

e-FILING REPORT COVER SHEET

REPORT NAME: Annual Report Form A - Results of Operations

COMPANY NAME: Cline Butte Utilities, LLC

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed 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 Enter Rule number; e.g., 860-039-0070
 Statute ORS 757.125 and 757.135
 Order Enter Commission Order No.; e.g., 95-1335
 Other Enter reason; e.g., at Request of Lee Sparling

Is this report associated with a specific docket/case? No Yes
If Yes, enter docket number: Enter docket number; e.g.; UM 1484

Key words: Water Utility Annual Report A

If known, please select the PUC Section to which the report should be directed:

- Corporate Analysis and Water Regulation
- Economic and Policy Analysis
- Electric and Natural Gas Revenue Requirements
- Electric Rates and Planning
- Natural Gas Rates and Planning
- Utility Safety, Reliability & Security
- Administrative Hearings Division
- Consumer Services Section

PLEASE NOTE: Do NOT use this form or e-filing with the PUC Filing Center for:

- 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.

FOR THE YEAR ENDING DECEMBER 31, 2011

RESULTS OF OPERATIONS

FOR WATER UTILITIES REPORTING GROSS REVENUES OF
\$1,000,000 AND GREATER

ANNUAL REPORT FORM A

Cline Butte Utilities, LLC

1230 Golden Pheasant Drive
Redmond, OR 97756
541 504-2305

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

WATER UTILITY ANNUAL REPORT A PUBLIC UTILITY COMMISSION OF OREGON

ADDRESS

PO BOX 2148
SALEM OR 97308-2148

550 CAPITOL ST. NE STE 215
SALEM OR 97301-2551

GENERAL INSTRUCTIONS

The Annual Report, required by the Public Utility Commission (PUC) 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 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

- Interpret all accounting words and phrases in accordance with the USOA.
- You may round off reported figures to the nearest dollar, if desired.
- Entries indicating deficits of a "minus amount" should be enclosed in parentheses ().
- Where statistical information asked for is not reported, state a reason for the omission.
- If the words "none or "not applicable" truly state the facts, they should be given as the answer. The answer "same as last year" is not acceptable. Do not omit any pages.
- Special or unusual items and all discrepancies should be fully explained. If necessary, attach 8 1/2" X 11" supplementary sheets prepared in a MS Office Suite program (Word, Excel) to provide space required for making answers full and complete.

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 previous year's figures or the balance at the beginning of the year should reflect as a beginning balance the same end of the year's figures **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.
- Please use the checklist to verify the completeness of the report before submitting your final annual report to the PUC. This will facilitate our review of your report and reduce the need for future

COMPANY PROFILE

Provide a brief narrative that covers the following areas:

- a. Brief company history
- b. Public services rendered
- c. Major goals and objectives
- d. Major operating divisions and functions
- e. Current and projected growth patterns
- f. Major transactions having a material effect on operations

The company began construction in 1994 to serve customers at The Ridge at Eagle Crest Resort in Deschutes County.

The utility company was legally organized as an Oregon corporation in 1996 and became regulated in 2002, and was converted to a Delaware limited liability company by Articles of Conversion filed in Oregon in December 2010.

Cline Butte Utilities, LLC presently services approximately 1,307 residential and 167 commercial and irrigation customers (based on meters in service), including a golf course customer.

Cline Butte Utilities, LLC will continue to provide service for ongoing resort development, and the near vicinity.

Cline Butte Utilities, LLC
FOR THE YEAR ENDING DECEMBER 31, 2011

ACCOUNTING METHOD: ACCRUAL CASH (please circle or bold one accounting method)			
ORGANIZATION			
Cline Butte Utilities, LLC		1230 Golden Pheasant Drive	
Redmond	OR	97756	541 504-2305
TYPE OF ORGANIZATION			
<p>CIRCLE (OR BOLD) ONE: SOLE PROPRIETORSHIP PARTNERSHIP CORPORATION</p> <p>CIRCLE (OR BOLD) ONE: PRIVATE/INVESTOR OWNED ASSOCIATION MOBILE HOME PARK</p>			
<p>INSTRUCTIONS: IF THE COMPANY IS A SOLE PROPRIETORSHIP OR PARTNERSHIP, COMPLETE PART A AND GIVE THE NAMES AND ADDRESSES OF ALL PERSONS HAVING ANY INTEREST OR EQUITY IN THE BUSINESS AND THE AMOUNT OF SUCH EQUITY. IF THE COMPANY IS A CORPORATION, COMPLETE PART B AND GIVE THE NAMES AND ADDRESSES OF THE THREE LARGEST STOCKHOLDERS AND ALL OFFICERS AND DIRECTORS. STATE THE NUMBER OF SHARES HELD BY EACH.</p>			
PART A: SOLE PROPRIETORSHIP OR PARTNERSHIP			
1	Oregon Resorts, LLC		Westport, CT
	PERCENT INTEREST OR EQUITY		PRINCIPAL DUTY IF EMPLOYED BY COMPANY
2	NAME OF OWNER OR PARTNER		ADDRESS, CITY, STATE, ZIP CODE
	PERCENT INTEREST OR EQUITY		PRINCIPAL DUTY IF EMPLOYED BY COMPANY
3	NAME OF OWNER OR PARTNER		ADDRESS, CITY, STATE, ZIP CODE
	PERCENT INTEREST OR EQUITY		PRINCIPAL DUTY IF EMPLOYED BY COMPANY
4	NAME OF OWNER OR PARTNER		ADDRESS, CITY, STATE, ZIP CODE
	PERCENT INTEREST OR EQUITY		PRINCIPAL DUTY IF EMPLOYED BY COMPANY
PART B: CORPORATION			
1	NAME OF STOCKHOLDER, DIRECTOR, OFFICER		ADDRESS, CITY, STATE, ZIP CODE
	NUMBER OF SHARES OWNED:	TITLE	
2	NAME OF STOCKHOLDER, DIRECTOR, OFFICER		ADDRESS, CITY, STATE, ZIP CODE
	NUMBER OF SHARES OWNED:	TITLE	
3	NAME OF STOCKHOLDER, DIRECTOR, OFFICER		ADDRESS, CITY, STATE, ZIP CODE
	NUMBER OF SHARES OWNED:	TITLE	
4	NAME OF STOCKHOLDER, DIRECTOR, OFFICER		ADDRESS, CITY, STATE, ZIP CODE
	NUMBER OF SHARES OWNED:	TITLE	
NUMBER OF SHARES OUTSTANDING AT THE END OF YEAR		<u>COMMON STOCK</u>	<u>PREFERRED STOCK</u>
PAR OR STATED VALUE PER SHARE		\$ -	\$ -
DIVIDENDS PER SHARE DECLARED DURING THE YEAR		\$ -	\$ -

PLANT ACCOUNTS 101 - 105			
ACCT. NO.	ACCOUNT NAME		AMOUNT
	Utility Plant (New fair market value applied)	+	3,153,027
	Deduct: Contributions in Aid of Construction (CIAC)	-	
	Deduct: Nonused & Nonuseful Plant	-	
101	Equals: Utility plant in Service	=	\$3,153,027
102	Add: Utility Plant Leased to Others	+	
103	Add: Property Held for Future Use	+	
104	Add: Utility Plant Purchased or sold (net) Use () to indicate a negative number	+	
105	Add: Construction Work in Progress (cwip approved by commission)	+	
	Total Utility Plant	=	\$3,153,027

ACCUMULATED DEPRECIATION - ACCOUNT 108			
ACCT.NO.	CREDITS		Total
	BALANCE FIRST OF YEAR		3,269,030
	Credit during year:		
	Accruals charged other accounts (specify)		
108.1	Accumulated depreciation of utility plant in service		
108.2	Accumulated depreciation of utility plant leased to others		
108.3	Accumulated depreciation of property held for future use		
	Salvage		
	Other credits (specify) Adjustments to depreciation based on new fair market values		(3,052,883)
	Total Credits		(\$3,052,883)
	DEBITS		
	Debits during year: Adjustments to depr. Based on new fair market values		
	Book cost of plant retired		(1,795)
	Cost of removal		
	Other debits (specify)		
	Adjustments to depreciation based on adjusted net book values		
	Total Debits		(\$1,795)
	BALANCE END OF YEAR		\$214,352

ACCUMULATED AMORTIZATION - ACCOUNT 110		
	ACCUMULATED AMORTIZATION - ACCOUNT 110	Total
	BALANCE FIRST OF YEAR	None-N/A
	Credit during year:	
	Accruals charged to Account 110	
110.1	Accumulated amortization of utility plant in service	
110.2	Accumulated amortization of utility plant leased to others	
	Other	
	Total Credits	\$0
	Debits during year:	
	Book cost of plant retired	
	Other debits (specify)	
	Total Debits	\$0
	BALANCE END OF YEAR	None-N/A

UTILITY PLANT ACQUISITION ADJUSTMENTS - ACCOUNTS 114 - 115			
Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.			
ACCT. NO.	ACCOUNT NAME	AMOUNT	ORDER NO.
114	Acquisition adjustments	See attached 2011 asset report	
115	Accumulated amortization & Plant adjustments		
	Net Acquisition Adjustments		

Cline Butte Utilities, LLC - Water Operations
 2011 update Total Plant and Depreciation by PUC Acct. No.

PUC ACCT #	Acquired Date	Original Cost	Fair Mkt Value OR Resorts	Asset Life	Reported	2011	2008	2009	Reported	2010	Accumulated
					2010 Depreciation	2011 Depreciation	Accumulated Depreciation	2009 Accumulated Depreciation	2010 Accumulated Depreciation	2011 Accumulated Depreciation	
303	Land and Land Rights	1993	11530.08	11530.08							
303	Land and Land Rights	1996	3234.91	3234.91							
303	Land and Land Rights	1997	335.90	335.90							
303	Land and Land Rights	2002	5000.00	5000.00							
			20100.89	20100.89							
304	ER Pump Station	3/31/1996	7954.11	1590.82	399	39.77	5,091	5,490	5,889	46.4	
304	Chain Link Fence	1/1/1999	2244.19	1122.10	112	74.81	1,122	1,234	1,346	87.27	
			10198.30	2712.92	511	114.58	6,213	6,724	7,235	133.67	
307	Wells and Springs	1/1/1994	202612.80	101306.40	10,131	6753.76	151,960	162,091	172,222	7879.39	
307	Wells and Springs	1/1/1997	49970.56	24985.28	2,499	1665.69	29,982	32,481	34,980	1943.30	
307	Well #8	6/1/1999	224275.61	112137.81	11,214	7475.85	107,465	118,679	129,893	8721.83	
307	Well #8	6/1/1999	57299.41	28649.71	2,865	1909.98	27,456	30,321	33,186	2228.31	
307	Well #8 Automation	10/1/2001	21193.93	0.00	1,060	0.00	7,683	8,743	9,803	0.00	
307	Well #8 Addtl	4/1/2003	5738.00	2869.00	366	191.27	2,106	2,472	2,838	223.14	
307	Well #9	1/1/2004	417761.78	208880.89	15	20,888	13925.39	104,440	125,328	16246.29	
307	Well #9 Addtl	1/1/2005	11634.51	5817.31	582	387.82	1,988	2,570	3,152	452.46	
			990486.70	484646.40	49805	32309.76	433,080	482,685	532,290	37694.72	
309	Supply Mains	9/30/1996	167835.73	33567.15	8,427	3356.71	103,226	111,653	120,080	3916.17	
311	Electric Pumping Equipment	1/1/1994	93253.09	18650.62	4,644	1865.06	70,032	74,676	79,321	2175.91	
311	Pumping Equipment	8/30/1995	1183.43	236.69	59	23.67	792	851	911	27.61	
311	Electric Pumping Equipment	1/1/1997	2098.80	419.60	105	41.96	1,259	1,364	1,469	48.95	
311	Electric Pumping Equipment	3/1/1997	2036.05	407.21	102	40.72	1,205	1,307	1,408	47.51	
311	Booster Pump	1/1/2004	16048.46	3209.69	1,337	320.97	6,687	8,024	9,362	374.46	
311	Pump Control Panel	4/1/2008	11528.00	2305.60	961	230.56	721	1,682	2,641	268.99	
311	Well No. 7 Pump	5/1/2010	17314.00	3462.80	962	346.28	80,696	87,904	96,074	403.99	
			143461.83	28692.21	8,170	2869.22	80,696	87,904	96,074	3347.42	
330	Distribution Reservoir	1/1/1997	211760.84	105880.42	10,588	7056.69	127,057	137,645	148,233	8235.14	
331	Transmission Mains	1/1/1997	160258.45	80129.23	8,013	5341.95	96,155	104,168	112,181	6292.27	
331	Phase 1 Distribution	1/1/1997	35261.40	17630.70	1,763	1175.38	21,157	22,920	24,683	1371.28	
331	Phase 3 Distribution	3/15/1997	82953.09	41476.55	4,148	2765.10	49,081	53,229	57,376	3225.95	
331	Phase 4 Distribution	3/1/1997	87234.49	43617.25	4,362	2907.82	51,614	55,976	60,337	3392.45	
331	Phase 4 Distribution	6/1/1997	225765.16	112882.58	11,288	7525.51	130,756	142,044	153,332	8779.76	
331	Golf MTC Distribution	6/1/1997	20923.66	10461.83	1,046	697.46	12,118	13,164	14,211	813.70	
331	Phase 1 Distribution	8/1/1997	1932.50	966.25	97	64.42	1,103	1,200	1,296	75.15	
331	Phase 2 Distribution (SF)	9/1/1997	43084.19	21542.10	2,154	1430.14	24,414	26,568	28,723	1675.50	
331	Phase 3 Distribution (Rem)	9/1/1997	53825.12	26762.56	2,676	1784.17	30,331	33,007	35,683	2081.53	
331	Phase 16 Distribution	9/1/1997	565.00	282.50	28	18.83	320	348	377	21.97	
331	Phase 17 Distribution	11/1/1997	73927.65	36963.93	3,696	2464.26	41,276	44,972	48,669	2874.97	
331	Phase 25 Distribution (Falls)	1/1/1999	55909.34	27954.67	2,795	1863.64	27,955	30,750	33,546	2174.25	

331	Phase 18 Distribution	1/1/1999	146169.57	73084.79	15	7.308	4872.32	73.085	80.393	87.702	5684.37
331	Phase 18 Distribution	1/1/1999	58128.00	29064.00	15	2.906	1957.60	29.064	31.970	34.877	2260.53
331	ER Sports Center Distribution	1/1/1999	14810.94	7405.47	15	7.41	493.70	7.405	8.146	8.887	575.98
331	Phase 20 Distribution	6/30/1999	61825.96	30912.98	15	3.091	2060.57	29.625	32.716	35.808	2404.34
331	ECVC Distribution	6/30/1999	8506.99	4253.50	15	4.25	283.57	4.076	4.501	4.927	330.83
331	Phase 26/27 Distribution	8/31/1999	44007.25	22003.63	15	2.200	1466.91	20.720	22.920	25.121	1711.39
331	Phase 26/27 Addtl Distribution	5/1/2000	32645.75	16322.88	15	1.632	1088.19	14.146	15.778	17.411	1269.56
331	Phase 21 Distribution	5/1/2000	62866.00	31433.00	15	3.143	2095.53	27.242	30.385	33.529	2444.79
331	Phase 28B Distribution	5/1/2000	17094.26	8658.49	15	1.709	1139.62	14.815	16.524	18.234	1329.55
331	Phase 22 Distribution	8/1/2000	87316.97	43658.49	15	4.366	2910.57	36.746	41.112	45.478	3395.66
331	Phase 31 Distribution (Pembroke Duplex)	8/1/2000	48741.80	24370.90	15	2.437	1624.73	20.512	22.949	25.388	1895.51
331	Phase 33 Residence Club Distribution	8/1/2000	45556.65	22779.33	15	2.278	1518.62	19.173	21.451	23.728	1771.73
331	Sun Forest Distribution	8/1/2000	56725.15	28362.58	15	2.836	1890.84	23.872	26.708	29.544	2205.98
331	Phase 23 Water Distribution	10/1/2001	97489.33	48744.67	15	4.874	3249.64	35.340	40.214	45.089	3791.25
331	Phase 27B The Falls Distribution	2/1/2002	61372.06	30686.03	15	3.069	2045.74	21.225	24.294	27.362	2386.69
331	Phase 34 Distribution	4/1/2002	221509.00	110754.50	15	11.075	7383.63	74.759	85.834	96.910	8614.24
331	Phase 34 Addtl Distribution	12/1/2002	17621.01	8810.51	15	8.81	587.37	5.360	6.241	7.122	685.26
331	Phase 37 Distribution	7/1/2003	58151.07	29075.54	15	2.908	1938.37	15.992	18.900	21.807	2261.43
331	Phase 3 Water Line	9/1/2003	95394.30	47697.15	15	4.770	3179.81	25.438	30.208	34.978	3709.78
331	Phase 38 Distribution	1/1/2004	192123.92	96061.96	15	9.606	6404.13	48.031	57.637	67.243	7477.49
331	Desert Sky Distribution	1/1/2004	188355.47	94177.74	15	9.418	6278.52	47.089	56.507	65.924	7324.93
331	Creekside Distribution	1/1/2004	47221.74	23610.87	15	2.361	1574.06	11.805	14.166	16.528	1836.40
331	Desert Sky Distribution	1/1/2005	78939.12	39689.56	15	3.997	2664.64	12.990	16.987	20.984	3108.74
331	Highland Park Water Distribution	4/1/2004	67343.90	33671.95	15	3.367	2244.80	15.994	19.361	22.729	2618.93
331	Phase 39 Distribution	9/1/2004	176641.20	88320.60	15	8.832	5888.04	38.272	47.104	55.936	6689.38
331	Common Water Distribution	1/1/2004	432889.02	216429.51	15	21.643	14428.63	90.179	111.822	133.465	16833.41
331	Residence Club Distribution	1/1/2005	1110.36	555.18	15	5.6	37.01	1.99	2.55	3.10	4.3
331	Phase 41 Distribution	1/1/2005	142184.32	71092.16	15	7.109	4739.48	24.290	31.399	38.508	5529.38
331	Creekside Distribution Addtl	1/1/2006	44304.13	22152.07	15	2.215	1476.60	6.646	8.861	11.076	1722.94
331	The Falls Distribution	1/1/2006	76427.00	38213.50	15	3.821	2547.57	10.827	14.658	18.470	2972.16
331	Creekside Water Distribution	7/1/2006	29845.00	14922.50	15	1.492	994.83	4.228	5.720	7.213	1160.64
331	Vista Rim Water Distribution	7/1/2006	130050.40	65025.20	15	6.503	4335.01	14.089	20.592	27.094	5057.52
			3622833.00	1851387.16		185.135	123425.83	1,309.514	1,494.659	1,679.794	143396.75
333	Service Pipes	11/1/1997	96067.78	48033.89	15	4.803	3202.36	53.638	58.441	63.245	3735.97
333	Services M & E (Equip Service-OR)	1/1/1998	65032.00	13006.40	10	0	1300.64	65.032	65.032	65.032	1577.41
333	1999 Water Services	3/1/2000	119263.00	59631.50	15	5.963	3975.43	52.674	58.637	64.601	4638.01
333	2000 Water Services	1/1/2001	49242.75	24621.38	15	2.462	1641.43	19.697	22.159	24.621	1915.00
333	Phase 31 Sun Forest Water Services	1/1/2001	2304.00	1152.00	15	1.15	76.80	9.22	1.037	1.152	89.60
333	2001 Water Services	1/1/2002	10425.00	5212.50	15	5.21	347.50	3.649	4.170	4.691	405.42
333	Phase 38 Water Services	12/1/2001	39954.00	19977.00	15	1.998	1331.80	12.153	14.151	16.148	1553.77
333	Phase 39 Water Services	1/1/2004	82052.00	41026.00	15	4.103	2735.07	20.513	24.616	28.718	3190.91
333	Creekside Water Services	1/1/2004	147668.74	73834.27	15	7.383	4922.28	36.917	44.300	51.684	5742.67
333	Highland Park Water Service	4/1/2004	20079.00	10039.50	15	1.004	669.30	4.769	5.777	6.777	780.85
333	Phase 39 Water Service	9/1/2004	61031.00	30515.50	15	3.052	2034.37	13.223	16.275	19.326	2373.43
333	Phase 41 Water Service	1/1/2005	31783.00	15891.50	15	1.589	1059.43	5.297	6.086	7.086	844.47
333	Desert Sky Water Service	1/1/2005	51145.50	25572.75	15	2.557	1704.85	7.246	9.803	12.360	1988.99
333	The Falls Water Service	1/1/2006	60329.00	30164.50	15	3.016	2010.97	9.049	12.065	15.082	2346.13
333	Creekside Water Services	7/1/2006	20054.32	10027.16	15	1.003	668.48	2.256	3.259	4.262	779.89
333	Creekside Water Services	7/1/2006	64319.30	32159.65	15	3.216	2143.88	7.236	10.452	13.668	2501.31
333	Vista Rim Water Services	7/1/2006	1022405.00	451723.00		43.871	30548.52	317.390	361.761	405.633	35639.84
334	PRV Valve and Meter ECMA	1/1/1999	8087.00	1617.44	10	0	161.74	8.087	8.087	8.087	188.70

335	Hydrants	6/1/1997	24652.25	4930.45	10	1,233	493.05	14,278	15,511	16,743	575.32
335	Hydrants M & E	1/1/1998	29602.25	5920.45	10	0	592.05	29,602	29,602	29,602	690.72
335	1999 Hydrants	3/1/2000	38694.25	7738.85	10	3,225	773.89	28,483	31,708	34,932	902.87
335	2000 Fire Hydrants	1/1/2001	18497.45	3699.49	10	1,541	369.95	12,332	13,873	15,415	431.61
335	2002 Hydrants	1/1/2002	5296.74	2648.37	15	265	176.56	1,854	2,119	2,384	205.98
335	Hydrants	12/1/2002	36958.38	18479.19	15	1,846	1231.95	11,291	13,137	14,983	1437.27
335	2003 Hydrants	1/1/2004	83409.48	41704.74	15	6,951	2780.32	34,754	41,705	48,656	3243.70
335	Hydrants	10/1/2004	47833.47	23916.74	15	2,392	1594.45	10,165	12,557	14,948	1860.19
335	Phase 4.1 Hydrants	1/1/2005	29408.10	14704.05	15	1,470	980.27	4,901	6,371	7,842	1143.65
335	Desert Sky Hydrants	1/1/2005	6272.86	3136.43	15	314	209.10	1,045	1,359	1,673	243.94
335	The Falls Hydrants	1/1/2006	15084.00	7542.00	15	754	502.80	2,137	2,891	3,645	586.60
335	Vista Rim Hydrants	7/1/2006	22977.12	11488.56	15	1,149	765.90	2,585	3,734	4,883	893.55
335	Creekside Hydrants	7/1/2006	11338.00	5669.00	15	567	377.93	1,606	2,173	2,740	440.92
			370022.00	151578.32		21,707	10848.22	155,033	176,740	198,446	12656.22
341	Truck 1997 Ford F350 (all water?)	1/1/1993	8994.64	1798.93	5	0	359.79	8,995	4,497	8,995	419.75
341	Pickup 2001 Chevy S	1/1/2005	3906.10	781.22	5	0	156.24	3,906	3,906	3,906	182.28
341	Utility Box F350	5/1/2000	4297.00	859.40	5	0	171.88	4,297	4,297	4,297	200.53
			17197.74	3439.55			687.91	12,700	12,700	17,198	802.56
345	Tractor Front Load Kubota	1/1/1998	28000.00	5600.00	5	0	1120.00	28,000	28,000	28,000	1306.67
345	Snow Plow, V-Plow 9.5 Boss(I/C Transfer)	4/1/1997	4000.00	800.00	5	0	160.00	3,917	4,000	4,000	186.67
			32000.00	6400.00			1280.00	31,917	32,000	32,000	1493.34
346	Phase Monitors	1/1/1997	2520.00	0.00	0	126		1,449	1,449	1,701	0.00
347	Continental Utility Software (1/2 Water)	11/1/1999	1581.25	316.25	5	0	63.25	1,581	1,581	1,581	73.79
347	Printer LaserJet 4300 (1/2 Water)	7/1/2004	875.34	175.07	5	73	35.01	657	803	876	40.85
347	Computer HP D530C (1/2 Water)	7/1/2004	858.83	171.77	5	72	34.35	644	787	859	40.08
347	Computer HP NW 8000 (1/2 Water)	1/1/2005	1063.91	212.78	5	178	42.56	650	828	1,006	49.65
347	Computer Compag DC 7600 (1/2 Water)	1/1/2005	678.91	135.78	5	113	27.16	359	472	585	31.68
347	Printer HP LaserJet (split in 2009)	1/1/2008	270.00	54.00	5	45	10.80	90	135	135	12.60
347	Computer DC 7700 (1/2 water)	1/1/2009	460.50	92.10	4	77	18.42	0	77	77	21.49
			5788.74	1157.75		558	231.55	3,981	4,683	5,241	270.14
348	Telemetry Control Panels (Full water)	1/1/2007	22230.79	4446.16	5	3,705	889.23	6,793	10,498	14,203	1037.44
348	Telemetry Unit (Full Water)	1/1/2009	22544.00	4508.80	10	1,879	450.88	0	313	2,192	526.03
348	Telemetry Unit (Full Water)	1/1/2009	5850.00	1170.00	10	488	117.00	0	41	529	136.50
348	Micro 5 Gas Alert (1/2 Water)	1/1/2009	590.00	0.00	0	49	0.00	0	45	94	0.00
			51214.79	10124.96		6,121	1457.11	6,793	10,897	17,018	1699.97

TOTAL WATER PLANT

6675912.56 3153028.17 334,819 214349.84 2,597,636 2,929,587 3,269,030 250074.64

NONUTILITY PROPERTY & INVESTMENT ACCOUNTS 121, 123, 124, & 125

Report separately each item of property with a book cost of \$10,000 or more. Other items may be grouped by classes of property.

DESCRIPTION	BEGINNING YEAR BALANCE	ADDITIONS	RETIREMENT	YEAR END BALANCE
NonUTILITY PROPERTY & INVESTMENT				
TOTAL				None-N/A
ACCOUNT 123 - Investment in Associated Companies				
TOTAL				None-N/A
ACCOUNT 124 - Nonassociated Company Investment used in Provision of Water, i.e., Water Supply				
TOTAL				None-N/A
ACCOUNT 125 - Nonassociated Company Investment				
TOTAL				None-N/A

SPECIAL DEPOSITS - ACCOUNT 132

Do Not Include Customer Deposits	BOOK YEAR END
Description of Special Deposits	
Total Account 132	None-N/A

ACCOUNTS & NOTES RECEIVABLE & UNCOLLECTIBLES ACCOUNTS 141 - 144

ACCT. NO.	DESCRIPTION	TOTAL
141	Customer Accounts Receivable	\$80,366
	TOTAL CUSTOMER ACCOUNTS RECEIVABLE - ACCOUNT 141	\$80,366
142	Other Accounts Receivable	
	TOTAL OTHER ACCOUNTS RECEIVABLE - ACCOUNT 142	\$0
143	Accumulated Provision for Uncollectible Accounts	(\$1,278)
	TOTAL ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - ACCOUNT 143	(\$1,278)
144	Notes Receivable	None
	TOTAL NOTES RECEIVABLE - ACCOUNT 144	None
	TOTAL ACCOUNTS 141 - 144	\$79,088

ACCOUNTS & NOTES RECEIVABLE FROM ASSOCIATED COMPANIES ACCOUNTS 145 - 146

Report each note and account receivable from associated companies separately.

DESCRIPTION	% INTEREST RATE	ACCOUNTS RECEIVABLE ACCOUNT 145	NOTES RECEIVABLE ACCOUNT 146
None - Not Applicable			
Total Accounts 145 - 146		N/A	N/A

PREPAYMENTS - ACCOUNT 162		
ACCT. NO.	DESCRIPTION	TOTAL
162	Prepaid insurance	
162	Prepaid rents	
162	Prepaid interest	
162	Prepaid taxes	
162	Other prepayments (specify) Dept. of the Interior, BLM easement	2,196
162	Water meters	
Total Account 162		\$2,196

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT ACCOUNTS 181 & 251			
Report the net discount & expense or premium separately for each security issue.			
ACCT. NO.	DESCRIPTION	AMOUNT WRITTEN OFF DURING YEAR	YEAR END BALANCE
181	Unamortized debt discount & expense	None	None -N/A
181			
181			
181			
181			
Total Account 181		None	None-N/A
251	Unamortized premium on debt	None	None-N/A
251			
251			
251			
251			
251			
Total Account 251		None	None-N/A

OTHER DEFERRED EXPENSES & DEBITS - ACCOUNT 186		
DESCRIPTION		TOTAL
186.1	Deferred rate case expense	None-N/A
186.2	Other deferred debits	
Total Account 186		None-N/A

ACCUMULATED DEFERRED INCOME TAXES - ACCOUNT 190		
DESCRIPTION		TOTAL
190.1	Deferred accumulated federal income taxes	None-N/A
190.2	Deferred accumulated state income taxes	
Total Account 190		None-N/A

NOTES PAYABLE - ACCOUNT 232

DESCRIPTION	NOMINAL DATE OF ISSUE	DATE OF MATURITY	% INTEREST RATE	FREQUENCY OF PAYMENTS	PRINCIPAL AMOUNT PER BALANCE SHEET	PRINCIPAL AMOUNT
None-N/A						
Total Account 232					None	None

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES - ACCOUNT 233

DESCRIPTION	TOTAL
None-N/A	
Total Account 233	None-N/A

NOTES PAYABLE TO ASSOCIATED COMPANIES - ACCOUNT 234

DESCRIPTION	NOMINAL DATE OF ISSUE	DATE OF MATURITY	% INTEREST RATE	FREQUENCY OF PAYMENTS	PRINCIPAL AMOUNT PER BALANCE SHEET	PRINCIPAL AMOUNT
Oregon Resorts Acquisition Ptnrship						
Intercompany open line of credit						2,709,425
Total Account 234						\$2,709,425

ACCRUED TAXES & ACCRUED INTEREST - ACCOUNTS 236 - 237

DESCRIPTION OF TAXES	FIRST OF YEAR BALANCE	TAXES ACCRUED	TAXES PAID	END OF YEAR BALANCE
Real Property Tax	2,534			1,997
Personal Property Tax	2,087			633
TOTAL ACCOUNTS 408 - 409	\$4,621	\$0	\$0	\$2,630

ACCOUNT 237.1 ACCRUED INTEREST ON LONG TERM DEBT - List each separately.	FIRST OF YEAR BALANCE	INTEREST ACCRUED		INTEREST PAID DURING YEAR	END OF YEAR BALANCE
		% INTEREST ACCRUED RATE	AMOUNT		
None-N/A					
TOTAL ACCOUNT 237.1	None-N/A	//////	None-N/A	None-N/A	None-N/A

ACCOUNT 237.2 ACCRUED INTEREST ON OTHER LIABILITIES List each separately.	FIRST OF YEAR BALANCE	INTEREST ACCRUED		INTEREST PAID DURING YEAR	END OF YEAR BALANCE
		% INTEREST ACCRUED RATE	AMOUNT		
None-N/A					
TOTAL ACCOUNT 237.2	None-N/A	//////	None-N/A	None-N/A	None-N/A

MISCELLANEOUS CURRENT & ACCRUED LIABILITIES - ACCOUNT 241

DESCRIPTION	BALANCE END OF YEAR
Wages	406
Paid time off	4,511
Bonus	687
Refunds	
TOTAL ACCOUNT 237.2	\$5,604

ADVANCES FOR CONSTRUCTION - ACCOUNT 252			
NAME OF PERSON MAKING ADVANCE	AMOUNT OF ADVANCE	DEBIT ACCOUNT NO.	INTEREST ACCRUED
BALANCE FIRST OF YEAR	None-N/A		None-N/A
Add advances during year:			
TOTAL ACCOUNT 252	None-N/A		None-N/A

CONTRIBUTIONS IN AID OF CONSTRUCTION - CIAC - ACCOUNT 271			
DESCRIPTION	WATER	OTHER THAN WATER	TOTAL
BALANCE FIRST OF YEAR	None-N/A	None-N/A	None-N/A
Add CIAC during year:			\$0
Deduct charges during the year			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
			\$0
BALANCE END OF YEAR - ACCOUNT 271	None-N/A	None-N/A	None-N/A

DETAIL - CIAC RECEIVED DURING THE YEAR			
DESCRIPTION OF CHARGE	NUMBER OF UNITS	CHARGE PER UNIT	TOTAL AMOUNT
Capacity Charge			
Main Line Extension Charges			
Customer Connection Charges			
Other			
Developer's property			
TOTAL CREDITS	None-N/A		None-N/A

ACCUMULATED AMORTIZATION OF CIAC - ACCOUNT 272

DESCRIPTION	WATER	OTHER THAN WATER	TOTAL
BALANCE FIRST OF YEAR	None-N/A	None-N/A	None-N/A
Add TOTAL AMOUNT of Amortization of CIAC during year:			None-N/A
BALANCE END OF YEAR ACCOUNT 272	None-N/A	None-N/A	None-N/A

ACCUMULATED DEFERRED INCOME TAX ACCOUNTS 281 - 283

281	Accumulated Deferred Income Tax - Accelerated Amortization	
282	Accumulated Deferred Income Tax - Liberalized Depreciation	
283	Accumulated Deferred Income Taxes - Other	
TOTAL ACCOUNTS 281 - 283		None-N/A

AMORTIZATION EXPENSE - ACCOUNTS 406 - 407

DO NOT INCLUDE AMORTIZATION OF CIAC

ACCT. NO.	DESCRIPTION	AMOUNT
406	Amortization of Utility Plant Acquisition Adjustments	
407.1	Amortization of Limited Term Plant	
407.2	Amortization of Property Losses	
407.3	Amortization of Other Utility Plant	
407.4	Amortization of Regulatory Assets	
407.5	Amortization of Regulatory Liabilities	
	Other	
TOTAL ACCOUNTS 406 - 407		None-N/A

TAX EXPENSE - ACCOUNTS 408 - 409		
NO.	TAXES OTHER THAN INCOME TAX	Amount
408.11	Property Tax - Real and Personal Property Taxes	\$42,013
408.12	Payroll Tax	16,036
408.13	Other Tax Other Than Income Tax	
408.2	Nonutility Taxes Other Than Income Tax	
TOTAL TAX OTHER THAN INCOME TAXES ACCOUNT 408		\$58,049
INCOME TAXES		
409.1	Federal Income Tax	
409.11	State Income Tax	
409.13	Other Income Tax	
409.2	Nonutility Income Tax	
TOTAL INCOME TAX ACCOUNT 409		None-N/A
PROVISION FOR DEFERRED INCOME TAXES - ACCOUNTS 410 - 411		
	Description	Amount
410.1	Deferred Federal Income Taxes – Utility Operations	
410.11	Deferred State Income Taxes – Utility Operations	
411.1	Provision for Deferred Income Taxes – Credit – Utility Operations	
TOTAL DEFERRED TAXES UTILITY OPERATIONS		None-N/A
410.2	Provision for Deferred Income Taxes – Other Income and Deductions	
411.2	Provision for Deferred Income Taxes – Credit – Other income & Deductions	
TOTAL DEFERRED TAXES OTHER INCOME & DEDUCTIONS - ACCOUNTS 410 - 411		None-N/A
GAINS/LOSSES FROM UTILITY PROPERTY SALE - ACCOUNT 414		
GAINS	Description	Amount
	TOTAL GAINS	None-N/A
LOSSES	Description	Amount
	TOTAL LOSSES	None-N/A
TOTAL ACCOUNT 414 (NET- subtract losses from gains)		None-N/A

UTILITY EXTRAORDINARY INCOME - ACCOUNT 433	
Description	Amount
TOTAL ACCOUNT 433	None-N/A

UTILITY EXTRAORDINARY DEDUCTIONS – ACCOUNT 434	
Description	Amount
TOTAL ACCOUNT 434	None-N/A
NET UTILITY EXTRAORDINARY INCOME & DEDUCTIONS	None-N/A

PUBLIC RELATIONS/ADVERTISING EXPENSE - ACCOUNT 660		
Report Each Item Separately		
Item	Description/Purpose	Amount
TOTAL ACCOUNT 660		None-N/A

AMORTIZATION OF RATE CASE EXPENSE - ACCOUNT 666

DESCRIPTION OF CASE & DOCKET #	EXPENSE INCURRED DURING YEAR	AMOUNT TRANSFERRED TO ACCOUNT # 186.1	CHARGED OFF DURING YEAR	
			ACCT. #	AMOUNT
Total Account 666	None-N/A	None-N/A		None-N/A

MISCELLANEOUS EXPENSE - ACCOUNT 675

ITEM	AMOUNT
Association Dues and Subscriptions	1,996
Bank Charges	2,296
Continental Utility software license	548
Consulting Fees Resort Resources, Inc.; completion of annual reporting and other	4,139
Department of the Interior BLM Lease 2011	4,186
Total Account 675	\$13,165

**OPERATING REVENUE
 WATER SALES REVENUE**

LINE NO.	ACCT. NO.	ACCOUNT NAME	BEGINNING OF YEAR # OF CUSTOMERS	YEAR END # OF CUSTOMERS	AMOUNT OF WATER SOLD	CF OR GALS	OPERATING REVENUES
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	460	Unmetered water sales					
2	461.1	Metered sales to RESIDENTIAL customers	1,309		142,249	hcf	600,511
3	461.2	Metered sales to COMMERCIAL customers	25		10,907	hcf	32,944
4	461.3	Metered sales to INDUSTRIAL customers					
5	461.4	Other metered sales to public authorities					
6	461.5	Metered sales to multiple family dwellings					
7	462.1	Public fire protection revenue					
8	462.2	Private fire protection revenue					
9	464	Other Sales to public authorities					
10	465	Sales to irrigation customers	137		175,849	hcf	107,782
11	466	Sales for resale					
12	467	Water Sales to golf course/recreation revenue	3	3	377,052	hcf	153,328
13	468	Special contract/agreement revenue	1	1	9,910	hcf	60,342
14		TOTALS	1,475	4	715,967	/	\$954,907

MISCELLANEOUS & OTHER REVENUE ACCOUNTS

LINE NO.	ACCT. NO.	MISCELLANEOUS REVENUE	# OF OCCURRENCES	TOTAL YEAR REVENUE
1	471	Connection Charge for New Service Revenues		\$453
2	471	Meter Testing Revenues		
3	471	Pressure Testing Revenues		
4	471	Late Payment Charge Revenues		
5	471	Return Check Charge Revenues		
6	471	Trouble Call Charge Revenues		
7	471	Disconnection Charge Revenues		
8	471	Reconnection Charge Revenues		
9	471	Unauthorized Restoration of Service Charge Revenues		
10	471	Damage/Tampering Charge Revenues		
11	471	Disconnect Visit Charge Revenues		
12				
13				
14	471	Miscellaneous Customer Related Services		\$9,277
15	471	MISCELLANEOUS CHARGES REVENUE	Total Lines 1-12	\$9,730

OTHER REVENUE

16	472	Rents from Water Property		
17		Including Income from Leased Plant		
18	474	Other Water Revenue		
19	475	Cross Connection Control Revenue		\$83,502
20				
21				
22				
23		TOTAL OTHER REVENUE	Total Lines 16-22	\$83,502
24	400	TOTAL MISCELLANEOUS AND OTHER REVENUE	Add Lines 15 + 23	\$93,232

WATER UTILITY EXPENSE ACCOUNTS				
LINE NO.	ACCT. NO.	ITEM	REPORTING YEAR	PRECEDING YEAR
(a)	(b)	(c)	(d)	(e)
1	601	Salaries and Wages - employees	153,011	145,569
2	603	Salaries and Wages – officers, directors, and majority stockholders		
3	604	Employee Pensions & Benefits	21,411	33,066
4	610	Purchased Water		
5	611	Telephone/Communications	2,742	2,071
6	615	Purchased Power	101,961	99,416
7	616	Fuel for Power Production		
8	617	Utilities - Other water use for office area	1,692	
9	618	Chemicals		
		Office Supplies - includes operating supplies	8,975	2,314
10	619	(619.1 Postage)	3,505	6,727
11	620	Materials & Supplies (O&M)	27,604	38,296
12	621	Repairs to Water Plant	20,280	
13	631	Contractual Services - engineering	3,417	16,265
14	632	Contractual Services - accounting	26,000	81,911
15	633	Contractual Services - legal and professional	18,263	
16	634	Contractual Services - management(incl. in 632 in 2010)	31,608	
17	635	Contractual Services – testing / sampling	55	4,120
18	636	Contractual Services – labor	1,994	
19	637	Contractual Services - billing/collections		
20	638	Contractual Services - meter reading		
21	639	Contractual Services - other		
22	641	Rental of Building / Real Property	3,417	2,970
23	642	Rental of Equipment	94	
24	643	Small Tools	3,479	2,181
25	648	Computer Expenses	178	
26	650	Transportation Expenses		4,475
27	656	Insurance - Vehicle	1,292	4,240
28	657	Insurance – General Liability	17,470	6,238
29	658	Insurance – Workman's Compensation	3,115	576
30	659	Insurance – Other	1,114	292
31	660	Public Relation / Advertising Expense		
32	666	Amortization of Rate Case Expense		
33	667	Regulatory Commission Fee (Gross Rev Fee)	2,585	1,510
34	668	Water Resource Conservation Expense	5,061	
35	670	Bad Debt Expense		339
36	671.1	Cross Connection Control Program Expense		
37	671.2	Cross Connection Testing & Maint Services		
38	672	System Capacity Development Program Exp		
39	673	Training & Certification Expense	3,969	3,504
40	674	Consumer Confidence Report	150	
41	675	Miscellaneous Expense	13,165	8,001
42		TOTAL OPERATING EXPENSE	\$477,607	\$464,081

UTILITY PLANT ACCOUNTS

ACCT. NO.	ACCOUNT NAME (b)	BALANCE @ FIRST OF YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	ADJUSTMENTS (f)	BALANCE @ END OF YEAR (g)
301	Organization					0
302	Franchises					0
303	Land & land rights	20,101				20,101
304	Structures & improvements	10,198			(7,485)	2,713
305	Collecting & impounding reservoirs					0
306	Lake, river & other intakes					0
307	Wells & springs	990,488			(505,842)	484,646
308	Infiltration galleries & tunnels					0
309	Supply mains	167,836			(134,269)	33,567
310	Power generation equipment					0
311	Pumping equipment	143,460			(114,768)	28,692
320	Water treatment equipment					0
330	Distribution reservoirs & standpipes	211,761			(105,881)	105,880
331	Transmission & distribution mains	3,622,833			(1,771,446)	1,851,387
333	Services	1,022,405			(570,682)	451,723
334	Meters & meter installations	8,087			(6,470)	1,617
335	Hydrants	370,022			(218,444)	151,578
336	Backflow prevention devices (utility owned)					0
339	Other plant & miscellaneous equipment (SPECIFY)					0
340	Office furniture & equipment					0
341	Transportation equipment	17,198			(13,758)	3,440
343	Tools, shop & garage equipment					0
344	Laboratory equipment					0
345	Power operated equipment	32,000			(25,600)	6,400
346	Communication equip	2,520		2,520		0
347	Electronic & computer Equipment	5,789			(4,631)	1,158
348	Miscellaneous Equipment	51,215		590	(40,500)	10,125
TOTAL PLANT		\$6,675,913	\$0		(\$3,519,776)	\$3,153,027

ANALYSIS OF ENTRIES IN WATER DEPRECIATION RESERVE (ACCUMULATED DEPRECIATION)

LINE NO.	ACCT. NO.	ACCOUNT NAME	ACCUMULATED DEPRECIATION BEGINNING OF YEAR	ACCRUALS BOOKED TO ACCUMULATED DEPRECIATION	PLANT RETIRED CHARGED TO ACCUMULATED DEPRECIATION	ACCUMULATED DEPRECIATION BALANCE END OF YEAR
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	304	Structures & improvements	7,235	(7,101)		134
2	305	Collecting & impounding reservoirs				0
3	306	Lake, river, & other intakes				0
4	307	Wells and & springs	532,290	(494,325)		37,695
5	308	Infiltration galleries & tunnels				0
6	309	Supply mains	120,080	(116,164)		3,916
7	310	Power generation equipment				0
8	311	Pumping equipment	96,074	(92,727)		3,347
9	320	Water treatment equipment				0
10	330	Distribution reservoirs & standpipes	148,233	(139,998)		8,235
11	331	Transmission & distribution mains	1,679,794	(1,535,797)		143,997
12	333	Services	405,632	(369,992)		35,640
13	334	Meters & meter installations	8,087	(7,898)		189
14	335	Hydrants	198,447	(185,791)		12,656
15	336	Cross connection prevention devices (utility-owned)				0
16	339	Other				0
17	340	Office furniture & equipment				0
18	341	Transportation equipment	17,198	(16,395)		803
19	343	Tools, shop & garage equipment				0
20	344	Laboratory equipment				0
21	345	Power operated equipment	32,000	(30,507)		1,493
22	346	Communication equipment	1,701		1,701	0
23	347	Electronic/computer equipment	5,241	(4,971)		270
24	348	Miscellaneous Equipment*	17,018	(15,224)	94	1,700
25	Total Accumulated Depreciation		\$3,269,030	(\$3,016,890)	\$1,795	\$250,075

Use () to denote reversal entries.

*Specify nature of transaction.

26	Miscellaneous Equipment DETAIL					0
27	Telemetry Control Panel		14,203	-13,314		1,037
28	Telemetry Unit		2,192	-1,741		526
29	Telemetry Unit		529	-412		137
30	Micro 5 Gas Alert 1/2		94		94	0
31						0
32						0
33						0
34						0
35						0
36						0
37						0
38	TOTAL MISCELLANEOUS EQUIPMENT		\$17,018	(\$15,467)	\$94	\$1,700

BASIS FOR WATER DEPRECIATION CHARGES						
LINE NO.	ACCT. NO.	ACCOUNT NAME	AVERAGE SERVICE LIFE IN YEARS	AVERAGE NET SALVAGE PERCENTAGE	DEPRECIATION RATE APPLIED	ANNUAL DEPRECIATION EXPENSE
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	304	Structures & Improvements	40-15	0%	2.9%	115
2	305	Collecting & Impounding Reservoirs	50	0%	2.0%	
3	306	Lake, River & Other Intakes	35	0%	2.9%	
4	307	Wells & Springs	15	0%	4.0%	32,310
5	308	Infiltration Galleries & Tunnels	25	0%	4.0%	
6	309	Supply Mains	10	0%	2.0%	3,357
7	310	Power Generation Equipment	30	0%	3.3%	
8	311	Pumping Equipment	10	0%	5.0%	2,869
9	320	Water Treatment Equipment	20	0%	5.0%	
10	330	Distribution Reservoirs & Standpipes	15	0%	3.3%	7,059
11	331	Transmission & Distribution Mains	15	0%	2.0%	123,426
12	333	Services	15-10	0%	3.3%	30,549
13	334	Meters & Meter Installations	10	0%	5.0%	162
14	335	Hydrants	15-10	0%	2.5%	10,848
15	336	Backflow Prevention Devices (utility-owned)	15	0%	6.7%	
16	339	Other Plant	15	0%	6.7%	
17	340	Office Furniture & Equipment	20	0%	5.0%	
18	341	Transportation Equipment	5	0%	14.3%	688
19	343	Tools, Shop & Garage Equipment	15	0%	5.0%	
20	344	Laboratory Equipment	15	0%	5.0%	
21	345	Power Operated Equipment	5	0%	10.0%	1,280
22	346	Communication Equipment	10	0%	10.0%	
23	347	Electronic/Computer Equipment	41,033	0%	20.0%	232
24	348	Miscellaneous Equipment	41,039	0%	10.0%	1,457
25						
26						
27		*Water Plant Composite Depreciation Rate				
28	403	TOTAL PLANT DEPRECIATION				\$214,352

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

OFFICERS COMPENSATION

For each officer, list the time spent as an officer compared to time spent on total business activities and the compensation received as an officer from the company for the reporting year.

NAME	TITLE	% OF TIME SPENT AS OFFICER OF UTILITY	OFFICER'S ANNUAL SALARY	OFFICER'S BONUSES
None - Not Applicable				
TOTAL OFFICERS' COMPENSATION			N/A	N/A

DIRECTORS COMPENSATION

For each director, list the number of director meetings attended by each director and the compensation received as a director from the company for the reporting year.

NAME	TITLE	NUMBER OF DIRECTORS' MEETINGS ATTENDED ANNUALLY	DIRECTOR'S YEARLY SALARY	DIRECTOR'S YEARLY BONUS
None - Not Applicable				
TOTAL DIRECTORS' COMPENSATION			N/A	N/A

INCOME SUMMARY				
LINE NO.	ACCT. NO.	ACCOUNT NAME		AMOUNT FOR REPORTING YEAR
(a)	(b)	(c)		(e)
1	400	Total Gross Operating Revenue		1,048,139
2	401	Total Operating Expense		477,607
	403	Depreciation Expense		214,352
	406	Amortization of plant acquisition adjustments		
3	407	Amortization expenses		
4	408	Taxes Other Than Income (property tax, payroll tax, other)		58,049
	409.1	Tax Expense (federal income tax)		
	409.11	Tax Expense (state income tax)		
5	409.2	Other income taxes and deductions		
	410	Provision for Deferred Income Taxes		
6	411	Provision for Deferred Income Taxes - credit		
	413	Income from Utility Plant Leased To Others		
7	414	Gains & Losses from Property Disposition		
	433	Extraordinary Income		
8	434	Extraordinary Deductions		
9		Net Income		\$298,131

UTILITY PLANT SUMMARY				
10	101	Utility Plant in Service		3,153,027
11	108	Deduct: Accumulated Depreciation		250,075
12	110	Deduct: Accumulated Amortization		
13	271	Deduct: Contributions In Aid of Construction (CIAC)		
14	252	Deduct: Advances for Construction		
15		Subtotal		\$2,902,952
16	105	Add: Construction Work In Progress (CWIP) Commission Approved		
17	103	Add: Plant Held for Future Use		
18	272	Add: Accumulated Amortization of CIAC		
19	151	Add: Materials and Supplies in Inventory		
21	114	Add: Utility Plant Acquisition Adjustments (2)		
22	115	Deduct: Accumulated Amortization of Acquisition Adjustments (2)		
23	190	Add: Accumulated Deferred Income Taxes (asset)		
24	281-283	Deduct: Accumulated Deferred Income Taxes (liability)		
25		Net Utility Plant		\$2,902,952
26		Add: Working Capital Allowance (1/12 of total operating expense)		39,801

Note: (1) Estimate if not known. Indicate if estimated.
(2) Include only those acquisition adjustments that have been approved by the Commission.

PARENT/AFFILIATE ORGANIZATION DESCRIPTION BUSINESS TRANSACTIONS WITH RELATED PARTIES

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.

Part 1. Specific instructions: Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided.
2. Some types of transactions to include are: management, legal and accounting services; computer services; engineering and construction services; repairing and servicing of equipment; material and supplies furnished; leasing of structures, land and equipment; all rental transactions; sale, purchase or transfer of various products.

NAME OF COMPANY OR RELATED PARTY	DESCRIPTION OF SERVICE AND NAME OF PRODUCT	CONTRACT OR AGREEMENT EFFECTIVE DATE	(P) Purchase (S) Sold	ANNUAL CHARGE
Oregon Resorts Acquisition Partners	Management Fees			31,608
Oregon Resorts, LLC	Building Lease			3,417
TOTAL				\$35,025

STATEMENT OF RETAINED EARNINGS

Dividends should be shown for each class and series of capital stock. Show amounts of dividends per share. Show separately the state and federal income tax effect of items shown in Account 439.

LINE NO.	ACCT. NO.	ACCOUNT NAME	AMOUNTS
(a)	(b)	(c)	(d)
1	215	Unappropriated retained earnings (balance @ beginning of year)	1,216,622
2		Credits:	
3		Debits	(209,646)
4	435	Balance transferred from income (line 12, page 7)	298,131
5	436	Appropriations of retained earnings	
6		SUBTOTAL (add lines 1-5)	\$1,305,107
7		Dividends declared:	
8	437	Preferred stock dividends declared	
9	438	Common stock dividends declared	
10	439	Changes to account: Adjustments to retained earnings	
11		TOTAL DIVIDENDS DECLARED (add lines 7, 8, 9, & 10)	\$0
12		BALANCE @ END OF YEAR (line 6 minus line 12)	\$1,305,107

APPROPRIATED RETAINED EARNINGS

(state balance & purpose of each appropriated amount at year end)

13	214		
14	214		
15	214		
16	214		
17	214		
18	214		
19	214		
20	214		
21		TOTAL APPROPRIATED RETAINED EARNINGS	\$0
22		TOTAL RETAINED EARNINGS (total lines 12 & 22)	\$1,305,107

COMPARATIVE OPERATING STATEMENT

ACCOUNTING METHOD:	ACCRUAL BASIS <input type="checkbox"/> Check Box 1	CASH BASIS <input type="checkbox"/> Check Box 2
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UTILITY OPERATING INCOME & DEDUCTIONS

LINE NO.	ACCT. NO.	ACCOUNT NAME	REPORTING YEAR	PREVIOUS YEAR
(a)	(b)	(c)	(e)	(f)
1	400	TOTAL OPERATING UTILITY REVENUE	1,048,139	1,071,955
2	401	Total Operating Expenses	477,607	464,081
3	403	Annual Depreciation Expense	214,352	334,819
4	406	Amortization of Utility Plant Acquisition Adjustment		
5	407	Amortization Expense		
6	408	Taxes Other Than Income Taxes (total)	58,049	37,723
7	409	Income Taxes		
8	410.1	Provision for Deferred Income Taxes (utility operations)		
9	411.1	Provision for Deferred Income Taxes (utility credit)		
10		TOTAL OPERATING EXPENSES	\$750,008	\$836,623
11	413	Income From Utility Plant Leased to Others		
12	419	Interest & Dividend Income		
13		TOTAL OTHER INCOME	\$0	\$0
14	427	Interest Expense		100,634
15	414	Gains/Losses From Utility Property Disposition (net)		
16	433 & 434	Extraordinary Income/deductions (net)	None-N/A	
17		TOTAL OTHER DEDUCTIONS	\$0	\$100,634
18		TOTAL NET UTILITY OPERATING INCOME	\$298,131	\$134,698

NONUTILITY INCOME, TAXES & DEDUCTIONS

19	421	Nonutility Income		
20	415	Revenue From Merchandising, Jobbing, & Contracts		
21		Nonutility Extraordinary Income		
22		TOTAL NONUTILITY INCOME	\$0	\$0
23	426	Nonutility Expense		
24	408.2	Nonutility Taxes Other Than Income Tax		
25	409.2	Nonutility Income Taxes		
26	410.2	Nonutility Deferred Income Taxes (nonutility)		
27	411.2	Nonutility Provision for Deferred Income Taxes (nonutility) Credit		
28		Nonutility Interest Expense		
29	416	Cost & Expense of Merchandising, Jobbing, Contracts		
30		Nonutility Extraordinary Deductions		
31		TOTAL NONUTILITY DEDUCTIONS	\$0	\$0
32		TOTAL NET NONUTILITY INCOME	\$0	\$0

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

LINE NO.	ACCT. NO.	ACCOUNT NAME	BEGINNING OF YEAR BALANCE	ENDING YEAR BALANCE
(a)	(b)	(c)	(e)	(f)
1		NET UTILITY PLANT	\$3,406,883	\$2,902,952
NONUTILITY PROPERTY & INVESTMENT				
2	121	Nonutility Property (Trademarks)		1,043,733
3	122	Less: Accumulated Depreciation & Amortization of Nonutility Plant		
4		Net Nonutility Property	\$0	\$1,043,733
5	123	Investment in Associated Companies		
6	124	Investment in Nonassociated Companies (in providing water service, i.e. water supply)		
7	125	Other Investments in Nonassociated Companies		
8		TOTAL NONUTILITY PROPERTY & INVESTMENT	\$0	\$1,043,733
CURRENT & ACCRUED ASSETS				
9	131	Cash	0	
10	132	Special Deposits		
11	141	Customer Account Receivables	72,521	80,366
12	142	Other Accounts Receivable		
13	143	Accumulated Provisions for Uncollectible Accounts	(1,633)	(1,278)
14	144	Notes Receivable		
15	145 & 146	Accounts & Notes Receivable From Associated Companies		
16	151	Inventory: Plant Material & Supplies		
17	162	Prepayments	2,359	2,196
18	171	Accrued Interest & Dividends Receivable		
19	172	Rents Receivable & Accrued		
20	174	Miscellaneous Current & Accrued Assets		
21		TOTAL CURRENT AND ACCRUED ASSETS	\$73,247	\$81,284
DEFERRED DEBITS				
22	181	Unamortized Debt Discount & Expense		
23	182	Extraordinary Property Losses		
24	186	Miscellaneous Deferred Debits		
25	190	Accumulated Deferred Income Taxes (asset)		
26		Total Deferred Debits	\$0	\$0
27		TOTAL ASSETS AND OTHER DEBITS	\$3,480,130	\$4,027,969

Note: (1) Estimate if not known. Indicate if estimated.

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

LINE NO.	ACCT. NO.	ACCOUNT NAME	BEGINNING YEAR BALANCE	ENDING YEAR BALANCE
(a)	(b)	(c)	3,406,883	2,902,952
EQUITY CAPITAL				
1	201	Common stock issued	100	0
2	204	Preferred stock issued		
3	207	Premium on capital stock		
4	211	Other paid-in capital	3,185,000	500
5	212	Discount on capital stock	(2,465,320)	
6	213	Capital stock expense		
7	214	Appropriated retained earnings		
8	215	Unappropriated retained earnings	846,036	1,305,107
9	216	Reacquired capital stock		
10	218	Proprietary Capital (proprietorship & Partnership only)		
11		Total equity capital	\$1,565,816	\$1,305,607
CURRENT AND ACCRUED LIABILITIES				
12	224	Long-term debt		
13	231	Accounts payable		3,703
14	232	Notes payable		
15	233	Accounts payable to associated companies		
16	234	Notes payable to associated companies	1,892,846	2,709,425
17	235	Customer deposits	8,849	1,000
18	236	Accrued taxes	4,621	2,630
19	237	Accrued interest		
20	238	Accrued dividends		
21	241	Miscellaneous current and accrued liabilities	7,998	5,604
22		Total current and accrued liabilities	\$1,914,314	\$2,722,362
DEFERRED CREDITS				
23	251	Premium on unamortized debt		
24	252	Advances for construction		
25	253	Other deferred credit		
26		Total deferred credits	\$0	\$0
CONTRIBUTIONS IN AID OF CONSTRUCTION - CIAC				
27	271	Contributions in aid of construction (ciac)		
28	272	Deduct accumulated amortization of CIAC		
29		Total net CIAC	\$0	\$0
ACCUMULATED DEFERRED INCOME TAXES				
30	281	Accumulated deferred income taxes-accelerated amortization		
31	282	Accumulated deferred income taxes-Liberalized Depreciation		
32	283	Accumulated deferred income taxes-other		
33		Total accumulated deferred income taxes	\$0	\$0
34		TOTAL EQUITY CAPITAL AND LIABILITIES	\$3,480,130	\$4,027,969

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)

The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.

If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

DESCRIPTION	REFERENCE	AMOUNT
Net income for the year:		298,131
Reconciling items for the year		
Taxable income not reported on books:		
Deductions recorded on books not deducted for return:		
Interest expense - tax effect		
Difference in book/tax depreciation		
Difference in book/tax loss on disposal		
Current year tax accruals		
Income recorded on books not included in return:		
CIAC write off kper UW 79		
Deferred tax adjustment		
Deduction on return not charged against book income:		
Federal tax net income		\$298,131

VERIFICATION: I DECLARE UNDER PENALTIES OF FALSE SWEARING THAT THIS REPORT, INCLUDING ANY ACCOMPANYING SCHEDULES AND STATEMENTS, HAS BEEN EXAMINED BY ME AND, TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS A TRUE, CORRECT AND COMPLETE REPORT OF

SIGNATURE: Oregon Resorts, LLC 	TITLE: Authorized Signer
By:	DATE
PRINT NAME: Simon Hallgarten	TELEPHONE NUMBER 541 548-2305
FULL NAME OF REPORTING UTILITY Cline Butte Utilities, LLC	