September 19, 2014

SALMON VALLEY WATER COMPANY

We enclose the Oregon Public Utilities Commission ANNUAL REPORT B FOR 2013.

No payment is due with the filing of this report.

The Excel version of the report should be e-mailed as soon as possible to puc.filingcenter@state.or.us.

A copy of the report is enclosed for your files.

Sincerely,

Delap LLP

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

2013

COMPANY NAME

Salmon Valley Water Company

OREGON PUBLIC UTILITY COMMISSION
PO BOX 2148
SALEM OR 97308-2148

Revised 3/6/2014

Instructions

Salmon Valley Water Company

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

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

FOR QUESTIONS ON EXCEL PROGRAM, ACCOUNTS, OR REPORTING, CONTACT GREG MILLER AT 503-373-7867 OR EMAIL AT GREG.MILLER@STATE.OR.US

Oath

Salmon Valley Water Company

Complete Address of Reporting Utility

Line 1:	PO Box 205
Line 2:	24525 E. Welches Road
City:	Welches
State:	OR
Zip:	97067
phone:	503-622-4083
email:	bowman.michael@frontier.com
fax:	503-639-5615
website:	N/A

Name and title of person responsible for report

Name:	Michael Bowman
Title:	President
Phone:	503-968-9534
Email:	bowman.michael@frontier.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.

☑ By clicking this box I affirm the above statement.

Information

Salmon Valley Water Company

Provide the following information for the contact person regarding this report

Name:	Michael Bowman
Address:	8257 SW Kingfisher Way, Durham, OR 97224-7073
Phone:	503-968-9534
Email:	bowman.michael@frontier.com

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

Name:	Same as above
Address:	
Phone:	
Email:	

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

Name:	None
Address:	
Phone:	
Email:	

Date of original organization of the utility (month, day, year): 1/3/1968

Provide the following information for all utility officers and directors

Name	Title	Phone #	Email
Michael Bowman	President	503-968-9534	bowman.michael@frontier.com
William E Bowman	Vice President	503-590-3622	
Joyce Sewell	Secretary		
JoAnn Bowman	Treasurer		
Bruce Bowman	Director		

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

Name	Title	Phone #	Email
Timothy Nelson - Delap	CPA	503-697-4118	tnelson@delapcpa.com
Laura Shroeder - Schroeder Law	Attorney	503-281-4100	

Organization

Salmon Valley Water Company

Select business type	Select ownership type	Select accounting method
Private/Investor Owned	Corporation	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	JoAnn Bowman
	Title	Treasurer
	Address	2545 Roanoake Street, Woodburn, OR 97071
	# shares owned	1,017.00
2	Name of stockholder/director/officer	Joyce Sewell
	Title	Secretary
	Address	PO BOX 1187, Terrabonne, OR 97760
	# shares owned	625.00
3	Name of stockholder/director/officer	Michael Bowman
	Title	President
	Address	8257 SW Kingfisher Way, Durham, OR 97224-7073
	# shares owned	
4	Name of stockholder/director/officer	William E Bowman
	Title	Vice President
	Address	13633 SW Tracy Place, Tigard, OR 97223
	# shares owned	

Part C: Corporation - Shares Outstanding

	Common Stock	Preferred Stock
# shares authorized	2267	0
# shares issued at year end	2267	0
Par or stated value per share:	$ 10.0000	$ -
Dividends declared per share during the year:	$ -	$ -

Salmon Valley Water Company

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	$ 363,710
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	$ 363,710
Accumulated Amortization of CIAC	
Beg of year balance	$ 162,712
Add CIAC amortized during year	
Subtract effects of CIAC disposals	
+/- other adjustments*	$ 9,571
Change in Accumulated Amortization during the year	$ 9,571
End of year balance	$ 172,283

* Explain any adjustments:

The $9,571 adjustment to CIAC is amortization of CIAC related to a prior period. It is an adjustment to Retained Earnings.

Depreciation

Salmon Valley Water Company

NOTE: Do **NOT** include any contributions in aid of construction (CIAC) on this page.

Act #		annual depreciation expense	acc dep balance beg of year	accruals booked to acc dep	plant retired charged to acc dep	Adjustments*	acc dep balance end of year
301	Organization						
302	Franchises						
303	Land & land rights						
304	Structures & improvements	$ 1,191	$ 17,517	$ 1,191			$ 18,708
305	Collecting & impounding reservoirs			$ -			$ -
306	Lake, river & other intakes			$ -			$ -
307	Wells & springs	$ 4,890	$ 158,811	$ 4,890			$ 163,701
308	Infiltration galleries & tunnels			$ -			$ -
309	Supply mains	$ 370	$ 6,589	$ 370			$ 6,959
310	Power generation equipment			$ -			$ -
311	Pumping equipment	$ 1,221	$ 106,358	$ 1,221			$ 107,579
320	Water treatment equipment			$ -			$ -
330	Distribution reservoirs & standpipes	$ 6,764	$ 103,282	$ 6,764			$ 110,046
331	Transmission & distribution mains	$ 3,610	$ 110,561	$ 3,610			$ 114,171
333	Services			$ -			$ -
334	Meters & meter installations	$ 340	$ 5,589	$ 340	$ 61		$ 5,868
335	Hydrants	$ 134	$ 2,531	$ 134			$ 2,665
336	Backflow prevention devices (utility owned)			$ -			$ -
339	Other plant & miscellaneous equipment			$ -			$ -
340	Office furniture & equipment	$ 256	$ 7,344	$ 256			$ 7,600
341	Transportation equipment	$ -	$ 18,566	$ -			$ 18,566
343	Tools, shop & garage equipment			$ -			$ -
344	Laboratory equipment			$ -			$ -
345	Power operated equipment			$ -			$ -
346	Communication equip			$ -			$ -
347	Electronic & computer Equipment			$ -			$ -
348	Miscellaneous Equipment			$ -			$ -
	TOTAL	$ 18,776	$ 537,148	$ 18,776	$ 61	$ -	$ 555,863

*Explanation of any adjustments made:

Retained Earnings

Salmon Valley Water Company

215	Unappropriated Retained Earnings (beginning of year balance)	$	230,295

435	Balance transferred from income	$	61,020
436	Appropriations of Retained Earnings	$	-
437	Preferred Stock dividends declared	$	-
438	Common Stock dividends declared	$	-
439	Adjustments to Retained Earnings*	$	19,200

215	Unappropriated Retained Earnings (as of year end)	$	310,515

Explanation of any adjustments made to Retained Earnings

Retained earnings was increased by $9,571 for amortization of CIAC related to prior periods. It was also decreased by $28,771 for various prior-period unreimbursed expenses not expensed in prior periods.

Other Accounts

Salmon Valley Water Company

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	$ 1,000,074
	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	$ 555,863
	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	$ 14,949
	132	Special Deposits	
	134	Working Funds	
	135	Temporary Cash Investments	
	141	Customer Accounts Receivable	$ 4,231
	142	Other Accounts Receivable	
	143	Allowance for Uncollectible Accounts (Enter positive)	
	144	Notes Receivable	
	145	Accounts Receivable from Associated Companies	
	146	Notes Receivable from Associated Companies	
	151	Plant Materials and Supplies	
	162	Prepayments	$ 669
	171	Accrued Interest Receivable	
	174	Miscellaneous Current and Accrued Assets	
Deferred Debits			
	181	Unamortized Debt Discount and Expense	
	182	Extraordinary Property Losses	
	186	Miscellaneous Deferred Debits	
	190	Accumulated Deferred Income Taxes	
EQUITY, LIABILITIES, AND OTHER CREDITS (201-283)			
Equity			
	201	Common Stock Issued	$ 22,670
	204	Preferred Stock Issued	$ -
	207	Premium on Capital Stock	
	211	Paid in Capital	$ 100,330
	212	Discount on Capital Stock	
	213	Capital Stock Expense	
	214	Appropriated Retained Earnings	
	215	Unappropriated Retained Earnings	$ 310,515
	216	Reacquired Capital Stock	
	218	Proprietary Capital	
Long Term Debt			
	221	Bonds	
	223	Advances from Associated Companies	
	224	Other Long-Term Debt	$ 150,994
Current and Accrued Liabilities			
	231	Accounts Payable	$ 279
	232	Notes Payable	$ 235,270
	233	Accounts Payable to Associated Companies	
	234	Notes Payable to Associated Companies	
	235	Customer Deposits	
	236	Accrued Taxes	$ 39,563
	237	Accrued Interest	$ 34,042
	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	$ 363,710
	272	Accumulated Amortization of CIAC	$ 172,283
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	$ 3,000
	304	Structures and Improvements	$ 41,687
	305	Collecting and Impounding Reservoirs	$ -
	306	Lakes, River and Other Intakes	$ -
	307	Wells and Springs	$ 244,506
	308	Infiltration Galleries and Tunnels	$ -
	309	Supply Mains	$ 13,311
	310	Power Generation Equipment	$ -
	311	Pumping Equipment	$ 114,963
	320	Water Treatment Equipment	$ -
	330	Distribution Reservoirs and Standpipes	$ 297,629
	331	Transmission and Distribution Mains	$ 231,063
	333	Services	$ -
	334	Meters and Meter Installations	$ 20,218
	335	Hydrants	$ 6,026
	336	Backflow Prevention Devices	$ -
	339	Other Plant and Miscellaneous Equipment	$ -
	340	Office Furniture and Equipment	$ 9,105
	341	Transportation Equipment	$ 18,566
	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	$ 243,869
	401	Operating Expenses	$ 244,828
	403	Depreciation Expense	$ 18,776
	406	Amortization of Utility Plant Acquisition Adjustment	
	407	Amortization Expense (no CIAC)	
	408	Taxes Other than Income	$ 24,192
	409	Income Taxes	$ 150
	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	$ (149)
	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	$ 3,033
	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	$ 19,827
	428	Amortization of Debt Discount and Expense	
	429	Amortization of Premium on Debt	
Retained Earnings Account (435-439)			
	435	Balance Transferred from Income	$ (61,020)
	436	Appropriations of Retained Earnings	
	437	Preferred Stock Dividends Declared	$ -
	438	Common Stock Dividends Declared	$ -
	439	Adjustment to Retained Earnings	$ 19,200
OPERATING REVENUE ACCOUNTS (460-475)			
	460	Unmetered Water Revenue	$ -
	461	1 Metered Sales to Residential Customers	$ 173,642
	461	2 Metered Sales to Commercial Customers	$ 67,527
	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	$ -
	466	Sales for Resale	$ -
	467	Interdepartmental Sales	$ -
	468	Special Contract/Agreement Revenue	$ -
	470	Forfeited Discounts	$ -
	471	Miscellaneous Service Revenues	$ 2,700
	472	Rents From Water Property	$ -
	473	Interdepartmental Rents	$ -
	474	Other Water Revenues	$ -
	475	Cross Connection Sales & Services Revenues	$ -
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)			
Source of Supply and Expenses			
	601	Salaries and Wages - Employees	$ 54,688
	603	Salaries and Wages - Officers, Directors and Majority Stockholders	$ 72,000
	604	Employee Pensions and Benefits	$ 22,679
	610	Purchased Water	$ -
	611	Telephone/Communications	$ 8,828
	615	Purchased Power	$ 17,585
	616	Fuel for Power Production	$ -
	617	Utilities - Other	$ 168
	618	Chemicals & testing	$ -
	619	Office Supplies (excluding postage)	$ 1,668
	619.1	Postage	$ 2,427
	620	Materials and Supplies	$ 1,833
	621	Repairs to Water Plant	$ 9,177
	631	Contractual Services - Engineering	$ -
	632	Contractual Services - Accounting	$ 10,133
	633	Contractual Services - Legal	$ -
	634	Contractual Services - Management Fees	$ -
	635	Contractual Services - Testing/Sampling	$ 4,942
	636	Contractual Services - Other	$ -
	637	Contractual Services - Billing/Collections	$ -
	638	Contractual Services - Meter Reading	$ 6,500
	639	Contractual Services - Other	$ -
	641	Rental of Building/Real Property	$ 8,940
	642	Rental of Equipment	$ 2,160
	643	Small Tools	$ -
	648	Computer & Electronic Expenses	$ 491
	650	Transportation Expenses	$ 6,325
	656	Insurance - Vehicle	$ -
	657	Insurance - General Liability	$ 12,078
	658	Insurance - Workman's Compensation	$ -
	659	Insurance - Other	$ 455
	660	Public Relations / Advertising Expense	$ -
	666	Regulatory Commission Expense - Amortization of Rate Case Expense	$ -
	667	Regulatory Commission Expense - Other	$ -
	668	Water Resource Conservation Expense	$ -
	670	Bad Debt Expense	$ 213
	671.1	Cross Connection Control Program Expense	$ -
	671.2	Cross Connection Testin & Maintenance Services	$ -
	672	System Capactiy Development Program Expense	
	673	Training & Certification Expense	$ -
	674	Consumer Confidence Report	$ -
	675	Miscellaneous Expenses	$ 1,539

Notes

Salmon Valley Water Company

Notes and explanations:

Miscellaneous Expense Detail:	
Bank Fees	$ 214.60
Charitable Donations	$ 100.00
Dues	$ 100.00
Meals & Entertainment	$ 23.58
Miscellaneous	$ 606.98
Water Quality Report	$ 493.60
Total Miscellaneous	$ 1,538.76

Detail of Notes Payable - Current:	
Due to Michael Bowman (officer)	$ 50,518.13
Due to JoAnn Bowman (stockholder)	$ 174,298.98
Current portion of Other Note Payable	$ 10,452.47
Total Notes Payable - Current	$ 235,269.58

Detail of Interest Payable:	
Interest Payable - JoAnn Bowman	$ 23,741.42
Interest Payable - Michael Bowman	$ 7,417.90
Interest Payable - Property Taxes	$ 2,882.83
Total Interest Payable	$ 34,042.15

Income Statement

Salmon Valley Water Company

400	Operating Revenue	$ 243,869
401	Operating Expenses	$ 244,828
403	Depreciation Expense	$ 18,776
406	Amortization of Utility Plant Acquisition Adjustment	$ -
407	Amortization Expense	$ -
408	Taxes Other Than Income Taxes (total)	$ 24,192
409	Income Taxes	$ 150
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	$ 19,827
428-429	Amortization of Premium/Discount on Debt	$ -
414	Gains/Losses From Utility Property Disposition (net)	$ (149)
433-434	Extraordinary Income/deductions (net)	$ -
	NET UTILITY OPERATING INCOME	$ (64,053)
421	Nonutility Income	$ 3,033
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	$ (61,020)

Balance Sheet

Salmon Valley Water Company

101	Utility Plant in Service (excluding CIAC)		$ 1,000,074
108-110	Accumulated Depreciation & Amortization		$ 555,863
		Subtotal	$ 444,211
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	$ 444,211
131	Cash		$ 14,949
132	Special Deposits		$ -
141-142	Accounts Receivable		$ 4,231
143	Accumulated Provision for Uncollectible Accounts		$ -
144	Notes Receivable		$ -
145-146	Accounts & Notes Receivable from Associated Companies		$ -
151	Materials & Supplies Inventory		$ -
133-135 & 162-174	Miscellaneous Current & Accrued Assets & Prepayments		$ 669
		Net Current & Accrued Assets	$ 19,849
181-186	Deferred Debits		$ -
		Total Assets	$ 464,060
252	Advances for Construction		$ -
271	CIAC		$ 363,710
272	Accumulated Amortization of CIAC		$ 172,283
		Net CIAC & Advances for Construction	$ 191,427
121	Nonutility Property		$ -
122	Accumulated Depreciation & Amortization (Nonutility)		$ -
123-127	Miscellaneous Nonutility Investments		$ -
		Nonutility Plant & Investment	$ -
221-224	Long-Term Debt		$ 150,994
231	Accounts Payable		$ 279
232	Notes Payable		$ 235,270
233	Accounts Payable to Affiliated Companies		$ -
234	Notes Payable to Affiliated companies		$ -
235	Customer Deposits		$ -
236	Accrued Taxes		$ 39,563
237	Accrued Interest		$ 34,042
238-241	Miscellaneous Current and Accrued Liabilities		$ -
		Liabilities	$ 460,148
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	$ 460,148
201	Common Stock Issued		$ 22,670
204	Preferred Stock Issued		$ -
207	Premium on Capital Stock		$ -
211	Other Paid in Capital		$ 100,330
212	Discount on Capital Stock		$ -
213	Capital Stock Expense		$ -
214	Appropriated Retained Earnings		$ -
215	Unappropriated Retained Earnings		$ (310,515)
216	Reacquired Capital Stock		$ -
218	Proprietary Capital (Proprietorships & Partnerships Only)		$ -
		Total Equity	$ (187,515)
		Total Liabilities and Equity	$ 464,060

Stats

Salmon Valley Water Company

Operating Revenues		
Flat Rate	$	-
Metered - Residential	$	173,642
Metered - Commercial	$	67,527
Irrigation (including golf courses)	$	-
Fire Protection	$	-
Other Sales of Water	$	-
Other Operating Revenue	$	2,700
Total Operating Revenues	$	243,869
Operating Expenses		
Purchased Water	$	-
Purchased Power	$	17,585
Water Treatment	$	4,942
Supplies and Expenses	$	46,912
Repairs of Plant	$	9,177
Administrative & General	$	166,212
Total Operating Expenses	$	244,828
Other Revenue Deductions		
Depreciation & Amortization	$	18,776
Operating Income Taxes	$	150
Other Operating Taxes	$	24,192
Uncollectible Revenue/Bad Debt Expense	$	213
Total Revenue Deductions	$	43,331
Total Expenses and Deductions	$	288,159
Other Income	$	-
Interest on Long-Term Debt		
Other Interest Charges	$	19,827
Other Income Deductions	$	-
Net Operating Income (or Loss)	$	(64,117)

Assets & Other Debits		
Utility Plant	$	1,000,074
Less: Depreciation & Amortization Reserve	$	555,863
Other Property & Investments	$	14,949
Materials and Supplies	$	-
Other Current & Accrued Assets	$	4,900
Deferred Debits	$	-
Total Assets & Other Debits	$	464,060
Liabilities & Other Credits		
Capital/Common Stock	$	123,000
Retained Earnings	$	(310,515)
Long-Term Debt	$	150,994
Customer Deposits	$	-
Other Current & Accrued Liabilities	$	309,154
Advances for Construction	$	-
Other Deferred Credits	$	-
Contributions in Aid of Construction	$	191,427
Accumulated Deferred Income Taxes	$	-
Total Liabilities & Other Credits	$	464,060
Average Number of Customers		
Flat Rate		-
Metered - Residential		803
Metered - Commercial		62
Irrigation (including golf courses)		-
Fire Protection		-
Other		-
Total Customers		865

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

2013

COMPANY NAME

Salmon Valley Water Company

OREGON PUBLIC UTILITY COMMISSION
PO BOX 2148
SALEM OR 97308-2148

Revised 3/6/2014

Instructions

Salmon Valley Water Company

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

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

FOR QUESTIONS ON EXCEL PROGRAM, ACCOUNTS, OR REPORTING, CONTACT GREG MILLER AT 503-373-7867 OR EMAIL AT GREG.MILLER@STATE.OR.US

Oath

Salmon Valley Water Company

Complete Address of Reporting Utility

Line 1:	PO Box 205
Line 2:	24525 E. Welches Road
City:	Welches
State:	OR
Zip:	97067
phone:	503-622-4083
email:	bowman.michael@frontier.com
fax:	503-639-5615
website:	N/A

Name and title of person responsible for report

Name:	Michael Bowman
Title:	President
Phone:	503-968-9534
Email:	bowman.michael@frontier.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.

☑ By clicking this box I affirm the above statement.

Information

Salmon Valley Water Company

Provide the following information for the contact person regarding this report

Name:	Michael Bowman
Address:	8257 SW Kingfisher Way, Durham, OR 97224-7073
Phone:	503-968-9534
Email:	bowman.michael@frontier.com

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

Name:	Same as above
Address:	
Phone:	
Email:	

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

Name:	None
Address:	
Phone:	
Email:	

Date of original organization of the utility (month, day, year): 1/3/1968

Provide the following information for all utility officers and directors

Name	Title	Phone #	Email
Michael Bowman	President	503-968-9534	bowman.michael@frontier.com
William E Bowman	Vice President	503-590-3622	
Joyce Sewell	Secretary		
JoAnn Bowman	Treasurer		
Bruce Bowman	Director		

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

Name	Title	Phone #	Email
Timothy Nelson - Delap	CPA	503-697-4118	tnelson@delapcpa.com
Laura Shroeder - Schroeder Law	Attorney	503-281-4100	

Organization

Salmon Valley Water Company

Select business type	Select ownership type	Select accounting method
Private/Investor Owned	Corporation	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	JoAnn Bowman
	Title	Treasurer
	Address	2545 Roanoake Street, Woodburn, OR 97071
	# shares owned	1,017.00
2	Name of stockholder/director/officer	Joyce Sewell
	Title	Secretary
	Address	PO BOX 1187, Terrabonne, OR 97760
	# shares owned	625.00
3	Name of stockholder/director/officer	Michael Bowman
	Title	President
	Address	8257 SW Kingfisher Way, Durham, OR 97224-7073
	# shares owned	
4	Name of stockholder/director/officer	William E Bowman
	Title	Vice President
	Address	13633 SW Tracy Place, Tigard, OR 97223
	# shares owned	

Part C: Corporation - Shares Outstanding

	Common Stock	Preferred Stock
# shares authorized	2267	0
# shares issued at year end	2267	0
Par or stated value per share:	$ 10.0000	$ -
Dividends declared per share during the year:	$ -	$ -

Affiliates

Salmon Valley Water Company

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
None			
			$ -

Products or Services PURCHASED from Affiliated Interests

Name of Affiliate	Description of product or service	Contract or Agreement effective date	Cost
None			
			$ -

TOTAL $ -

Explanations or Notes

Revenues

Salmon Valley Water Company

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	814	803	6,111,959	$ 173,642
Metered sales to COMMERCIAL customers	461.2	57	62	2,613,179	$ 67,527
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	1			
Sales to irrigation customers	465				
Sales for resale	466				
Water Sales to golf course/recreation revenue	467				
Special contract/agreement revenue	468				
TOTAL		872	865	8,725,138	$ 241,169

Revenue other than water sales

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	$ 2,700
Rents from water property	472	
Interdepartmental rents	473	
Other	474	
Cross Connection sales & services revenues	475	
Total		$ 2,700

Total Operating Revenue

$ 243,869

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	629.9689755	17.8975469
Metered sales to COMMERCIAL customers	461.2	3659.914566	94.57563025
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		
Sales for resale	466		
Water Sales to golf course/recreation revenue	467		
Special contract/agreement revenue	468		

Taxes & property sales

Salmon Valley Water Company

Act #	TAXES OTHER THAN INCOME TAX		
408.11	Property Tax	$	9,898
408.12	Payroll Tax	$	12,198
408.13	Other Tax Other Than Income Tax	$	2,096
408.2	Nonutility Taxes Other Than Income Tax		
	TOTAL	$	24,192

Act #	INCOME TAXES		
409.1	Federal Income Tax		
409.11	State Income Tax	$	150
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
	TOTAL	$	150

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
Loss on disposal of 6 meters	$	(149)
Total	$	(149)

Expenses

Salmon Valley Water Company

Act #		Expense amount
601	Salaries and Wages - employees	$ 54,688
603	Salaries and Wages – officers, directors, and majority stockholders	$ 72,000
604	Employee Pensions & Benefits	$ 22,679
610	Purchased Water	
611	Telephone/Communications	$ 8,828
615	Purchased Power	$ 17,585
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	$ 168
618	Chemicals & testing	
619	Office Supplies (excluding postage)	$ 1,668
619.1	Postage	$ 2,427
620	Materials & Supplies (O&M)	$ 1,833
621	Repairs of Water Plant	$ 9,177
631	Contractual Services - engineering	
632	Contractual Services - accounting	$ 10,133
633	Contractual Services - legal	
634	Contractual Services - management	
635	Contractual Services – testing / sampling	$ 4,942
636	Contractual Services – labor	
637	Contractual Services - billing/collections	
638	Contractual Services - meter reading	$ 6,500
639	Contractual Services - other	
641	Rental of Building / Real Property	$ 8,940
642	Rental of Equipment	$ 2,160
643	Small Tools	
648	Computer and electronic Expenses	$ 491
650	Transportation Expenses	$ 6,325
656	Insurance - Vehicle	
657	Insurance – General Liability	$ 12,078
658	Insurance – Workman's Compensation	
659	Insurance – Other	$ 455
660	Public Relation / Advertising Expense	
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	
668	Conservation Expense	
670	Bad Debt Expense	$ 213
671.1	Cross Connection Control Program Expense	
671.2	Cross Connection Testing & Maintenance Services	
673	Training & Certification Expense	
674	Consumer Confidence Report	
675	Miscellaneous Expense	$ 1,539
	TOTAL	$ 244,828

Plant

Salmon Valley Water Company

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	$ 3,000				$ 3,000
304	Structures & improvements	$ 41,687				$ 41,687
305	Collecting & impounding reservoirs					$ -
306	Lake, river & other intakes					$ -
307	Wells & springs	$ 244,506				$ 244,506
308	Infiltration galleries & tunnels					$ -
309	Supply mains	$ 13,311				$ 13,311
310	Power generation equipment					$ -
311	Pumping equipment	$ 114,963				$ 114,963
320	Water treatment equipment					$ -
330	Distribution reservoirs & standpipes	$ 297,629				$ 297,629
331	Transmission & distribution mains	$ 231,063				$ 231,063
333	Services					$ -
334	Meters & meter installations	$ 19,728	$ 700	$ 210		$ 20,218
335	Hydrants	$ 6,026				$ 6,026
336	Backflow prevention devices (utility owned)					$ -
339	Other plant & miscellaneous equipment					$ -
340	Office furniture & equipment	$ 9,105				$ 9,105
341	Transportation equipment	$ 18,566				$ 18,566
343	Tools, shop & garage equipment					$ -
344	Laboratory equipment					$ -
345	Power operated equipment					$ -
346	Communication equipment					$ -
347	Electronic & computer equipment					$ -
348	Miscellaneous equipment					$ -
	TOTAL	$ 999,584	$ 700	$ 210	$ -	$ 1,000,074

Explanation of unusual changes in utility plant during the year:

Salmon Valley Water Company

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	$ 363,710
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	$ 363,710

Accumulated Amortization of CIAC

Beg of year balance	$ 162,712
Add CIAC amortized during year	
Subtract effects of CIAC disposals	
+/- other adjustments*	$ 9,571
Change in Accumulated Amortization during the year	$ 9,571
End of year balance	$ 172,283

* Explain any adjustments:

The $9,571 adjustment to CIAC is amortization of CIAC related to a prior period. It is an adjustment to Retained Earnings.

Depreciation

Salmon Valley Water Company

NOTE: Do **NOT** include any contributions in aid of construction (CIAC) on this page.

Act #		annual depreciation expense	acc dep balance beg of year	accruals booked to acc dep	plant retired charged to acc dep	Adjustments*	acc dep balance end of year
301	Organization						
302	Franchises						
303	Land & land rights						
304	Structures & improvements	$ 1,191	$ 17,517	$ 1,191			$ 18,708
305	Collecting & impounding reservoirs			$ -			$ -
306	Lake, river & other intakes			$ -			$ -
307	Wells & springs	$ 4,890	$ 158,811	$ 4,890			$ 163,701
308	Infiltration galleries & tunnels			$ -			$ -
309	Supply mains	$ 370	$ 6,589	$ 370			$ 6,959
310	Power generation equipment			$ -			$ -
311	Pumping equipment	$ 1,221	$ 106,358	$ 1,221			$ 107,579
320	Water treatment equipment			$ -			$ -
330	Distribution reservoirs & standpipes	$ 6,764	$ 103,282	$ 6,764			$ 110,046
331	Transmission & distribution mains	$ 3,610	$ 110,561	$ 3,610			$ 114,171
333	Services			$ -			$ -
334	Meters & meter installations	$ 340	$ 5,589	$ 340	$ 61		$ 5,868
335	Hydrants	$ 134	$ 2,531	$ 134			$ 2,665
336	Backflow prevention devices (utility owned)			$ -			$ -
339	Other plant & miscellaneous equipment			$ -			$ -
340	Office furniture & equipment	$ 256	$ 7,344	$ 256			$ 7,600
341	Transportation equipment	$ -	$ 18,566	$ -			$ 18,566
343	Tools, shop & garage equipment			$ -			$ -
344	Laboratory equipment			$ -			$ -
345	Power operated equipment			$ -			$ -
346	Communication equip			$ -			$ -
347	Electronic & computer Equipment			$ -			$ -
348	Miscellaneous Equipment			$ -			$ -
	TOTAL	$ 18,776	$ 537,148	$ 18,776	$ 61	$ -	$ 555,863

*Explanation of any adjustments made:

Retained Earnings

Salmon Valley Water Company

215	Unappropriated Retained Earnings (beginning of year balance)	$	230,295

435	Balance transferred from income	$	61,020
436	Appropriations of Retained Earnings	$	-
437	Preferred Stock dividends declared	$	-
438	Common Stock dividends declared	$	-
439	Adjustments to Retained Earnings*	$	19,200

215	Unappropriated Retained Earnings (as of year end)	$	310,515

Explanation of any adjustments made to Retained Earnings

Retained earnings was increased by $9,571 for amortization of CIAC related to prior periods. It was also decreased by $28,771 for various prior-period unreimbursed expenses not expensed in prior periods.

Other Accounts

Salmon Valley Water Company

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	$ 1,000,074
	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	$ 555,863
	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	$ 14,949
	132	Special Deposits	
	134	Working Funds	
	135	Temporary Cash Investments	
	141	Customer Accounts Receivable	$ 4,231
	142	Other Accounts Receivable	
	143	Allowance for Uncollectible Accounts (Enter positive)	
	144	Notes Receivable	
	145	Accounts Receivable from Associated Companies	
	146	Notes Receivable from Associated Companies	
	151	Plant Materials and Supplies	
	162	Prepayments	$ 669
	171	Accrued Interest Receivable	
	174	Miscellaneous Current and Accrued Assets	
Deferred Debits			
	181	Unamortized Debt Discount and Expense	
	182	Extraordinary Property Losses	
	186	Miscellaneous Deferred Debits	
	190	Accumulated Deferred Income Taxes	
EQUITY, LIABILITIES, AND OTHER CREDITS (201-283)			
Equity			
	201	Common Stock Issued	$ 22,670
	204	Preferred Stock Issued	$ -
	207	Premium on Capital Stock	
	211	Paid in Capital	$ 100,330
	212	Discount on Capital Stock	
	213	Capital Stock Expense	
	214	Appropriated Retained Earnings	
	215	Unappropriated Retained Earnings	$ 310,515
	216	Reacquired Capital Stock	
	218	Proprietary Capital	
Long Term Debt			
	221	Bonds	
	223	Advances from Associated Companies	
	224	Other Long-Term Debt	$ 150,994
Current and Accrued Liabilities			
	231	Accounts Payable	$ 279
	232	Notes Payable	$ 235,270
	233	Accounts Payable to Associated Companies	
	234	Notes Payable to Associated Companies	
	235	Customer Deposits	
	236	Accrued Taxes	$ 39,563
	237	Accrued Interest	$ 34,042
	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	$ 363,710
	272	Accumulated Amortization of CIAC	$ 172,283
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	$ 3,000
	304	Structures and Improvements	$ 41,687
	305	Collecting and Impounding Reservoirs	$ -
	306	Lakes, River and Other Intakes	$ -
	307	Wells and Springs	$ 244,506
	308	Infiltration Galleries and Tunnels	$ -
	309	Supply Mains	$ 13,311
	310	Power Generation Equipment	$ -
	311	Pumping Equipment	$ 114,963
	320	Water Treatment Equipment	$ -
	330	Distribution Reservoirs and Standpipes	$ 297,629
	331	Transmission and Distribution Mains	$ 231,063
	333	Services	$ -
	334	Meters and Meter Installations	$ 20,218
	335	Hydrants	$ 6,026
	336	Backflow Prevention Devices	$ -
	339	Other Plant and Miscellaneous Equipment	$ -
	340	Office Furniture and Equipment	$ 9,105
	341	Transportation Equipment	$ 18,566
	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	$ 243,869
	401	Operating Expenses	$ 244,828
	403	Depreciation Expense	$ 18,776
	406	Amortization of Utility Plant Acquisition Adjustment	
	407	Amortization Expense (no CIAC)	
	408	Taxes Other than Income	$ 24,192
	409	Income Taxes	$ 150
	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	$ (149)
	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	$ 3,033
	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	$ 19,827
	428	Amortization of Debt Discount and Expense	
	429	Amortization of Premium on Debt	
Retained Earnings Account (435-439)			
	435	Balance Transferred from Income	$ (61,020)
	436	Appropriations of Retained Earnings	
	437	Preferred Stock Dividends Declared	$ -
	438	Common Stock Dividends Declared	$ -
	439	Adjustment to Retained Earnings	$ 19,200
OPERATING REVENUE ACCOUNTS (460-475)			
	460	Unmetered Water Revenue	$ -
	461	1 Metered Sales to Residential Customers	$ 173,642
	461	2 Metered Sales to Commercial Customers	$ 67,527
	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	$ -
	466	Sales for Resale	$ -
	467	Interdepartmental Sales	$ -
	468	Special Contract/Agreement Revenue	$ -
	470	Forfeited Discounts	$ -
	471	Miscellaneous Service Revenues	$ 2,700
	472	Rents From Water Property	$ -
	473	Interdepartmental Rents	$ -
	474	Other Water Revenues	$ -
	475	Cross Connection Sales & Services Revenues	$ -
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)			
Source of Supply and Expenses			
	601	Salaries and Wages - Employees	$ 54,688
	603	Salaries and Wages - Officers, Directors and Majority Stockholders	$ 72,000
	604	Employee Pensions and Benefits	$ 22,679
	610	Purchased Water	$ -
	611	Telephone/Communications	$ 8,828
	615	Purchased Power	$ 17,585
	616	Fuel for Power Production	$ -
	617	Utilities - Other	$ 168
	618	Chemicals & testing	$ -
	619	Office Supplies (excluding postage)	$ 1,668
	619.1	Postage	$ 2,427
	620	Materials and Supplies	$ 1,833
	621	Repairs to Water Plant	$ 9,177
	631	Contractual Services - Engineering	$ -
	632	Contractual Services - Accounting	$ 10,133
	633	Contractual Services - Legal	$ -
	634	Contractual Services - Management Fees	$ -
	635	Contractual Services - Testing/Sampling	$ 4,942
	636	Contractual Services - Other	$ -
	637	Contractual Services - Billing/Collections	$ -
	638	Contractual Services - Meter Reading	$ 6,500
	639	Contractual Services - Other	$ -
	641	Rental of Building/Real Property	$ 8,940
	642	Rental of Equipment	$ 2,160
	643	Small Tools	$ -
	648	Computer & Electronic Expenses	$ 491
	650	Transportation Expenses	$ 6,325
	656	Insurance - Vehicle	$ -
	657	Insurance - General Liability	$ 12,078
	658	Insurance - Workman's Compensation	$ -
	659	Insurance - Other	$ 455
	660	Public Relations / Advertising Expense	$ -
	666	Regulatory Commission Expense - Amortization of Rate Case Expense	$ -
	667	Regulatory Commission Expense - Other	$ -
	668	Water Resource Conservation Expense	$ -
	670	Bad Debt Expense	$ 213
	671.1	Cross Connection Control Program Expense	$ -
	671.2	Cross Connection Testin & Maintenance Services	$ -
	672	System Capactiy Development Program Expense	
	673	Training & Certification Expense	$ -
	674	Consumer Confidence Report	$ -
	675	Miscellaneous Expenses	$ 1,539

Notes

Salmon Valley Water Company

Notes and explanations:

Miscellaneous Expense Detail:	
Bank Fees	$ 214.60
Charitable Donations	$ 100.00
Dues	$ 100.00
Meals & Entertainment	$ 23.58
Miscellaneous	$ 606.98
Water Quality Report	$ 493.60
Total Miscellaneous	$ 1,538.76

Detail of Notes Payable - Current:	
Due to Michael Bowman (officer)	$ 50,518.13
Due to JoAnn Bowman (stockholder)	$ 174,298.98
Current portion of Other Note Payable	$ 10,452.47
Total Notes Payable - Current	$ 235,269.58

Detail of Interest Payable:	
Interest Payable - JoAnn Bowman	$ 23,741.42
Interest Payable - Michael Bowman	$ 7,417.90
Interest Payable - Property Taxes	$ 2,882.83
Total Interest Payable	$ 34,042.15

Income Statement

Salmon Valley Water Company

400	Operating Revenue	$ 243,869
401	Operating Expenses	$ 244,828
403	Depreciation Expense	$ 18,776
406	Amortization of Utility Plant Acquisition Adjustment	$ -
407	Amortization Expense	$ -
408	Taxes Other Than Income Taxes (total)	$ 24,192
409	Income Taxes	$ 150
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	$ 19,827
428-429	Amortization of Premium/Discount on Debt	$ -
414	Gains/Losses From Utility Property Disposition (net)	$ (149)
433-434	Extraordinary Income/deductions (net)	$ -
	NET UTILITY OPERATING INCOME	$ (64,053)
421	Nonutility Income	$ 3,033
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	$ (61,020)

Balance Sheet

Salmon Valley Water Company

101	Utility Plant in Service (excluding CIAC)		$ 1,000,074
108-110	Accumulated Depreciation & Amortization		$ 555,863
		Subtotal	$ 444,211
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	$ 444,211
131	Cash		$ 14,949
132	Special Deposits		$ -
141-142	Accounts Receivable		$ 4,231
143	Accumulated Provision for Uncollectible Accounts		$ -
144	Notes Receivable		$ -
145-146	Accounts & Notes Receivable from Associated Companies		$ -
151	Materials & Supplies Inventory		$ -
133-135 & 162-174	Miscellaneous Current & Accrued Assets & Prepayments		$ 669
		Net Current & Accrued Assets	$ 19,849
181-186	Deferred Debits		$ -
		Total Assets	$ 464,060
252	Advances for Construction		$ -
271	CIAC		$ 363,710
272	Accumulated Amortization of CIAC		$ 172,283
		Net CIAC & Advances for Construction	$ 191,427
121	Nonutility Property		$ -
122	Accumulated Depreciation & Amortization (Nonutility)		$ -
123-127	Miscellaneous Nonutility Investments		$ -
		Nonutility Plant & Investment	$ -
221-224	Long-Term Debt		$ 150,994
231	Accounts Payable		$ 279
232	Notes Payable		$ 235,270
233	Accounts Payable to Affiliated Companies		$ -
234	Notes Payable to Affiliated companies		$ -
235	Customer Deposits		$ -
236	Accrued Taxes		$ 39,563
237	Accrued Interest		$ 34,042
238-241	Miscellaneous Current and Accrued Liabilities		$ -
		Liabilities	$ 460,148
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	$ 460,148
201	Common Stock Issued		$ 22,670
204	Preferred Stock Issued		$ -
207	Premium on Capital Stock		$ -
211	Other Paid in Capital		$ 100,330
212	Discount on Capital Stock		$ -
213	Capital Stock Expense		$ -
214	Appropriated Retained Earnings		$ -
215	Unappropriated Retained Earnings		$ (310,515)
216	Reacquired Capital Stock		$ -
218	Proprietary Capital (Proprietorships & Partnerships Only)		$ -
		Total Equity	$ (187,515)
		Total Liabilities and Equity	$ 464,060

Stats

Salmon Valley Water Company

Operating Revenues		
Flat Rate	$	-
Metered - Residential	$	173,642
Metered - Commercial	$	67,527
Irrigation (including golf courses)	$	-
Fire Protection	$	-
Other Sales of Water	$	-
Other Operating Revenue	$	2,700
Total Operating Revenues	$	243,869
Operating Expenses		
Purchased Water	$	-
Purchased Power	$	17,585
Water Treatment	$	4,942
Supplies and Expenses	$	46,912
Repairs of Plant	$	9,177
Administrative & General	$	166,212
Total Operating Expenses	$	244,828
Other Revenue Deductions		
Depreciation & Amortization	$	18,776
Operating Income Taxes	$	150
Other Operating Taxes	$	24,192
Uncollectible Revenue/Bad Debt Expense	$	213
Total Revenue Deductions	$	43,331
Total Expenses and Deductions	$	288,159
Other Income	$	-
Interest on Long-Term Debt		
Other Interest Charges	$	19,827
Other Income Deductions	$	-
Net Operating Income (or Loss)	$	(64,117)

Assets & Other Debits		
Utility Plant	$	1,000,074
Less: Depreciation & Amortization Reserve	$	555,863
Other Property & Investments	$	14,949
Materials and Supplies	$	-
Other Current & Accrued Assets	$	4,900
Deferred Debits	$	-
Total Assets & Other Debits	$	464,060
Liabilities & Other Credits		
Capital/Common Stock	$	123,000
Retained Earnings	$	(310,515)
Long-Term Debt	$	150,994
Customer Deposits	$	-
Other Current & Accrued Liabilities	$	309,154
Advances for Construction	$	-
Other Deferred Credits	$	-
Contributions in Aid of Construction	$	191,427
Accumulated Deferred Income Taxes	$	-
Total Liabilities & Other Credits	$	464,060
Average Number of Customers		
Flat Rate		-
Metered - Residential		803
Metered - Commercial		62
Irrigation (including golf courses)		-
Fire Protection		-
Other		-
Total Customers		865