b>Total Operating Expenses</b>	\$	<b>775,178</b>

**Other Revenue Deductions**

Depreciation & Amortization	\$	135,584
Operating Income Taxes	\$	5,224
Other Operating Taxes	\$	31,139
Uncollectible Revenue/Bad Debt Expense	\$	-
<b>Total Revenue Deductions</b>	\$	<b>171,947</b>

**Total Expenses and Deductions**

	\$	947,125
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Other Income	\$	-
Interest on Long-Term Debt		
Other Interest Charges	\$	22,400
Other Income Deductions	\$	-
<b>Net Operating Income (or Loss)</b>	\$	<b>70,838</b>

**Assets & Other Debits**

Utility Plant	\$	4,655,827
Less: Depreciation & Amortization Reserve	\$	2,198,084
Other Property & Investments	\$	437,138
Materials and Supplies	\$	25,000
Other Current & Accrued Assets	\$	102,242
Deferred Debits	\$	-
<b>Total Assets &amp; Other Debits</b>	\$	<b>3,022,123</b>

**Liabilities & Other Credits**

Capital/Common Stock	\$	6,878
Retained Earnings	\$	(531,374)
Long-Term Debt	\$	409,162
Customer Deposits	\$	-
Other Current & Accrued Liabilities	\$	24,503
Advances for Construction	\$	-
Other Deferred Credits	\$	-
Contributions in Aid of Construction	\$	1,984,801
Accumulated Deferred Income Taxes	\$	-
<b>Total Liabilities &amp; Other Credits</b>	\$	<b>1,893,970</b>

**Average Number of Customers**

Flat Rate	-
Metered - Residential	1,527
Metered - Commercial	184
Irrigation (including golf courses)	-
Fire Protection	92
Other	-
<b>Total Customers</b>	<b>1,803</b>