



e-FILING REPORT COVER SHEET

COMPANY NAME:

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

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

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

FOR THE CALENDAR YEAR

2019

COMPANY NAME

Oregon Water Utilities - Mountain Lakes, Inc.

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

INSTRUCTIONS

Oregon Water Utilities - Mountain Lakes, Inc.

The Annual Results of Operations Report, required by the Public Utility Commission (PUC or Commission) under the authority of the Oregon Revised Statutes (ORS) 757.125 and 757.135, is based on the utility's operations for a calendar or fiscal year and is a convenient method for the Commission's staff to monitor the utility's results of operations. It must be filed electronically with the PUC on or before April 1st of the year following that for which the report is made. Attach the completed report **in Excel ONLY with formulae intact** and any supplementary pages to an email addressed to the following address: puc.filingcenter@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 RUSS BEITZEL AT 503-378-6628 OR EMAIL AT
RUSSELL.BEITZEL@STATE.OR.US**

OATH

Oregon Water Utilities - Mountain Lakes, Inc.

Complete Address of Reporting Utility

Line 1:	Oregon Water Utilities - Mountain Lakes, Inc
Line 2:	5391 Running Y Rd.
City:	Klamath Falls
State:	OR
Zip:	97601
phone:	(626) 543 - 2552
email:	bbahr@swwc.com
fax:	(626) 331-4848
website:	

Name and title of person responsible for report

Name:	Brian Bahr
Title:	Director, Regulatory Affairs
Phone:	(626) 543 - 2552
Email:	bbahr@swwc.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

Oregon Water Utilities - Mountain Lakes, Inc.

Provide the following information for the contact person regarding this report

Name:	Brian Bahr
Address:	1325 N. Grand Ave., Ste 100, Covina, CA 91724
Phone:	626-543-2552
Email:	bbahr@swwc.com

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

Name:	Brian Bahr
Address:	1325 N. Grand Ave., Ste 100, Covina, CA 91724
Phone:	626-543-2552
Email:	bbahr@swwc.com

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

Name:	Pricewaterhouse Coopers LLP
Address:	1000 Louisiana Street, Suite 5800, Houston, TX 77002
Phone:	713-356-4000
Email:	

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

12/27/1996

Provide the following information for all utility officers and directors

Name	Title	Phone #	Email
Rob MacLean	President & CEO	626-543-2500	rmaclean@swwc.com
Kirk B. Michael	CFO, VP Finance & Treasurer	626-543-2500	kmichael@swwc.com
Richard Rich	COO	626-543-2500	rrich@swwc.com
William K. Dix	VP Gen Counsel & Secretary	626-543-2500	kdix@swwc.com
Joe Park	Assoc Gen Counsel & Asst Sec	626-543-2500	jpark@swwc.com
Craig Gott	General Manager	626-543-2500	cgott@swwc.com

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

Name	Title	Phone #	Email
Irion Sanger	Legal Counsel	503-756-7533	irion@sanger-law.com

ORGANIZATION

Oregon Water Utilities - Mountain Lakes, 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	SouthWest Water Company
	Title	
	Address	12535 Reed Road, Sugar Land, TX 77478
	# shares owned	
2	Name of stockholder/director/officer	
	Title	
	Address	
	# shares owned	
3	Name of stockholder/director/officer	
	Title	
	Address	
	# shares owned	
4	Name of stockholder/director/officer	
	Title	
	Address	
	# shares owned	

Part C: Corporation - Shares Outstanding

	Common Stock	Preferred Stock
# shares authorized		
# shares issued at year end		
Par or stated value per share:		
Dividends declared per share during the year:		

AFFILIATED INTERESTS

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

Products or Services SOLD to Affiliated Interests

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

Products or Services PURCHASED from Affiliated Interests

Name of Affiliate	Description of product or service	Contract or Agreement effective date	Cost
Southwest Water Company (excludes NWUS)	Administrative, Goods & Services	2-Jun-17	\$ 114,180
Northwest Utility Systems, Inc. (NWUS)	Operational, Goods & Services	2-Jun-17	\$ 509,485
			\$ 623,665
TOTAL			\$ (623,665)

Explanations or Notes

REVENUES

Oregon Water Utilities - Mountain Lakes, Inc.

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Consumption and Revenue

	Act #	# customers at year beginning	# customers at year end	Total Quantity water sold	revenues
Unmetered (flat rate) water sales	460				
Metered sales to RESIDENTIAL customers	461.1	538	540	53,608	\$ 298,543
Metered sales to COMMERCIAL customers	461.2	23	24	11,262	\$ 68,246
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	49	49	34,309	\$ 56,706
Sales for resale	466				
Water Sales to golf course/recreation revenue	467	1	1	98,742	\$ 69,487
Special contract/agreement revenue	468				
TOTAL		611	614	197,921	\$ 492,982

Revenue other than water sales

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 205
Rents from water property	472	
Interdepartmental rents	473	
Other	474	\$ (1,073)
Cross Connection sales & services revenues	475	\$ 18,880
Total		\$ 18,012

Total Operating Revenue

\$ 510,994

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	8.288188002	46.15691249
Metered sales to COMMERCIAL customers	461.2	39.93617021	242.0067376
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	58.34863946	96.4380102
Sales for resale	466		
Water Sales to golf course/recreation revenue	467	8228.5	5790.62
Special contract/agreement revenue	468		

TAXES AND PROPERTY SALES

Act # TAXES OTHER THAN INCOME TAX

408.11	Property Tax	\$	724
408.12	Payroll Tax	\$	6,580
408.13	Other Tax Other Than Income Tax		
408.2	Nonutility Taxes Other Than Income Tax		
TOTAL		\$	7,304

Act # INCOME TAXES

409.1	Federal Income Tax	\$	(23,661)
409.11	State Income Tax	\$	(7,436)
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
TOTAL		\$	(31,097)

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

Act #		Expense amount
601	Salaries and Wages - employees	\$ 61,720
603	Salaries and Wages – officers, directors, and majority stockholders	
604	Employee Pensions & Benefits	\$ 26,936
610	Purchased Water	
611	Telephone/Communications	\$ 909
615	Purchased Power	\$ 60,754
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	
618	Chemicals & testing	
619	Office Supplies (excluding postage)	\$ 1,662
619.1	Postage	\$ 3,081
620	Materials & Supplies (O&M)	\$ 784
621	Repairs of Water Plant	\$ 2,789
631	Contractual Services - engineering	
632	Contractual Services - accounting	\$ 1,800
633	Contractual Services - legal	\$ 543
634	Contractual Services - management	\$ 83,432
635	Contractual Services – testing / sampling	\$ 2,465
636	Contractual Services – labor	
637	Contractual Services - billing/collections	
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 1,366
641	Rental of Building / Real Property	\$ 2,490
642	Rental of Equipment	
643	Small Tools	\$ 132
648	Computer and electronic Expenses	\$ 1,170
650	Transportation Expenses	\$ 7,253
656	Insurance - Vehicle	\$ 1,668
657	Insurance – General Liability	\$ 966
658	Insurance – Workman’s Compensation	\$ 197
659	Insurance – Other	\$ 3,995
660	Public Relation / Advertising Expense	\$ 15
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 1,592
668	Conservation Expense	
670	Bad Debt Expense	\$ 1,479
671.1	Cross Connection Control Program Expense	
671.2	Cross Connection Testing & Maintenance Services	
673	Training & Certification Expense	\$ 872
674	Consumer Confidence Report	
675	Miscellaneous Expense	\$ 6,561
	TOTAL	\$ 276,632

PLANT

Oregon Water Utilities - Mountain Lakes, 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	\$ 5,000				\$ 5,000
304	Structures & improvements	\$ 148,685				\$ 148,685
305	Collecting & impounding reservoirs	\$ -				\$ -
306	Lake, river & other intakes	\$ -				\$ -
307	Wells & springs	\$ 1,017,067				\$ 1,017,067
308	Infiltration galleries & tunnels	\$ -				\$ -
309	Supply mains	\$ 1,181,191	\$ 12,523			\$ 1,193,714
310	Power generation equipment	\$ -				\$ -
311	Pumping equipment	\$ 823,294	\$ 40,575			\$ 863,869
320	Water treatment equipment	\$ -				\$ -
330	Distribution reservoirs & standpipes	\$ 611,823				\$ 611,823
331	Transmission & distribution mains	\$ 7,453,738				\$ 7,453,738
333	Services	\$ 861,536			\$ 5,165	\$ 866,701
334	Meters & meter installations	\$ 162,225	\$ 10,934			\$ 173,159
335	Hydrants	\$ 327,220				\$ 327,220
336	Backflow prevention devices (utility owned)	\$ -				\$ -
339	Other plant & miscellaneous equipment	\$ -				\$ -
340	Office furniture & equipment	\$ 4,045	\$ 64,612			\$ 68,657
341	Transportation equipment	\$ 604	\$ 39,245			\$ 39,849
343	Tools, shop & garage equipment	\$ -	\$ 3,906			\$ 3,906
344	Laboratory equipment	\$ -				\$ -
345	Power operated equipment	\$ -				\$ -
346	Communication equipment	\$ -	\$ 20,416			\$ 20,416
347	Electronic & computer equipment	\$ 5,853				\$ 5,853
348	Miscellaneous equipment	\$ -				\$ -
	TOTAL	\$ 12,602,281	\$ 192,211	\$ -	\$ 5,165	\$ 12,799,657

Explanation of unusual changes in utility plant during the year:

1) Plant includes CIAC assets of \$65,357. 2) The \$5,165 adjustment reverses CIAC accumulated amortization which was included in prior years' reports.

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	\$ 54,469
Added during the year:	
Capacity charge	
Main line extension charges	
Customer connection charges	
Developer's property	
Other	\$ 10,888
Retired during the year	
End of year balance	\$ 65,357

Accumulated Amortization of CIAC

Beg of year balance	\$ 5,165
Add CIAC amortized during year	\$ 1,595
Subtract effects of CIAC disposals	
+/- other adjustments*	
Change in Accumulated Amortization during the year	\$ 1,595
End of year balance	\$ 6,760

* Explain any adjustments:

DEPRECIATION

Oregon Water Utilities - Mountain Lakes, 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	\$ 4,272	\$ 59,001	\$ 4,272		\$ 63,273
305	Collecting & impounding reservoirs	\$ -	\$ -	\$ -		\$ -
306	Lake, river & other intakes	\$ -	\$ -	\$ -		\$ -
307	Wells & springs	\$ 40,679	\$ 692,802	\$ 40,679		\$ 733,481
308	Infiltration galleries & tunnels	\$ -	\$ -	\$ -		\$ -
309	Supply mains	\$ 23,751	\$ 503,615	\$ 23,751		\$ 527,366
310	Power generation equipment	\$ -	\$ -	\$ -		\$ -
311	Pumping equipment	\$ 38,036	\$ 522,757	\$ 38,036		\$ 560,793
320	Water treatment equipment	\$ -	\$ -	\$ -		\$ -
330	Distribution reservoirs & standpipes	\$ 12,236	\$ 176,306	\$ 12,236		\$ 188,542
331	Transmission & distribution mains	\$ 149,075	\$ 2,195,416	\$ 149,075		\$ 2,344,491
333	Services	\$ 28,890	\$ 437,133	\$ 28,890	\$ 5,165	\$ 471,188
334	Meters & meter installations	\$ 6,676	\$ 127,275	\$ 6,676		\$ 133,951
335	Hydrants	\$ 8,179	\$ 107,218	\$ 8,179		\$ 115,397
336	Backflow prevention devices (utility owned)		\$ -	\$ -		\$ -
339	Other plant & miscellaneous equipment		\$ -	\$ -		\$ -
340	Office furniture & equipment	\$ 21,173	\$ 1,067	\$ 21,173		\$ 22,240
341	Transportation equipment	\$ 6,627	\$ 122	\$ 6,627		\$ 6,749
343	Tools, shop & garage equipment	\$ 369	\$ -	\$ 369		\$ 369
344	Laboratory equipment		\$ -	\$ -		\$ -
345	Power operated equipment		\$ -	\$ -		\$ -
346	Communication equip	\$ 1,361	\$ -	\$ 1,361		\$ 1,361
347	Electronic & computer Equipment	\$ -	\$ 5,853	\$ -		\$ 5,853
348	Miscellaneous Equipment		\$ -	\$ -		\$ -
	TOTAL	\$ 341,324	\$ 4,828,565	\$ 341,324	\$ -	\$ 5,175,054

*Explanation of any adjustments made:

1) Accumulated depreciation includes CIAC amortization of \$6,760. 2) The \$5,165 adjustment reverses CIAC accumulated amortization which was included in prior years' reports.

RETAINED EARNINGS

Oregon Water Utilities - Mountain Lakes, Inc.

215	Unappropriated Retained Earnings (beginning of year balance)	\$	(82,984)
435	Balance transferred from income	\$	(81,574)
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)	\$	(164,558)

* Explanation of any adjustments made to Retained Earnings

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OTHER ACCOUNTS

Oregon Water Utilities - Mountain Lakes, Inc.
For account information not already entered, please enter amounts below, if applicable.

Category Act # Act Name
ASSETS AND OTHER DEBITS (101-190)

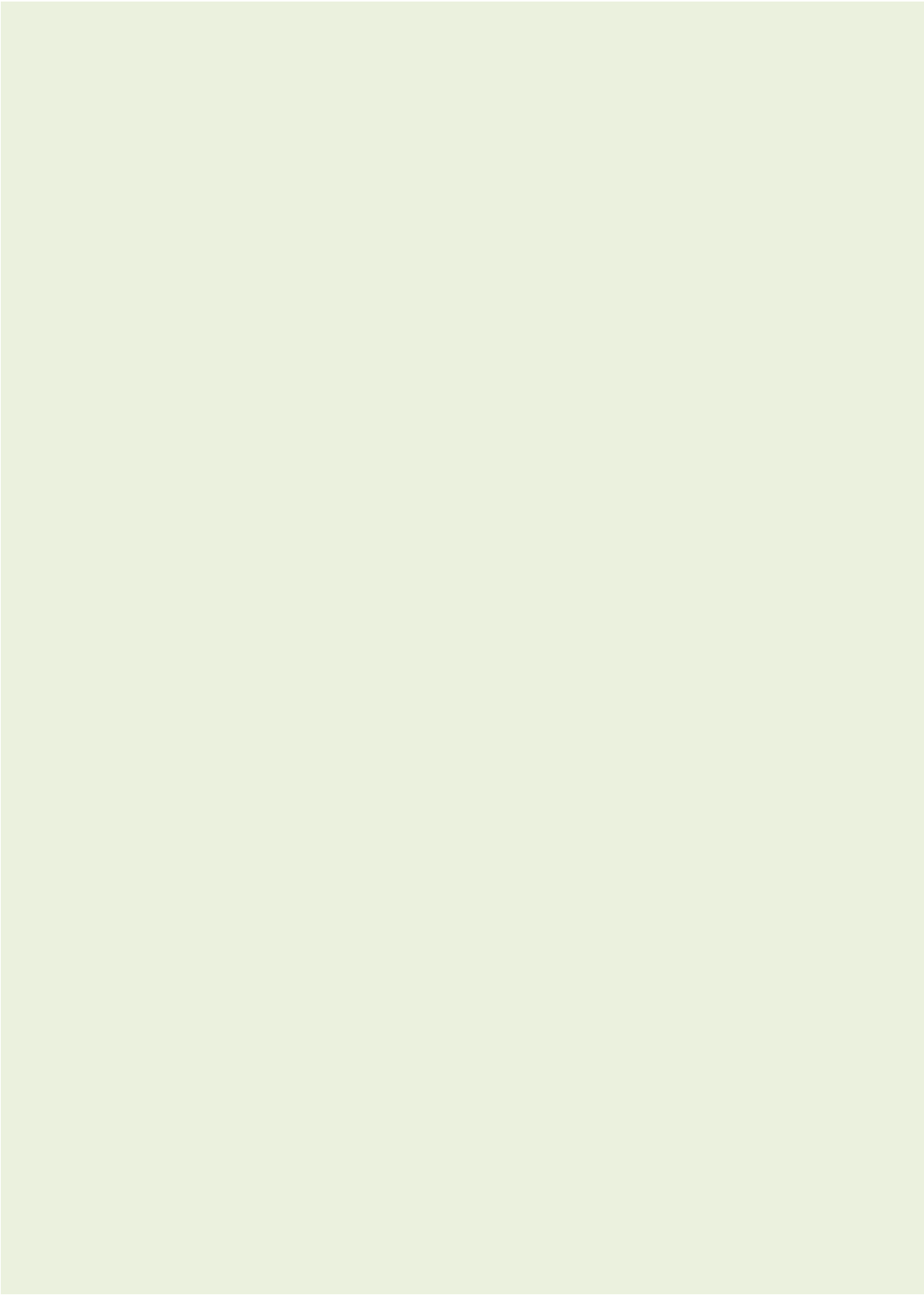
Utility Plant		
101	Utility Plant in Service	\$ 12,799,657
102	Utility Plant Leased to Others	
103	Property Held for Future Use	
104	Utility Plant Purchased or Sold	
105	Construction Work in Progress - Commission Approved	\$ 17,039
108	Accumulated Depreciation of Utility Plant in Service	\$ 5,175,054
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	\$ 961,855
132	Special Deposits	
134	Working Funds	
135	Temporary Cash Investments	
141	Customer Accounts Receivable	\$ 32,643
142	Other Accounts Receivable	\$ 8
143	Allowance for Uncollectible Accounts (Enter positive)	\$ 642
144	Notes Receivable	
145	Accounts Receivable from Associated Companies	
146	Notes Receivable from Associated Companies	
151	Plant Materials and Supplies	\$ 312
162	Prepayments	\$ 524
171	Accrued Interest Receivable	
174	Miscellaneous Current and Accrued Assets	\$ 6,551
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	
212	Discount on Capital Stock	
213	Capital Stock Expense	
214	Appropriated Retained Earnings	
215	Unappropriated Retained Earnings	\$ (164,558)
216	Reacquired Capital Stock	
218	Proprietary Capital	
Long Term Debt		
221	Bonds	
223	Advances from Associated Companies	
224	Other Long-Term Debt	
Current and Accrued Liabilities		
231	Accounts Payable	\$ 7,316
232	Notes Payable	
233	Accounts Payable to Associated Companies	\$ 8,769,077
234	Notes Payable to Associated Companies	
235	Customer Deposits	
236	Accrued Taxes	\$ (62,452)
237	Accrued Interest	
238	Accrued Dividends	
239	Matured Long-Term Debt	
240	Matured Interest	
241	Miscellaneous Current and Accrued Liabilities	\$ 3,126
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	\$ 65,357
272	Accumulated Amortization of CIAC	\$ 6,760
Accumulated Deferred Income Taxes		
281	Accumulated Deferred Income Taxes - Accelerated Depreciation	
282	Accumulated Deferred Income Taxes - Liberalized Depreciation	\$ 31,787
283	Accumulated Deferred Income Taxes - Other	
WATER UTILITY PLANT ACCOUNTS (301-348)		
301	Organization	\$ -
302	Franchises	\$ -
303	Land and Land Rights	\$ 5,000
304	Structures and Improvements	\$ 148,685
305	Collecting and Impounding Reservoirs	\$ -
306	Lakes, River and Other Intakes	\$ -
307	Wells and Springs	\$ 1,017,067
308	Infiltration Galleries and Tunnels	\$ -
309	Supply Mains	\$ 1,193,714
310	Power Generation Equipment	\$ -
311	Pumping Equipment	\$ 863,869
320	Water Treatment Equipment	\$ -
330	Distribution Reservoirs and Standpipes	\$ 611,823
331	Transmission and Distribution Mains	\$ 7,453,738
333	Services	\$ 866,701
334	Meters and Meter Installations	\$ 173,159
335	Hydrants	\$ 327,220
336	Backflow Prevention Devices	\$ -
339	Other Plant and Miscellaneous Equipment	\$ -
340	Office Furniture and Equipment	\$ 68,657
341	Transportation Equipment	\$ 39,849
343	Tools, Shop and Garage Equipment	\$ 3,906
344	Laboratory Equipment	\$ -

345	Power Operated Equipment	\$ -
346	Communication Equipment	\$ 20,416
347	Computer & electronic Equipment	\$ 5,853
348	Miscellaneous Equipment	\$ -
INCOME ACCOUNTS (404-434)		
Utility Operating Income		
400	Operating Revenue	\$ 510,994
401	Operating Expenses	\$ 276,632
403	Depreciation Expense	\$ 341,324
406	Amortization of Utility Plant Acquisition Adjustment	
407	Amortization Expense (no CIAC)	
408	Taxes Other than Income	\$ 7,304
409	Income Taxes	\$ (31,097)
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	
428	Amortization of Debt Discount and Expense	
429	Amortization of Premium on Debt	
Retained Earnings Account (435-439)		
435	Balance Transferred from Income	\$ (81,574)
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	\$ 298,543
461.2	Metered Sales to Commercial Customers	\$ 68,246
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	Private Fire Protection	\$ -
464	Other Sales to Public Authorities	\$ -
465	Sales to Irrigation Customers	\$ 56,706
466	Sales for Resale	\$ -
467	Interdepartmental Sales	\$ 69,487
468	Special Contract/Agreement Revenue	\$ -
470	Forfeited Discounts	\$ -
471	Miscellaneous Service Revenues	\$ 205
472	Rents From Water Property	\$ -
473	Interdepartmental Rents	\$ -
474	Other Water Revenues	\$ (1,073)
475	Cross Connection Sales & Services Revenues	\$ 18,880
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)		
Source of Supply and Expenses		
601	Salaries and Wages - Employees	\$ 61,720
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$ -
604	Employee Pensions and Benefits	\$ 26,936
610	Purchased Water	\$ -
611	Telephone/Communications	\$ 909
615	Purchased Power	\$ 60,754
616	Fuel for Power Production	\$ -
617	Utilities - Other	\$ -
618	Chemicals & testing	\$ -
619	Office Supplies (excluding postage)	\$ 1,662
619.1	Postage	\$ 3,081
620	Materials and Supplies	\$ 784
621	Repairs to Water Plant	\$ 2,789
631	Contractual Services - Engineering	\$ -
632	Contractual Services - Accounting	\$ 1,800
633	Contractual Services - Legal	\$ 543
634	Contractual Services - Management Fees	\$ 83,432
635	Contractual Services - Testing/Sampling	\$ 2,465
636	Contractual Services - Other	\$ -
637	Contractual Services - Billing/Collections	\$ -
638	Contractual Services - Meter Reading	\$ -
639	Contractual Services - Other	\$ 1,366
641	Rental of Building/Real Property	\$ 2,490
642	Rental of Equipment	\$ -
643	Small Tools	\$ 132
648	Computer & Electronic Expenses	\$ 1,170
650	Transportation Expenses	\$ 7,253
656	Insurance - Vehicle	\$ 1,668
657	Insurance - General Liability	\$ 966
658	Insurance - Workman's Compensation	\$ 197
659	Insurance - Other	\$ 3,995
660	Public Relations / Advertising Expense	\$ 15
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$ -
667	Regulatory Commission Expense - Other	\$ 1,592
668	Water Resource Conservation Expense	\$ -
670	Bad Debt Expense	\$ 1,479
671.1	Cross Connection Control Program Expense	\$ -
671.2	Cross Connection Testin & Maintenance Services	\$ -
672	System Capacity Development Program Expense	\$ -
673	Training & Certification Expense	\$ 872
674	Consumer Confidence Report	\$ -
675	Miscellaneous Expenses	\$ 6,561

NOTES

Oregon Water Utilities - Mountain Lakes, Inc.

Notes and explanations:



INCOME STATEMENT

Oregon Water Utilities - Mountain Lakes, Inc.

400 Operating Revenue	\$	510,994
401 Operating Expenses	\$	276,632
403 Depreciation Expense	\$	339,729
406 Amortization of Utility Plant Acquisition Adjustment	\$	-
407 Amortization Expense	\$	-
408 Taxes Other Than Income Taxes (total)	\$	7,304
409 Income Taxes	\$	(31,097)
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	\$	-
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	\$	(81,574)
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	\$	(81,574)

BALANCE SHEET

Oregon Water Utilit

Please do not submit to PUC until figures are balanced.

101 Utility Plant in Service (excluding CIAC)	\$	12,799,657
108-110 Accumulated Depreciation & Amortization	\$	5,175,054
Subtotal	\$	7,624,603
102-104 Other Utility Plant	\$	-
105 Commission Approved Construction Work in Progress (CWIP)	\$	17,039
114 Commission Approved Utility Plant Acquisition Adjustments	\$	-
115 Accumulated Amortization of Commission Approved Acquisition Adjustments	\$	-
190 Accumulated Deferred Income Taxes (asset)	\$	-
Subtotal	\$	17,039
Net Utility Plant	\$	7,641,642
131 Cash	\$	961,855
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	32,651
143 Accumulated Provision for Uncollectible Accounts	\$	642
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	-
151 Materials & Supplies Inventory	\$	312
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	7,075
Net Current & Accrued Assets	\$	1,001,250
181-186 Deferred Debits	\$	-
Total Assets	\$	8,642,892
252 Advances for Construction	\$	-
271 CIAC	\$	65,357
272 Accumulated Amortization of CIAC	\$	6,760
Net CIAC & Advances for Construction	\$	58,597
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	-
231 Accounts Payable	\$	7,316
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	8,769,077
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	-
236 Accrued Taxes	\$	(62,452)
237 Accrued Interest	\$	-
238-241 Miscellaneous Current and Accrued Liabilities	\$	3,126
Liabilities	\$	8,717,066
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	\$	31,787
283 Accumulated Deferred Income Taxes-Other	\$	-
Total Liabilities	\$	31,787
Total Liabilities	\$	8,748,853
201 Common Stock Issued	\$	-
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	-
211 Other Paid in Capital	\$	-
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	(164,558)
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	(164,558)
Total Liabilities and Equity	\$	8,642,892

STATS

Oregon Water Utilities - Mountain Lakes, Inc.

Operating Revenues	
Flat Rate	\$ -
Metered - Residential	\$ 298,543
Metered - Commercial	\$ 68,246
Irrigation (including golf courses)	\$ 126,193
Fire Protection	\$ -
Other Sales of Water	\$ -
Other Operating Revenue	\$ 18,012
Total Operating Revenues	\$ 510,994

Operating Expenses	
Purchased Water	\$ -
Purchased Power	\$ 60,754
Water Treatment	\$ 2,465
Supplies and Expenses	\$ 33,346
Repairs of Plant	\$ 2,789
Administrative & General	\$ 177,277
Total Operating Expenses	\$ 276,632

Other Revenue Deductions	
Depreciation & Amortization	\$ 339,729
Operating Income Taxes	\$ (31,097)
Other Operating Taxes	\$ 7,304
Uncollectible Revenue/Bad Debt Expense	\$ 1,479
Total Revenue Deductions	\$ 317,416
Total Expenses and Deductions	\$ 594,047

Other Income	\$ -
Interest on Long-Term Debt	
Other Interest Charges	\$ -
Other Income Deductions	\$ -
Net Operating Income (or Loss)	\$ (83,053)

Assets & Other Debits	
Utility Plant	\$ 12,799,657
Less: Depreciation & Amortization Reserve	\$ 5,175,054
Other Property & Investments	\$ 961,855
Materials and Supplies	\$ 312
Other Current & Accrued Assets	\$ 56,122
Deferred Debits	\$ -
Total Assets & Other Debits	\$ 8,642,892

Liabilities & Other Credits	
Capital/Common Stock	\$ -
Retained Earnings	\$ (164,558)
Long-Term Debt	\$ -
Customer Deposits	\$ -
Other Current & Accrued Liabilities	\$ 8,717,066
Advances for Construction	\$ -
Other Deferred Credits	\$ -
Contributions in Aid of Construction	\$ 58,597
Accumulated Deferred Income Taxes	\$ 31,787
Total Liabilities & Other Credits	\$ 8,642,892

Average Number of Customers	
Flat Rate	-
Metered - Residential	540
Metered - Commercial	24
Irrigation (including golf courses)	50
Fire Protection	-
Other	-
Total Customers	614