



e-FILING REPORT COVER SHEET

COMPANY NAME: Avion Water Company, Inc.

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION?  No  Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type:  RE (Electric)  RG (Gas)  RW (Water)  RT (Telecommunications)  
 RO (Other, for example, industry safety information)

Did you previously file a similar report?  No  Yes, report docket number:

Report is required by:  OAR  
 Statute 757.125 and 757.135  
 Order  
Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)  
 Other  
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case?  No  Yes, docket number:

List Key Words for this report. We use these to improve search results.

Send the completed Cover Sheet and the Report in an email addressed to [PUC.FilingCenter@state.or.us](mailto:PUC.FilingCenter@state.or.us)

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.



# 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

2018

## COMPANY NAME

Avion Water Company, Inc.

## INSTRUCTIONS

Avion Water Company, Inc.

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

- Interpret all accounting words and phrases in accordance with the USOA.
- Special or unusual entries and all discrepancies must be fully explained. Describe fully any unusual entries and discrepancies in a narrative explanation in the tab titled "Notes."
- If the utility has filed, or intends to file, a separate rate schedule in its tariff for non-contiguous portions of its water system, separate accounting for Operating Revenues, Operating Expense, Plant Investments, and related Reserve for Depreciation must be maintained by the utility for each portion of the water system relating to each separate rate schedule. This annual report, however, should include the combined financial data for the utility.
- Each incorporated utility is requested to file with this report a copy of its most recent annual report to stockholders, if one is prepared.
- All schedules that call for the balance at the beginning of the year should reflect the same end of year balance **exactly** as shown in the prior year's annual report. Any adjustments to the ending balances shown in the report for the previous year should be reflected in the current year's activity and reported along with an explanation in the annual report.

**FOR QUESTIONS CONTACT JOAN GRINDELAND AT 503-373-1003 OR EMAIL AT [JOAN.GRINDELAND@STATE.OR.US](mailto:JOAN.GRINDELAND@STATE.OR.US)**

**OATH**

Avion Water Company, Inc.

**Complete Address of Reporting Utility**

Line 1:	60813 Parrell Road
Line 2:	
City:	Bend
State:	OR
Zip:	97702
phone:	(541) 382-5342
email:	rick@avionwater.com
fax:	(541) 382-5390
website:	avionwater.com

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

Name:	Richard C. Bailey
Title:	Secretary-Treasurer
Phone:	(541) 382-5342
Email:	rick@avionwater.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**

Avion Water Company, Inc.

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

Name:	Richard C. Bailey
Address:	60813 Parrell Road
Phone:	(541) 382-5342
Email:	rick@avionwater.com

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

Name:	Richard C. Bailey
Address:	60813 Parrell Road
Phone:	(541) 382-5342
Email:	rick@avionwater.com

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

Name:	Price/Fronk & Co.
Address:	2796 NW Clearwater Drive, Bend, OR 97703
Phone:	(541) 382-4791
Email:	price@bendcpa.com

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

1/1/1976

**Provide the following information for all utility officers and directors**

Name	Title	Phone #	Email
Jason J. Wick	President	(541) 382-5342	jason@avionwater.com
Jan M. Wick	Exec. Vice President	(541) 382-5342	jan@avionwater.com
Richard C. Bailey	Secretary-treasurer	(541) 382-5342	rick@avionwater.com
Christine M. Wick	Director	(541) 382-5342	
David L. Nelsen	Director	(503) 704-5543	
Jordan Wick	Director	(503) 639-0300	

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

Name	Title	Phone #	Email
Kyle D. Wuepper	Attorney	(541) 617-1309	kwuepper@brixlaw.com
Wesley B. Price III	CPA	(541) 382-4791	price@bendcpa.com

**ORGANIZATION**

Avion Water Company, 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	Jan M. Wick
	Title	Stockholder/director/Exec. Vice President
	Address	60813 Parrell Road, Bend, OR 97702
	# shares owned	16,455.00
2	Name of stockholder/director/officer	Christine M. Wick
	Title	Director
	Address	60813 Parrell Road, Bend, OR 97702
	# shares owned	16,795.00
3	Name of stockholder/director/officer	David L. Nelsen
	Title	Stockholder/Director
	Address	365 SE Gabbert Rd, Gresham, OR 97080
	# shares owned	4,250.00
4	Name of stockholder/director/officer	Jordan Wick
	Title	Stockholder/Director
	Address	5335 Meadows Road, Suite 370, Lake Oswego, OR 97035
	# shares owned	23,500.00

**Part C: Corporation - Shares Outstanding**

	Common Stock	Preferred Stock
# shares authorized	100000	
# shares issued at year end	92350	
Par or stated value per share:	\$ 0.4767	
Dividends declared per share during the year:	\$ (11)	

Part B: Continued

5	Name of Stockholder/director/officer	Jason J. Wick	
	Title	Stockholder/director/President	
	Address	60813 Parrell Road, Bend, OR 97702	
	# shares owned		27,750
6	Name of Stockholder/director/officer	Leah E. Wick	
	Title	Stockholder	
	Address	5335 Meadows Road, Suite 370, Lake Oswego, OR 97035	
	# shares owned		1,200
7	Name of Stockholder/director/officer	Adam Wick	
	Title	Stockholder	
	Address	5335 Meadows Road, Suite 370, Lake Oswego, OR 97035	
	# shares owned		1,200
8	Name of Stockholder/director/officer	Joseph Wick	
	Title	Stockholder	
	Address	60813 Parrell Road, Bend, OR 97702	
	# shares owned		1,200

**AFFILIATED INTERESTS**

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500.00 in any one year, entered into between the company and an affiliated business or financial organization, firm, partnership, or individual. An Affiliated Interest is defined, in part, as every corporation and/or person owning or holding directly or indirectly **5 percent** or more of the voting securities of the utility. For a complete definition of affiliated interest, see ORS 757.015.

**Products or Services SOLD to Affiliated Interests**

Name of Affiliate	Description of product or service	Contract or Agreement effective date	Revenue
			\$ -

**Products or Services PURCHASED from Affiliated Interests**

Name of Affiliate	Description of product or service	Contract or Agreement effective date	Cost
Jan M. Wick	Salary and benefits	Order No. 07-081	\$ 174,240
Jan & Christine Wick	Guarantee Fee	Order No. 07-417	\$ 47,134
Jason J. Wick	Salary and benefits		\$ 198,821
Jason J. Wick	Guarantee Fee		\$ 47,133
Jordan Wick	Guarantee Fee		\$ 47,133
			\$ 514,462
		TOTAL	\$ (514,462)

Explanations or Notes



**REVENUES**

Avion Water Company, 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	13,187	13,415	305,513,312	\$ 7,134,289
Metered sales to COMMERCIAL customers	461.2	317	306	68,608,824	\$ 1,019,047
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				\$ 30,199
Other Sales to public authorities	464				
Sales to irrigation customers	465	789	794		\$ 453,379
Sales for resale	466				\$ 22,822
Water Sales to golf course/recreation revenue	467				
Special contract/agreement revenue	468				
TOTAL		14,293	14,515	374,122,136	\$ 8,659,736

**Revenue other than water sales**

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 172,632
Rents from water property	472	
Interdepartmental rents	473	
Other	474	\$ 471,446
Cross Connection sales & services revenues	475	\$ 242,911
Total		\$ 886,988

Total Operating Revenue

\$ 9,546,725

**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	1914.099892	44.69769516
Metered sales to COMMERCIAL customers	461.2	18354.42055	272.6183735
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		
Other Sales to public authorities	464		
Sales to irrigation customers	465		47.73416403
Sales for resale	466		
Water Sales to golf course/recreation revenue	467		
Special contract/agreement revenue	468		

**TAXES AND PROPERTY SALES**

Act #	<b>TAXES OTHER THAN INCOME TAX</b>	
408.11	Property Tax	\$ 309,718
408.12	Payroll Tax	\$ 182,885
408.13	Other Tax Other Than Income Tax	\$ 156,324
408.2	Nonutility Taxes Other Than Income Tax	
TOTAL		\$ 648,927

Act #	<b>INCOME TAXES</b>	
409.1	Federal Income Tax	\$ 273,874
409.11	State Income Tax	\$ 105,781
409.13	Other Income Tax	
409.2	Nonutility Income Tax	
TOTAL		\$ 379,655

Act #	<b>DEFERRED AND PROVISION FOR DEFERRED INCOME TAXES</b>	
410.1	Deferred Federal Income Taxes – Utility Operations	
410.11	Deferred State Income Taxes – Utility Operations	\$ 104,038
410.2	Provision for Deferred Income Taxes – Other Income and Deductions	\$ (4,994)
411.1	Provision for Deferred Income Taxes – Credit – Utility Operations	
411.2	Provision for Deferred Income Taxes – Credit – Other income & Deductions	
TOTAL		\$ 99,044

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

Description	Amount
Disposal of service trucks	\$ (1,228)
Total	\$ (1,228)

## EXPENSES

Act #		Expense amount
601	Salaries and Wages - employees	\$ 1,697,461
603	Salaries and Wages – officers, directors, and majority stockholders	\$ 483,378
604	Employee Pensions & Benefits	\$ 893,995
610	Purchased Water	\$ 221,682
611	Telephone/Communications	\$ 66,512
615	Purchased Power	\$ 1,052,772
616	Fuel for Power Production	\$ -
617	Utilities - Other (garbage, natural gas)	\$ 9,133
618	Chemicals & testing	\$ -
619	Office Supplies (excluding postage)	\$ 10,069
619.1	Postage	\$ 4,936
620	Materials & Supplies (O&M)	\$ 303,995
621	Repairs of Water Plant	\$ 200,523
631	Contractual Services - engineering	\$ 1,028
632	Contractual Services - accounting	\$ 16,307
633	Contractual Services - legal	\$ 30,987
634	Contractual Services - management	\$ -
635	Contractual Services – testing / sampling	\$ 30,239
636	Contractual Services – labor	\$ 122
637	Contractual Services - billing/collections	\$ 104,340
638	Contractual Services - meter reading	\$ 155,904
639	Contractual Services - other	\$ 118,198
641	Rental of Building / Real Property	\$ 32,261
642	Rental of Equipment	\$ 10,178
643	Small Tools	\$ 11,428
648	Computer and electronic Expenses	\$ 57,942
650	Transportation Expenses	\$ 180,042
656	Insurance - Vehicle	\$ 18,136
657	Insurance – General Liability	\$ 42,999
658	Insurance – Workman’s Compensation	\$ 26,896
659	Insurance – Other	\$ 11,021
660	Public Relation / Advertising Expense	\$ -
666	Amortization of Rate Case Expense	\$ -
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 26,900
668	Conservation Expense	\$ 1,880
670	Bad Debt Expense	\$ 8,575
671.1	Cross Connection Control Program Expense	\$ -
671.2	Cross Connection Testing & Maintenance Services	\$ -
673	Training & Certification Expense	\$ 32,592
674	Consumer Confidence Report	\$ 1,350
675	Miscellaneous Expense	\$ 231,705
	TOTAL	\$ 6,095,486

**PLANT**

Avion Water Company, 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	\$ 211				\$ 211
302	Franchises	\$ -				\$ -
303	Land & land rights	\$ 2,186,525	\$ 38,345			\$ 2,224,870
304	Structures & improvements	\$ 1,653,555	\$ 12,195			\$ 1,665,750
305	Collecting & impounding reservoirs	\$ 4,769				\$ 4,769
306	Lake, river & other intakes	\$ 34,925				\$ 34,925
307	Wells & springs	\$ 1,954,735	\$ 143,504			\$ 2,098,239
308	Infiltration galleries & tunnels	\$ 106				\$ 106
309	Supply mains	\$ 433,707				\$ 433,707
310	Power generation equipment	\$ 1,203				\$ 1,203
311	Pumping equipment	\$ 1,628,430				\$ 1,628,430
320	Water treatment equipment	\$ 19,317	\$ 1,783			\$ 21,100
330	Distribution reservoirs & standpipes	\$ 3,669,297				\$ 3,669,297
331	Transmission & distribution mains	\$ 38,119,985	\$ 918,486			\$ 39,038,471
333	Services	\$ 1,335,087	\$ 2,905			\$ 1,337,992
334	Meters & meter installations	\$ 1,340,053	\$ 176,666			\$ 1,516,719
335	Hydrants	\$ 158,564	\$ 11,056			\$ 169,620
336	Backflow prevention devices (utility owned)	\$ 262,969	\$ 41,565			\$ 304,534
339	Other plant & miscellaneous equipment	\$ 210,713				\$ 210,713
340	Office furniture & equipment	\$ 160,801	\$ 3,007			\$ 163,808
341	Transportation equipment	\$ 802,586		\$ 68,645		\$ 733,941
343	Tools, shop & garage equipment	\$ 142,975	\$ 2,882			\$ 145,857
344	Laboratory equipment	\$ -	\$ 2,190			\$ 2,190
345	Power operated equipment	\$ 155,154	\$ 18,200			\$ 173,354
346	Communication equipment	\$ 164,257	\$ 1,763			\$ 166,020
347	Electronic & computer equipment	\$ 264,216	\$ 56,608			\$ 320,824
348	Miscellaneous equipment	\$ 17,431				\$ 17,431
	<b>TOTAL</b>	<b>\$ 54,721,571</b>	<b>\$ 1,431,155</b>	<b>\$ 68,645</b>	<b>\$ -</b>	<b>\$ 56,084,081</b>

Explanation of unusual changes in utility plant during the year:

**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	\$ 25,781,333
Added during the year:	
Capacity charge	\$ 187,846
Main line extension charges	
Customer connection charges	
Developer's property	\$ 463,941
Other	
Retired during the year	
End of year balance	\$ 26,433,120

**Accumulated Amortization of CIAC**

Beg of year balance	\$ 6,838,824
Add CIAC amortized during year	\$ 579,439
Subtract effects of CIAC disposals	
+/- other adjustments*	
Change in Accumulated Amortization during the year	\$ 579,439
End of year balance	\$ 7,418,263

\* Explain any adjustments:

**DEPRECIATION**

Avion Water Company, 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	\$ 37,729	\$ 655,553	\$ 37,729		\$ 693,282
305	Collecting & impounding reservoirs	\$ 104	\$ 3,305	\$ 104		\$ 3,409
306	Lake, river & other intakes	\$ 711	\$ 20,327	\$ 711		\$ 21,038
307	Wells & springs	\$ 66,641	\$ 620,999	\$ 66,641		\$ 687,640
308	Infiltration galleries & tunnels	\$ 2	\$ 88	\$ 2		\$ 90
309	Supply mains	\$ 8,673	\$ 33,638	\$ 8,673		\$ 42,311
310	Power generation equipment	\$ 22	\$ 1,028	\$ 22		\$ 1,050
311	Pumping equipment	\$ 34,426	\$ 1,327,433	\$ 34,426		\$ 1,361,859
320	Water treatment equipment	\$ 988	\$ 5,074	\$ 988		\$ 6,062
330	Distribution reservoirs & standpipes	\$ 99,949	\$ 1,500,937	\$ 99,949		\$ 1,600,886
331	Transmission & distribution mains	\$ 765,892	\$ 10,472,616	\$ 765,892		\$ 11,238,508
333	Services	\$ 32,630	\$ 678,333	\$ 32,630		\$ 710,963
334	Meters & meter installations	\$ 63,804	\$ 543,017	\$ 63,804		\$ 606,821
335	Hydrants	\$ 3,340	\$ 71,426	\$ 3,340		\$ 74,766
336	Backflow prevention devices (utility owned)	\$ 18,917	\$ 100,026	\$ 18,917		\$ 118,943
339	Other plant & miscellaneous equipment	\$ 5,297	\$ 121,334	\$ 5,297		\$ 126,631
340	Office furniture & equipment	\$ 1,605	\$ 144,535	\$ 1,605		\$ 146,140
341	Transportation equipment	\$ 70,346	\$ 491,012	\$ 70,346	\$ 66,567	\$ 494,791
343	Tools, shop & garage equipment	\$ 5,596	\$ 93,257	\$ 5,596		\$ 98,853
344	Laboratory equipment	\$ 6,830	\$ -	\$ 6,830		\$ 6,830
345	Power operated equipment	\$ 7,744	\$ 122,977	\$ 7,744		\$ 130,721
346	Communication equip	\$ 26,844	\$ 99,612	\$ 26,844		\$ 126,456
347	Electronic & computer Equipment	\$ 1,297	\$ 184,646	\$ 1,297		\$ 185,943
348	Miscellaneous Equipment		\$ 12,992	\$ -		\$ 12,992
	<b>TOTAL</b>	<b>\$ 1,259,387</b>	<b>\$ 17,304,165</b>	<b>\$ 1,259,387</b>	<b>\$ 66,567</b>	<b>\$ 18,496,985</b>

\*Explanation of any adjustments made:

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## RETAINED EARNINGS

Avion Water Company, Inc.

215	Unappropriated Retained Earnings (beginning of year balance)	\$	11,752,224
435	Balance transferred from income	\$	1,374,507
436	Appropriations of Retained Earnings	\$	-
437	Preferred Stock dividends declared	\$	-
438	Common Stock dividends declared	\$	(1,025,985)
439	Adjustments to Retained Earnings*	\$	(37,982)
215	Unappropriated Retained Earnings (as of year end)	\$	12,062,763

\* Explanation of any adjustments made to Retained Earnings

Stock redemption = (417,486.95); income tax expense adjustment = \$379,505.

**OTHER ACCOUNTS**

Avion Water Company, 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	\$ 56,084,081
102	Utility Plant Leased to Others	
103	Property Held for Future Use	\$ 177,359
104	Utility Plant Purchased or Sold	
105	Construction Work in Progress - Commission Approved	\$ 41,162
108	Accumulated Depreciation of Utility Plant in Service	\$ 18,496,985
110	Accumulated Amortization of Utility Plant in Service	
114	Utility Plant Acquisition Adjustments	\$ 59,090
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	\$ 598,523
132	Special Deposits	
134	Working Funds	
135	Temporary Cash Investments	
141	Customer Accounts Receivable	\$ 394,492
142	Other Accounts Receivable	
143	Allowance for Uncollectible Accounts (Enter positive)	\$ 21,434
144	Notes Receivable	\$ 3,198
145	Accounts Receivable from Associated Companies	
146	Notes Receivable from Associated Companies	
151	Plant Materials and Supplies	\$ 215,780
162	Prepayments	\$ 74,596
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	\$ 20,411
190	Accumulated Deferred Income Taxes	

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

Equity		
201	Common Stock Issued	\$ 44,022
204	Preferred Stock Issued	\$ -
207	Premium on Capital Stock	\$ 177,007
211	Paid in Capital	
212	Discount on Capital Stock	
213	Capital Stock Expense	
214	Appropriated Retained Earnings	
215	Unappropriated Retained Earnings	\$ 12,062,763
216	Reacquired Capital Stock	\$ 75,000
218	Proprietary Capital	
Long Term Debt		
221	Bonds	
223	Advances from Associated Companies	
224	Other Long-Term Debt	\$ 7,136,094

Current and Accrued Liabilities		
231	Accounts Payable	\$ 201,256
232	Notes Payable	
233	Accounts Payable to Associated Companies	
234	Notes Payable to Associated Companies	
235	Customer Deposits	\$ 1,500
236	Accrued Taxes	\$ (157,687)
237	Accrued Interest	\$ 14,521
238	Accrued Dividends	
239	Matured Long-Term Debt	
240	Matured Interest	
241	Miscellaneous Current and Accrued Liabilities	\$ 317,774

Deferred Credits		
251	Unamortized Premium on Debt	
252	Advances for Construction	\$ -
253	Other Deferred Credits	\$ 164,178

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	\$ 26,433,120
272	Accumulated Amortization of CIAC	\$ 7,418,263

Accumulated Deferred Income Taxes		
281	Accumulated Deferred Income Taxes - Accelerated Depreciation	
282	Accumulated Deferred Income Taxes - Liberalized Depreciation	
283	Accumulated Deferred Income Taxes - Other	\$ 248,988

WATER UTILITY PLANT ACCOUNTS (301-348)		
301	Organization	\$ 211
302	Franchises	\$ -
303	Land and Land Rights	\$ 2,224,870
304	Structures and Improvements	\$ 1,665,750
305	Collecting and Impounding Reservoirs	\$ 4,769
306	Lakes, River and Other Intakes	\$ 34,925
307	Wells and Springs	\$ 2,098,239
308	Infiltration Galleries and Tunnels	\$ 106
309	Supply Mains	\$ 433,707
310	Power Generation Equipment	\$ 1,203
311	Pumping Equipment	\$ 1,628,430
320	Water Treatment Equipment	\$ 21,100
330	Distribution Reservoirs and Standpipes	\$ 3,669,297
331	Transmission and Distribution Mains	\$ 39,038,471
333	Services	\$ 1,337,992
334	Meters and Meter Installations	\$ 1,516,719
335	Hydrants	\$ 169,620
336	Backflow Prevention Devices	\$ 304,534
339	Other Plant and Miscellaneous Equipment	\$ 210,713
340	Office Furniture and Equipment	\$ 163,808
341	Transportation Equipment	\$ 733,941
343	Tools, Shop and Garage Equipment	\$ 145,857
344	Laboratory Equipment	\$ 2,190

345	Power Operated Equipment	\$ 173,354
346	Communication Equipment	\$ 166,020
347	Computer & electronic Equipment	\$ 320,824
348	Miscellaneous Equipment	\$ 17,431

**INCOME ACCOUNTS (404-434)**

Utility Operating Income		
400	Operating Revenue	\$ 9,546,725
401	Operating Expenses	\$ 6,095,486
403	Depreciation Expense	\$ 1,259,387
406	Amortization of Utility Plant Acquisition Adjustment	
407	Amortization Expense (no CIAC)	
408	Taxes Other than Income	\$ 648,927
409	Income Taxes	\$ 379,655
410	Provision for Deferred Income Taxes - Debit	\$ 104,038
411	Provision for Deferred Income Taxes - Credit	\$ -
412	Investment Tax Credit	
413	Income from Utility Plant Leased to Others	
414	Gain/Loss from Utility Property Sales	\$ (1,228)
415	Revenues from Merchandising, Jobbing, and Contract Work	\$ 61,116
416	Cost and Expenses of Merchandising, Jobbing, and Contract Work	\$ 16,032
419	Interest and Dividend Income	\$ 713
421	Nonutility Income	
426	Nonutility Expenses	\$ 21,040
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	\$ (4,994)
411.2	Provision for Deferred Income Taxes - Credit - Nonutility	\$ -

Interest Expense		
427	Interest Expense	\$ 292,687
428	Amortization of Debt Discount and Expense	
429	Amortization of Premium on Debt	

**Retained Earnings Account (435-439)**

435	Balance Transferred from Income	\$ 1,374,507
436	Appropriations of Retained Earnings	
437	Preferred Stock Dividends Declared	\$ -
438	Common Stock Dividends Declared	\$ (1,025,985)
439	Adjustment to Retained Earnings	\$ (37,982)

**OPERATING REVENUE ACCOUNTS (460-475)**

460	Unmetered Water Revenue	\$ -
461.1	Metered Sales to Residential Customers	\$ 7,134,289
461.2	Metered Sales to Commercial Customers	\$ 1,019,047
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	\$ 30,199
464	Other Sales to Public Authorities	\$ -
465	Sales to Irrigation Customers	\$ 453,379
466	Sales for Resale	\$ 22,822
467	Interdepartmental Sales	\$ -
468	Special Contract/Agreement Revenue	\$ -
470	Forfeited Discounts	\$ -
471	Miscellaneous Service Revenues	\$ 172,632
472	Rents From Water Property	\$ -
473	Interdepartmental Rents	\$ -
474	Other Water Revenues	\$ 471,446
475	Cross Connection Sales & Services Revenues	\$ 242,911

**OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)**

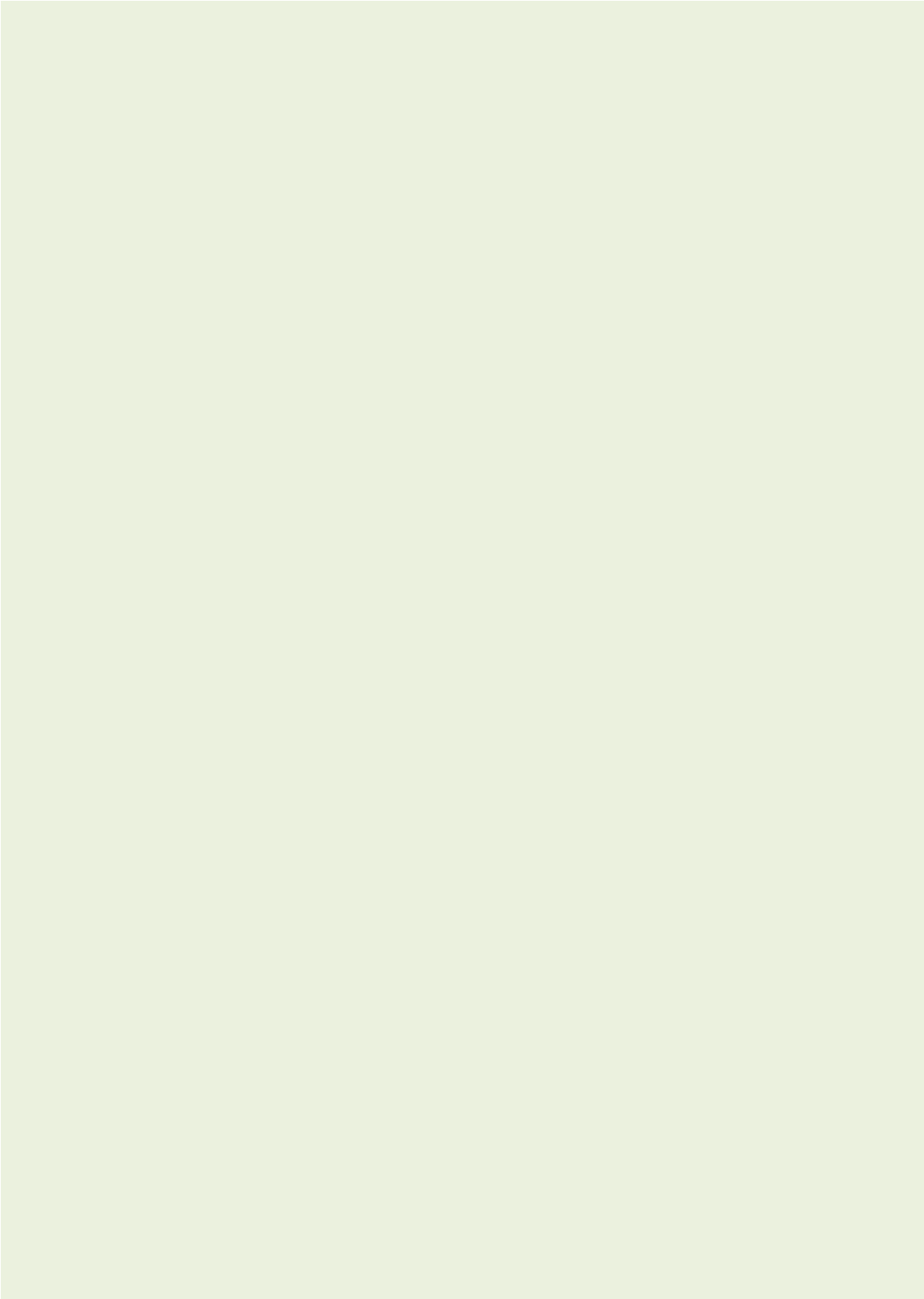
Source of Supply and Expenses		
601	Salaries and Wages - Employees	\$ 1,697,461
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$ 483,378
604	Employee Pensions and Benefits	\$ 893,995
610	Purchased Water	\$ 221,682
611	Telephone/Communications	\$ 66,512
615	Purchased Power	\$ 1,052,772
616	Fuel for Power Production	\$ -
617	Utilities - Other	\$ 9,133
618	Chemicals & testing	\$ -
619	Office Supplies (excluding postage)	\$ 10,069
619.1	Postage	\$ 4,936
620	Materials and Supplies	\$ 303,995
621	Repairs to Water Plant	\$ 200,523
631	Contractual Services - Engineering	\$ 1,028
632	Contractual Services - Accounting	\$ 16,307
633	Contractual Services - Legal	\$ 30,987
634	Contractual Services - Management Fees	\$ -
635	Contractual Services - Testing/Sampling	\$ 30,239
636	Contractual Services - Other	\$ 122
637	Contractual Services - Billing/Collections	\$ 104,340
638	Contractual Services - Meter Reading	\$ 155,904
639	Contractual Services - Other	\$ 118,198
641	Rental of Building/Real Property	\$ 32,261
642	Rental of Equipment	\$ 10,178
643	Small Tools	\$ 11,428
648	Computer & Electronic Expenses	\$ 57,942
650	Transportation Expenses	\$ 180,042
656	Insurance - Vehicle	\$ 18,136
657	Insurance - General Liability	\$ 42,999
658	Insurance - Workman's Compensation	\$ 26,896
659	Insurance - Other	\$ 11,021
660	Public Relations / Advertising Expense	\$ -
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$ -
667	Regulatory Commission Expense - Other	\$ 26,900
668	Water Resource Conservation Expense	\$ 1,880
670	Bad Debt Expense	\$ 8,575
671.1	Cross Connection Control Program Expense	\$ -
671.2	Cross Connection Testin & Maintenance Services	\$ -
672	System Capacity Development Program Expense	\$ -
673	Training & Certification Expense	\$ 32,592
674	Consumer Confidence Report	\$ 1,350
675	Miscellaneous Expenses	\$ 231,705



**NOTES**

Avion Water Company, Inc.

Notes and explanations:



## INCOME STATEMENT

Avion Water Company, Inc.

400 Operating Revenue	\$ 9,546,725
401 Operating Expenses	\$ 6,095,486
403 Depreciation Expense	\$ 679,948
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 648,927
409 Income Taxes	\$ 379,655
410.1 Provision for Deferred Income Taxes - debit	\$ 104,038
411.1 Provision for Deferred Income Taxes - credit	\$ -
412 Investment Tax Credit	\$ -
413 Income From Utility Plant Leased to Others	\$ -
419 Interest & Dividend Income	\$ 713
427 Interest Expense	\$ 292,687
428-429 Amortization of Premium/Discount on Debt	\$ -
414 Gains/Losses From Utility Property Disposition (net)	\$ (1,228)
433-434 Extraordinary Income/deductions (net)	\$ -
NET UTILITY OPERATING INCOME	\$ 1,345,469
421 Nonutility Income	\$ -
415 Revenue From Merchandising, Jobbing, & Contracts	\$ 61,116
426 Nonutility Expense	\$ 21,040
408.2 Nonutility Taxes Other Than Income Tax	\$ -
409.2 Nonutility Income Taxes	\$ -
410.2 Nonutility Deferred Income Taxes	\$ (4,994)
411.2 Nonutility Provision for Deferred Income Taxes Credit	\$ -
416 Cost & Expense of Merchandising, Jobbing, Contracts	\$ 16,032
Net Income	\$ 1,374,507

**BALANCE SHEET**

Avion Water Compa

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

101 Utility Plant in Service (excluding CIAC)	\$	56,084,081
108-110 Accumulated Depreciation & Amortization	\$	18,496,985
Subtotal	\$	37,587,096
102-104 Other Utility Plant	\$	177,359
105 Commission Approved Construction Work in Progress (CWIP)	\$	41,162
114 Commission Approved Utility Plant Acquisition Adjustments	\$	59,090
115 Accumulated Amortization of Commission Approved Acquisition Adjustments	\$	-
190 Accumulated Deferred Income Taxes (asset)	\$	-
Subtotal	\$	277,611
Net Utility Plant	\$	37,864,707
131 Cash	\$	598,523
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	394,492
143 Accumulated Provision for Uncollectible Accounts	\$	21,434
144 Notes Receivable	\$	3,198
145-146 Accounts & Notes Receivable from Associated Companies	\$	-
151 Materials & Supplies Inventory	\$	215,780
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	74,596
Net Current & Accrued Assets	\$	1,265,155
181-186 Deferred Debits	\$	20,411
Total Assets	\$	39,150,273
252 Advances for Construction	\$	-
271 CIAC	\$	26,433,120
272 Accumulated Amortization of CIAC	\$	7,418,263
Net CIAC & Advances for Construction	\$	19,014,857
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	7,136,094
231 Accounts Payable	\$	201,256
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	-
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	1,500
236 Accrued Taxes	\$	(157,687)
237 Accrued Interest	\$	14,521
238-241 Miscellaneous Current and Accrued Liabilities	\$	317,774
Liabilities	\$	7,513,458
251 Premium on Unamortized Debt	\$	-
253 Other Deferred Credit	\$	164,178
261-265 Reserves	\$	-
Other	\$	164,178
281 Accumulated Deferred Income Taxes-Accelerated Amortization	\$	-
282 Accumulated Deferred Income Taxes-Liberalized Depreciation	\$	-
283 Accumulated Deferred Income Taxes-Other	\$	248,988
Total Liabilities	\$	7,926,624
201 Common Stock Issued	\$	44,022
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	177,007
211 Other Paid in Capital	\$	-
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	12,062,763
216 Reacquired Capital Stock	\$	75,000
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	12,208,792
Total Liabilities and Equity	\$	39,150,273

## STATS

Avion Water Company, Inc.

### Operating Revenues

Flat Rate	\$	-
Metered - Residential	\$	7,134,289
Metered - Commercial	\$	1,019,047
Irrigation (including golf courses)	\$	453,379
Fire Protection	\$	30,199
Other Sales of Water	\$	22,822
Other Operating Revenue	\$	886,988
<b>Total Operating Revenues</b>	\$	<b>9,546,725</b>

### Operating Expenses

Purchased Water	\$	221,682
Purchased Power	\$	1,052,772
Water Treatment	\$	30,239
Supplies and Expenses	\$	1,079,975
Repairs of Plant	\$	200,523
Administrative & General	\$	3,510,295
<b>Total Operating Expenses</b>	\$	<b>6,095,486</b>

### Other Revenue Deductions

Depreciation & Amortization	\$	679,948
Operating Income Taxes	\$	483,693
Other Operating Taxes	\$	648,927
Uncollectible Revenue/Bad Debt Expense	\$	8,575
<b>Total Revenue Deductions</b>	\$	<b>1,821,143</b>

### Total Expenses and Deductions

	\$	7,916,629
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Other Income	\$	713
Interest on Long-Term Debt		
Other Interest Charges	\$	292,687
Other Income Deductions	\$	(104,038)
<b>Net Operating Income (or Loss)</b>	\$	<b>1,442,159</b>

### Assets & Other Debits

Utility Plant	\$	82,517,201
Less: Depreciation & Amortization Reserve	\$	25,915,248
Other Property & Investments	\$	598,523
Materials and Supplies	\$	215,780
Other Current & Accrued Assets	\$	728,463
Deferred Debits	\$	20,411
<b>Total Assets &amp; Other Debits</b>	\$	<b>58,165,130</b>

### Liabilities & Other Credits

Capital/Common Stock	\$	146,029
Retained Earnings	\$	12,062,763
Long-Term Debt	\$	7,136,094
Customer Deposits	\$	1,500
Other Current & Accrued Liabilities	\$	375,864
Advances for Construction	\$	-
Other Deferred Credits	\$	164,178
Contributions in Aid of Construction	\$	19,014,857
Accumulated Deferred Income Taxes	\$	248,988
<b>Total Liabilities &amp; Other Credits</b>	\$	<b>39,150,273</b>

### Average Number of Customers

Flat Rate	-
Metered - Residential	13,415
Metered - Commercial	306
Irrigation (including golf courses)	794
Fire Protection	-
Other	-
<b>Total Customers</b>	<b>14,515</b>