



e-FILING REPORT COVER SHEET

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REPORT NAME: Annual Results of Operations Report

COMPANY NAME: Running Y Water, LLC

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: RE (Electric) RG (Gas) RW (Water) RO (Other)

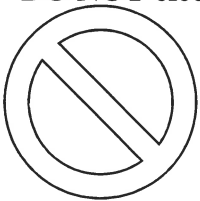
Report is required by: OAR 860-036-0816
Statute Enter Statute
Order Enter PUC Order No.
Other Enter reason

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

If yes, enter docket number:

List applicable Key Words for this report to facilitate electronic search:

DO NOT electronically file with the PUC Filing Center:



- Annual Fee Statement form and payment remittance or
- OUS or RSPF Surcharge form or surcharge remittance or
- Any other Telecommunications Reporting or
- Any daily safety or safety incident reports or
- Accident reports required by ORS 654.715

Please file the above reports according to their individual instructions.



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

2016

COMPANY NAME

Running Y Water, LLC

Instructions

Running Y Water, LLC

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

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

**FOR QUESTIONS ON EXCEL PROGRAM, ACCOUNTS, OR REPORTING, CONTACT GREG MILLER AT
373-7867 OR EMAIL AT GREG.MILLER@STATE.OR.US**

503-

Oath

Running Y Water, LLC

Complete Address of Reporting Utility

Line 1:	Running Y Water, LLC
Line 2:	5115 Running Y Rd
City:	Klamath Falls
State:	OR
Zip:	97601
phone:	541-850-5566
email:	curt@nvoregonresorts.com
fax:	541-923-0881
website:	

Name and title of person responsible for report

Name:	Robin Dowty
Title:	Dir of Finance
Phone:	541-548-9388
Email:	robind@nvoregonresorts.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

Running Y Water, LLC

Provide the following information for the contact person regarding this report

Name:	Robin Dowty, Dir of Finance
Address:	PO Box 1215, Redmond, OR 97756
Phone:	541-548-9388
Email:	robind@nvoregonresorts.com

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

Name:	Robin Dowty, Dir of Finance
Address:	8300 Coopers Hawk Dr, Redmond, OR 97756
Phone:	541-548-9388
Email:	robind@nvoregonresorts.com

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

Name:	RSM, LLP
Address:	1861 International Dr, Ste 400, Mclean, VA 22102
Phone:	703-336-6559
Email:	John.McCourt@rsm.com

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
Oregon Resorts, LLC, sole member			
Scott Pickert, Authorized Agent	Sr Vice President	541-548-9378	spickert@nvhg.com

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

Name	Title	Phone #	Email
Schroeder Law Offices, P.C.		503-281-4100	

Organization

Running Y Water, LLC

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		Oregon Resorts, LLC
	Title	Sole-member	
	Address		
	# shares owned	100% sole member	
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:		

Affiliates

Running Y Water, LLC

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
Oregon Resorts Acquisition Partners, LP	Resort Management agreement for executive management services		\$ 15,042
Oregon Resorts Acquisition Partners, LP	Intercompany Line of Credit		\$ 268,975
			\$ 284,017
TOTAL			\$ (284,017)

Explanations or Notes

Revenues

Running Y Water, LLC

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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	519	525	7,028,900	\$ 292,886
Metered sales to COMMERCIAL customers	461.2	22	22	1,452,000	\$ 63,455
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	50	50	4,180,800	\$ 52,562
Sales for resale	466				
Water Sales to golf course/recreation revenue	467	1	1	13,632,700	\$ 70,209
Special contract/agreement revenue	468				
TOTAL		592	598	26,294,400	\$ 479,112

Revenue other than water sales

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 1,778
Rents from water property	472	
Interdepartmental rents	473	
Other	474	
Cross Connection sales & services revenues	475	\$ 23,520
Total		\$ 25,298

Total Operating Revenue

\$ 504,410

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	1122.110473	46.75702427
Metered sales to COMMERCIAL customers	461.2	5500	240.3598485
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	6968	87.60333333
Sales for resale	466		
Water Sales to golf course/recreation revenue	467	1136058.333	5850.75
Special contract/agreement revenue	468		

Taxes & property sales

Running Y Water, LLC

Act # TAXES OTHER THAN INCOME TAX

408.11	Property Tax	\$	879
408.12	Payroll Tax	\$	4,429
408.13	Other Tax Other Than Income Tax		
408.2	Nonutility Taxes Other Than Income Tax		
TOTAL		\$	5,307

Act # INCOME TAXES

409.1	Federal Income Tax		
409.11	State Income Tax		
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
TOTAL		\$	-

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

Running Y Water, LLC

Act #		Expense amount
601	Salaries and Wages - employees	\$ 47,241
603	Salaries and Wages – officers, directors, and majority stockholders	
604	Employee Pensions & Benefits	\$ 5,528
610	Purchased Water	
611	Telephone/Communications	\$ 534
615	Purchased Power	\$ 63,582
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	
618	Chemicals & testing	
619	Office Supplies (excluding postage)	\$ 584
619.1	Postage	\$ 1,808
620	Materials & Supplies (O&M)	\$ 3,325
621	Repairs of Water Plant	
631	Contractual Services - engineering	
632	Contractual Services - accounting	
633	Contractual Services - legal	\$ 5,280
634	Contractual Services - management	\$ 50,658
635	Contractual Services – testing / sampling	\$ 4,428
636	Contractual Services – labor	
637	Contractual Services - billing/collections	
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 4,133
641	Rental of Building / Real Property	\$ 2,000
642	Rental of Equipment	
643	Small Tools	
648	Computer and electronic Expenses	\$ 1,252
650	Transportation Expenses	\$ 1,306
656	Insurance - Vehicle	\$ 460
657	Insurance – General Liability	\$ 14,456
658	Insurance – Workman’s Compensation	\$ 1,321
659	Insurance – Other	
660	Public Relation / Advertising Expense	
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 1,355
668	Conservation Expense	
670	Bad Debt Expense	\$ 1,076
671.1	Cross Connection Control Program Expense	
671.2	Cross Connection Testing & Maintenance Services	\$ 2,780
673	Training & Certification Expense	\$ 745
674	Consumer Confidence Report	\$ 300
675	Miscellaneous Expense	\$ 2,916
	TOTAL	\$ 217,067

Plant

Running Y Water, LLC

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	\$ 15,384				\$ 15,384
305	Collecting & impounding reservoirs					\$ -
306	Lake, river & other intakes					\$ -
307	Wells & springs	\$ 109,299				\$ 109,299
308	Infiltration galleries & tunnels					\$ -
309	Supply mains	\$ 113,668				\$ 113,668
310	Power generation equipment					\$ -
311	Pumping equipment	\$ 85,759	\$ 37,084			\$ 122,843
320	Water treatment equipment					\$ -
330	Distribution reservoirs & standpipes	\$ 60,459				\$ 60,459
331	Transmission & distribution mains	\$ 1,481,897				\$ 1,481,897
333	Services	\$ 94,965				\$ 94,965
334	Meters & meter installations					\$ -
335	Hydrants	\$ 32,485				\$ 32,485
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 equipment					\$ -
347	Electronic & computer equipment					\$ -
348	Miscellaneous equipment					\$ -
	TOTAL	\$ 1,998,916	\$ 37,084	\$ -	\$ -	\$ 2,036,000

Explanation of unusual changes in utility plant during the year:

Running Y Water, LLC

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	
Added during the year:	
Capacity charge	
Main line extension charges	
Customer connection charges	
Developer's property	
Other	
Retired during the year	
End of year balance	\$ -

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:

Depreciation

Running Y Water, LLC

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	\$ 487	\$ 2,574	\$ 487			\$ 3,061
305	Collecting & impounding reservoirs			\$ -			\$ -
306	Lake, river & other intakes			\$ -			\$ -
307	Wells & springs	\$ 9,665	\$ 45,491	\$ 9,665			\$ 55,156
308	Infiltration galleries & tunnels			\$ -			\$ -
309	Supply mains	\$ 11,099	\$ 57,345	\$ 11,099			\$ 68,444
310	Power generation equipment			\$ -			\$ -
311	Pumping equipment	\$ 4,890	\$ 22,572	\$ 4,890			\$ 27,462
320	Water treatment equipment			\$ -			\$ -
330	Distribution reservoirs & standpipes	\$ 4,502	\$ 23,260	\$ 4,502			\$ 27,762
331	Transmission & distribution mains	\$ 98,793	\$ 510,431	\$ 98,793			\$ 609,224
333	Services	\$ 7,265	\$ 37,535	\$ 7,265			\$ 44,800
334	Meters & meter installations			\$ -			\$ -
335	Hydrants	\$ 2,290	\$ 11,830	\$ 2,290			\$ 14,120
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			\$ -			\$ -
	TOTAL	\$ 138,990	\$ 711,038	\$ 138,990	\$ -	\$ -	\$ 850,028

*Explanation of any adjustments made:

Retained Earnings

Running Y Water, LLC

215	Unappropriated Retained Earnings (beginning of year balance)	\$ 1,445,020
435	Balance transferred from income	\$ 143,045
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)	\$ 1,588,065

Explanation of any adjustments made to Retained Earnings

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Other Accounts

Running Y Water, LLC

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	\$ 2,036,000
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	\$ 850,028
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	
132	Special Deposits	
134	Working Funds	
135	Temporary Cash Investments	
141	Customer Accounts Receivable	\$ 34,782
142	Other Accounts Receivable	
143	Allowance for Uncollectible Accounts (Enter positive)	\$ 683
144	Notes Receivable	
145	Accounts Receivable from Associated Companies	\$ 268,975
146	Notes Receivable from Associated Companies	
151	Plant Materials and Supplies	
162	Prepayments	
171	Accrued Interest Receivable	
174	Miscellaneous Current and Accrued Assets	\$ 99,520

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	\$ 500
212	Discount on Capital Stock	
213	Capital Stock Expense	
214	Appropriated Retained Earnings	
215	Unappropriated Retained Earnings	\$ 1,588,065
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	\$ -
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	\$ -
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	\$ 5,000
304	Structures and Improvements	\$ 15,384
305	Collecting and Impounding Reservoirs	\$ -
306	Lakes, River and Other Intakes	\$ -
307	Wells and Springs	\$ 109,299
308	Infiltration Galleries and Tunnels	\$ -
309	Supply Mains	\$ 113,668
310	Power Generation Equipment	\$ -
311	Pumping Equipment	\$ 122,843
320	Water Treatment Equipment	\$ -
330	Distribution Reservoirs and Standpipes	\$ 60,459
331	Transmission and Distribution Mains	\$ 1,481,897
333	Services	\$ 94,965
334	Meters and Meter Installations	\$ -
335	Hydrants	\$ 32,485
336	Backflow Prevention Devices	\$ -
339	Other Plant and Miscellaneous Equipment	\$ -
340	Office Furniture and Equipment	\$ -
341	Transportation Equipment	\$ -
343	Tools, Shop and Garage Equipment	\$ -
344	Laboratory Equipment	\$ -

345	Power Operated Equipment	\$ -
346	Communication Equipment	\$ -
347	Computer & electronic Equipment	\$ -
348	Miscellaneous Equipment	\$ -

INCOME ACCOUNTS (404-434)

Utility Operating Income		
400	Operating Revenue	\$ 504,410
401	Operating Expenses	\$ 217,067
403	Depreciation Expense	\$ 138,990
406	Amortization of Utility Plant Acquisition Adjustment	
407	Amortization Expense (no CIAC)	
408	Taxes Other than Income	\$ 5,307
409	Income Taxes	\$ -
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	\$ 143,045
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	\$ 292,886
461.2	Metered Sales to Commercial Customers	\$ 63,455
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	\$ -
464	Other Sales to Public Authorities	\$ -
465	Sales to Irrigation Customers	\$ 52,562
466	Sales for Resale	\$ -
467	Interdepartmental Sales	\$ 70,209
468	Special Contract/Agreement Revenue	\$ -
470	Forfeited Discounts	\$ -
471	Miscellaneous Service Revenues	\$ 1,778
472	Rents From Water Property	\$ -
473	Interdepartmental Rents	\$ -
474	Other Water Revenues	\$ -
475	Cross Connection Sales & Services Revenues	\$ 23,520

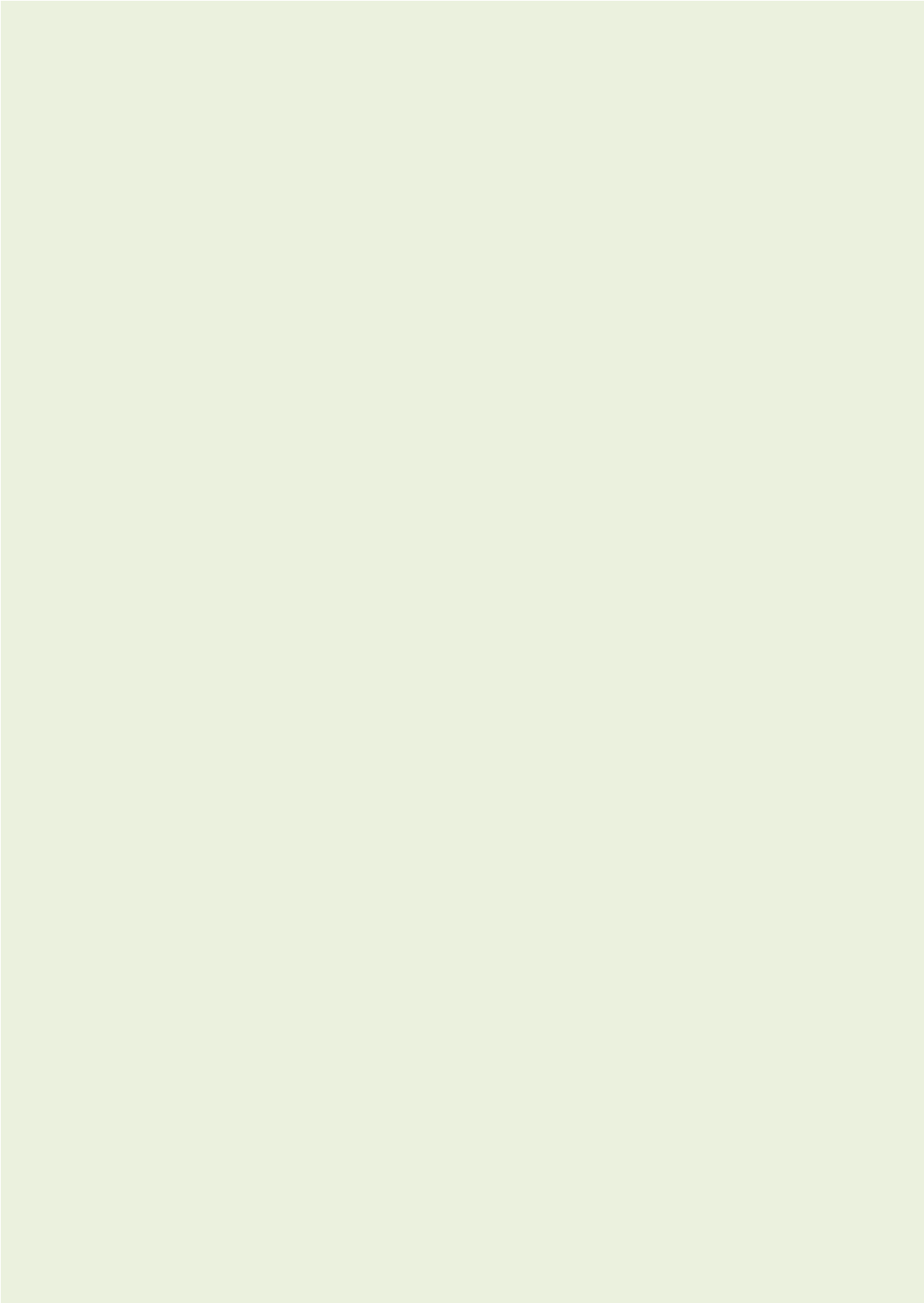
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)

Source of Supply and Expenses		
601	Salaries and Wages - Employees	\$ 47,241
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$ -
604	Employee Pensions and Benefits	\$ 5,528
610	Purchased Water	\$ -
611	Telephone/Communications	\$ 534
615	Purchased Power	\$ 63,582
616	Fuel for Power Production	\$ -
617	Utilities - Other	\$ -
618	Chemicals & testing	\$ -
619	Office Supplies (excluding postage)	\$ 584
619.1	Postage	\$ 1,808
620	Materials and Supplies	\$ 3,325
621	Repairs to Water Plant	\$ -
631	Contractual Services - Engineering	\$ -
632	Contractual Services - Accounting	\$ -
633	Contractual Services - Legal	\$ 5,280
634	Contractual Services - Management Fees	\$ 50,658
635	Contractual Services - Testing/Sampling	\$ 4,428
636	Contractual Services - Other	\$ -
637	Contractual Services - Billing/Collections	\$ -
638	Contractual Services - Meter Reading	\$ -
639	Contractual Services - Other	\$ 4,133
641	Rental of Building/Real Property	\$ 2,000
642	Rental of Equipment	\$ -
643	Small Tools	\$ -
648	Computer & Electronic Expenses	\$ 1,252
650	Transportation Expenses	\$ 1,306
656	Insurance - Vehicle	\$ 460
657	Insurance - General Liability	\$ 14,456
658	Insurance - Workman's Compensation	\$ 1,321
659	Insurance - Other	\$ -
660	Public Relations / Advertising Expense	\$ -
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$ -
667	Regulatory Commission Expense - Other	\$ 1,355
668	Water Resource Conservation Expense	\$ -
670	Bad Debt Expense	\$ 1,076
671.1	Cross Connection Control Program Expense	\$ -
671.2	Cross Connection Testin & Maintenance Services	\$ 2,780
672	System Capacity Development Program Expense	
673	Training & Certification Expense	\$ 745
674	Consumer Confidence Report	\$ 300
675	Miscellaneous Expenses	\$ 2,916

Notes

Running Y Water, LLC

Notes and explanations:



Income Statement

Running Y Water, LLC

400 Operating Revenue	\$ 504,410
401 Operating Expenses	\$ 217,067
403 Depreciation Expense	\$ 138,990
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 5,307
409 Income Taxes	\$ -
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	\$ 143,045
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	\$ 143,045

Balance Sheet

Running Y Water, LL

Please do not submit to PUC until figures are balanced.

101 Utility Plant in Service (excluding CIAC)	\$	2,036,000
108-110 Accumulated Depreciation & Amortization	\$	850,028
Subtotal	\$	1,185,971
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	\$	1,185,971
131 Cash	\$	-
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	34,782
143 Accumulated Provision for Uncollectible Accounts	\$	683
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	268,975
151 Materials & Supplies Inventory	\$	-
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	99,520
Net Current & Accrued Assets	\$	402,594
181-186 Deferred Debits	\$	-
Total Assets	\$	1,588,565
252 Advances for Construction	\$	-
271 CIAC	\$	-
272 Accumulated Amortization of CIAC	\$	-
Net CIAC & Advances for Construction	\$	-
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	-
231 Accounts Payable	\$	-
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	\$	-
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	\$	-
201 Common Stock Issued	\$	-
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	-
211 Other Paid in Capital	\$	500
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	1,588,065
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	1,588,565
Total Liabilities and Equity	\$	1,588,565

Stats

Running Y Water, LLC

Operating Revenues

Flat Rate	\$	-
Metered - Residential	\$	292,886
Metered - Commercial	\$	63,455
Irrigation (including golf courses)	\$	122,771
Fire Protection	\$	-
Other Sales of Water	\$	-
Other Operating Revenue	\$	25,298
Total Operating Revenues	\$	504,410

Operating Expenses

Purchased Water	\$	-
Purchased Power	\$	63,582
Water Treatment	\$	4,428
Supplies and Expenses	\$	35,142
Repairs of Plant	\$	-
Administrative & General	\$	113,915
Total Operating Expenses	\$	217,067

Other Revenue Deductions

Depreciation & Amortization	\$	138,990
Operating Income Taxes	\$	-
Other Operating Taxes	\$	5,307
Uncollectible Revenue/Bad Debt Expense	\$	1,076
Total Revenue Deductions	\$	145,373

Total Expenses and Deductions

	\$	362,441
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Other Income	\$	-
Interest on Long-Term Debt		
Other Interest Charges	\$	-
Other Income Deductions	\$	-
Net Operating Income (or Loss)	\$	141,969

Assets & Other Debits

Utility Plant	\$	2,036,000
Less: Depreciation & Amortization Reserve	\$	850,028
Other Property & Investments	\$	-
Materials and Supplies	\$	-
Other Current & Accrued Assets	\$	402,594
Deferred Debits	\$	-
Total Assets & Other Debits	\$	1,588,565

Liabilities & Other Credits

Capital/Common Stock	\$	500
Retained Earnings	\$	1,588,065
Long-Term Debt	\$	-
Customer Deposits	\$	-
Other Current & Accrued Liabilities	\$	-
Advances for Construction	\$	-
Other Deferred Credits	\$	-
Contributions in Aid of Construction	\$	-
Accumulated Deferred Income Taxes	\$	-
Total Liabilities & Other Credits	\$	1,588,565

Average Number of Customers

Flat Rate	-
Metered - Residential	525
Metered - Commercial	22
Irrigation (including golf courses)	51
Fire Protection	-
Other	-
Total Customers	598