



e-FILING REPORT COVER SHEET

COMPANY NAME: OREGON WATER UTILITIES - MOUNTAIN LAKES, INC.

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

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

Did you previously file a similar report?  No  Yes, report docket number: RW 37

Report is required by:  OAR 860-036-2350

Statute

Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other

(For example, federal regulations, or requested by Staff)

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

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

2018 Annual Report of Results of Operations

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

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



# ANNUAL RESULTS OF OPERATIONS REPORT

## COMPANY SIZE (based on Annual Revenue)

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

## FOR THE CALENDAR YEAR

2018

## COMPANY NAME

Oregon Water Utilities - Mountain Lakes, Inc.

## INSTRUCTIONS

Oregon Water Utilities - Cline Butte, Inc.

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

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

**FOR QUESTIONS CONTACT RUSS BEITZEL AT 503-378-6628 OR EMAIL AT [RUSSELL.BEITZEL@STATE.OR.US](mailto:RUSSELL.BEITZEL@STATE.OR.US)**

**OATH**

Oregon Water Utilities - Mountain Lakes, Inc.

**Complete Address of Reporting Utility**

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

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

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

**Oath & Signature**

THIS REPORT, INCLUDING ANY ACCOMPANYING SCHEDULES AND STATEMENTS, HAS BEEN EXAMINED BY ME, AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IS TRUE, CORRECT AND COMPLETE.

<input checked="" type="checkbox"/> By clicking this box I affirm the above statement.
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**INFORMATION**

Oregon Water Utilities - Mountain Lakes, Inc.

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

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

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

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

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

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

**Date of original organization of the utility (month, day, year):** 12/27/1996

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

Name	Title	Phone #	Email
Rob Maclean	President & CEO	626-543-2500	rmaclean@swwc.com
Kirk B. Michael	CFO, VP Fianance & Treasurer	626-543-2500	kmichael@swwc.com
William K. Dix	VP Gen Counsel & Secretary	626-543-2500	kdix@swwc.com

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

Name	Title	Phone #	Email
Irion Sanger	Legal Counsel	503-756-7533	irion@sanger-law.com
Mark Thompson	Legal Counsel	503-706-0434	mark@sanger-law.com

**ORGANIZATION**

Oregon Water Utilities - Mountain Lakes, Inc.

**Select business type**

Private/Investor Owned

**Select ownership type**

Corporation

**Select accounting method**

accrual

INSTRUCTIONS: IF THE UTILITY IS A SOLE PROPRIETORSHIP OR PARTNERSHIP, COMPLETE PART A AND PROVIDE THE NAMES AND ADDRESSES OF ALL PERSONS HAVING ANY INTEREST OR EQUITY IN THE UTILITY AND THE AMOUNT OF SUCH EQUITY. IF THE UTILITY IS A CORPORATION, COMPLETE PARTS B AND C, AND PROVIDE THE NAMES AND ADDRESSES OF THE THREE LARGEST STOCKHOLDERS AND ALL OFFICERS AND DIRECTORS. STATE THE NUMBER OF SHARES HELD BY EACH.

**Part A: Sole Proprietorship or Partnership**

1	Name of owner or partner		
	Address		
	% interest or equity		
	Principal duty (if employed by company)		
2	Name of owner or partner		
	Address		
	% interest or equity		
	Principal duty (if employed by company)		
3	Name of owner or partner		
	Address		
	% interest or equity		
	Principal duty (if employed by company)		
4	Name of owner or partner		
	Address		
	% interest or equity		
	Principal duty (if employed by company)		

**Part B: Corporation**

1	Name of stockholder/director/officer		Southwest Water Company
	Title		
	Address 12535 Reed Road, Sugar Land, TX 77478		
	# shares owned		
2	Name of stockholder/director/officer		
	Title		
	Address		
	# shares owned		
3	Name of stockholder/director/officer		
	Title		
	Address		
	# shares owned		
4	Name of stockholder/director/officer		
	Title		
	Address		
	# shares owned		

**Part C: Corporation - Shares Outstanding**

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

**AFFILIATED INTERESTS**

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

**Products or Services SOLD to Affiliated Interests**

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

**Products or Services PURCHASED from Affiliated Interests**

Name of Affiliate	Description of product or service	Contract or Agreement effective date	Cost
Southwest Water Company (excludes NWUS)	Administrative, Goods & Services	2-Jun-17	\$ 53,544
Northwest Utility Systems, Inc. (NWUS)	Operational, Goods & Services	2-Jun-17	\$ 549,596
			\$ 603,140

TOTAL \$ (603,140)

Explanations or Notes

**REVENUES**

Oregon Water Utilities - Mountain Lakes, Inc.

gal or cf

gal

**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	530	538	53,980	\$ 274,327
Metered sales to COMMERCIAL customers	461.2	34	23	11,541	\$ 66,690
Metered sales to INDUSTRIAL customers	461.3				
Other metered sales to public authorities	461.4				
Metered sales to multiple family dwellings	461.5				
Public fire protection revenue	462.1				
Private fire protection revenue	462.2				
Other Sales to public authorities	464				
Sales to irrigation customers	465	49	49	39,709	\$ 75,373
Sales for resale	466				
Water Sales to golf course/recreation revenue	467	1	1	106,348	\$ 77,946
Special contract/agreement revenue	468				
<b>TOTAL</b>		<b>614</b>	<b>611</b>	<b>211,578</b>	<b>\$ 494,336</b>

**Revenue other than water sales**

	Act #	revenues
Forfeited discounts	470	
Miscellaneous service revenues	471	\$ 113
Rents from water property	472	
Interdepartmental rents	473	
Other	474	\$ 3,031
Cross Connection sales & services revenues	475	\$ 18,969
<b>Total</b>		<b>\$ 22,113</b>

Total Operating Revenue

\$ 516,449

**Average Monthly Consumption and Bill**

	Act #	Average Monthly Consumption per customer	Average Monthly Revenue per customer
Unmetered (flat rate) water sales	460		
Metered sales to RESIDENTIAL customers	461.1	8.423845194	42.81008115
Metered sales to COMMERCIAL customers	461.2	33.74561404	195
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	67.53231293	128.1853741
Sales for resale	466		
Water Sales to golf course/recreation revenue	467	8862.333333	6495.485833
Special contract/agreement revenue	468		



**TAXES AND PROPERTY SALES**

**Act # TAXES OTHER THAN INCOME TAX**

408.11	Property Tax	\$	710
408.12	Payroll Tax	\$	5,663
408.13	Other Tax Other Than Income Tax		
408.2	Nonutility Taxes Other Than Income Tax		
TOTAL		\$	6,373

**Act # INCOME TAXES**

409.1	Federal Income Tax	\$	(47,966)
409.11	State Income Tax	\$	(13,286)
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
TOTAL		\$	(61,252)

**Act # DEFERRED AND PROVISION FOR DEFERRED INCOME TAXES**

410.1	Deferred Federal Income Taxes – Utility Operations	\$	31,931
410.11	Deferred State Income Taxes – Utility Operations	\$	7,890
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		\$	39,821

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

Description	Amount
Total	\$ -

## EXPENSES

Act #		Expense amount
601	Salaries and Wages - employees	\$ 69,200
603	Salaries and Wages – officers, directors, and majority stockholders	
604	Employee Pensions & Benefits	\$ 12,868
610	Purchased Water	
611	Telephone/Communications	\$ 1,012
615	Purchased Power	\$ 74,603
616	Fuel for Power Production	
617	Utilities - Other (garbage, natural gas)	
618	Chemicals & testing	
619	Office Supplies (excluding postage)	\$ 2,214
619.1	Postage	\$ 1,890
620	Materials & Supplies (O&M)	\$ 2,182
621	Repairs of Water Plant	\$ 4,645
631	Contractual Services - engineering	
632	Contractual Services - accounting	\$ 1,800
633	Contractual Services - legal	\$ 1,477
634	Contractual Services - management	\$ 84,040
635	Contractual Services – testing / sampling	\$ 3,615
636	Contractual Services – labor	
637	Contractual Services - billing/collections	
638	Contractual Services - meter reading	
639	Contractual Services - other	\$ 4,804
641	Rental of Building / Real Property	\$ 2,360
642	Rental of Equipment	
643	Small Tools	\$ 395
648	Computer and electronic Expenses	\$ 1,227
650	Transportation Expenses	\$ 5,397
656	Insurance - Vehicle	\$ 900
657	Insurance – General Liability	\$ 850
658	Insurance – Workman’s Compensation	\$ (152)
659	Insurance – Other	\$ 3,210
660	Public Relation / Advertising Expense	\$ -
666	Amortization of Rate Case Expense	
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 1,484
668	Conservation Expense	
670	Bad Debt Expense	
671.1	Cross Connection Control Program Expense	
671.2	Cross Connection Testing & Maintenance Services	
673	Training & Certification Expense	\$ 1,857
674	Consumer Confidence Report	
675	Miscellaneous Expense	\$ 9,460
	TOTAL	\$ 291,337

**PLANT**

Oregon Water Utilities - Mountain Lakes, Inc.

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

Act #		Beg Year Balance	Added during year	Retired during year	Adjustments	End of year balance
301	Organization	\$ -				\$ -
302	Franchises	\$ -				\$ -
303	Land & land rights	\$ 5,000				\$ 5,000
304	Structures & improvements	\$ 148,685				\$ 148,685
305	Collecting & impounding reservoirs	\$ -				\$ -
306	Lake, river & other intakes	\$ -				\$ -
307	Wells & springs	\$ 1,017,067				\$ 1,017,067
308	Infiltration galleries & tunnels	\$ -				\$ -
309	Supply mains	\$ 1,181,191				\$ 1,181,191
310	Power generation equipment	\$ -				\$ -
311	Pumping equipment	\$ 823,294				\$ 823,294
320	Water treatment equipment	\$ -				\$ -
330	Distribution reservoirs & standpipes	\$ 611,823				\$ 611,823
331	Transmission & distribution mains	\$ 7,453,738				\$ 7,453,738
333	Services	\$ 863,626			\$ (2,090)	\$ 861,536
334	Meters & meter installations	\$ 162,026	\$ 199			\$ 162,225
335	Hydrants	\$ 327,220				\$ 327,220
336	Backflow prevention devices (utility owned)	\$ -				\$ -
339	Other plant & miscellaneous equipment	\$ -				\$ -
340	Office furniture & equipment	\$ 377	\$ 3,668			\$ 4,045
341	Transportation equipment	\$ 604				\$ 604
343	Tools, shop & garage equipment	\$ -				\$ -
344	Laboratory equipment	\$ -				\$ -
345	Power operated equipment	\$ -				\$ -
346	Communication equipment	\$ -				\$ -
347	Electronic & computer equipment	\$ 9,521		\$ 3,668		\$ 5,853
348	Miscellaneous equipment	\$ -				\$ -
	<b>TOTAL</b>	<b>\$ 12,604,172</b>	<b>\$ 3,867</b>	<b>\$ 3,668</b>	<b>\$ (2,090)</b>	<b>\$ 12,602,281</b>

Explanation of unusual changes in utility plant during the year:

Adj to Acct 333 reflects reduction to balance due to change in accumulated amortization of CIAC

**CIAC AND ADVANCES**

NOTE: Include ALL donated capital or contributions in aid of construction (CIAC) on this page.

**Advances for Construction**

Beg of year balance	
Additions during year	
Subtractions during year	
End of year balance	\$ -

**Contributions in Aid of Construction**

Beg of year balance	\$ 39,625
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	\$ 39,625

**Accumulated Amortization of CIAC**

Beg of year balance	\$ 3,075
Add CIAC amortized during year	\$ 2,090
Subtract effects of CIAC disposals	
+/- other adjustments*	
Change in Accumulated Amortization during the year	\$ 2,090
End of year balance	\$ 5,165

\* Explain any adjustments:

**DEPRECIATION**

Oregon Water Utilities - Mountain Lakes, Inc.

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

<u>Act #</u>	<u>annual depreciation expense</u>	<u>acc dep balance beg of year</u>	<u>accruals booked to acc dep</u>	<u>plant retired charged to acc dep</u>	<u>Adjustments*</u>	<u>acc dep balance end of year</u>
301	Organization					
302	Franchises					
303	Land & land rights					
304	Structures & improvements	\$ 4,248	\$ 54,753	\$ 4,248		\$ 59,001
305	Collecting & impounding reservoirs	\$ -	\$ -	\$ -		\$ -
306	Lake, river & other intakes	\$ -	\$ -	\$ -		\$ -
307	Wells & springs	\$ 40,683	\$ 652,119	\$ 40,683		\$ 692,802
308	Infiltration galleries & tunnels	\$ -	\$ -	\$ -		\$ -
309	Supply mains	\$ 23,624	\$ 479,991	\$ 23,624		\$ 503,615
310	Power generation equipment	\$ -	\$ -	\$ -		\$ -
311	Pumping equipment	\$ 37,297	\$ 485,460	\$ 37,297		\$ 522,757
320	Water treatment equipment	\$ -	\$ -	\$ -		\$ -
330	Distribution reservoirs & standpipes	\$ 12,237	\$ 164,069	\$ 12,237		\$ 176,306
331	Transmission & distribution mains	\$ 149,075	\$ 2,046,341	\$ 149,075		\$ 2,195,416
333	Services	\$ 26,799	\$ 410,334	\$ 26,799		\$ 437,133
334	Meters & meter installations	\$ 7,037	\$ 120,238	\$ 7,037		\$ 127,275
335	Hydrants	\$ 8,181	\$ 99,037	\$ 8,181		\$ 107,218
336	Backflow prevention devices (utility owned)		\$ -	\$ -		\$ -
339	Other plant & miscellaneous equipment		\$ -	\$ -		\$ -
340	Office furniture & equipment	\$ 1,067	\$ -	\$ 1,067		\$ 1,067
341	Transportation equipment	\$ 122	\$ -	\$ 122		\$ 122
343	Tools, shop & garage equipment		\$ -	\$ -		\$ -
344	Laboratory equipment		\$ -	\$ -		\$ -
345	Power operated equipment		\$ -	\$ -		\$ -
346	Communication equip		\$ -	\$ -		\$ -
347	Electronic & computer Equipment		\$ 5,853	\$ -		\$ 5,853
348	Miscellaneous Equipment		\$ -	\$ -		\$ -
	<b>TOTAL</b>	<b>\$ 310,370</b>	<b>\$ 4,518,195</b>	<b>\$ 310,370</b>	<b>\$ -</b>	<b>\$ 4,828,565</b>

\*Explanation of any adjustments made:

Excludes CIAC Amortization - 2,090
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## RETAINED EARNINGS

Oregon Water Utilities - Mountain Lakes, Inc.

215	Unappropriated Retained Earnings (beginning of year balance)	\$	(14,875)
435	Balance transferred from income	\$	(68,109)
436	Appropriations of Retained Earnings	\$	-
437	Preferred Stock dividends declared	\$	-
438	Common Stock dividends declared	\$	-
439	Adjustments to Retained Earnings*		
215	Unappropriated Retained Earnings (as of year end)	\$	(82,984)

\* Explanation of any adjustments made to Retained Earnings

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**OTHER ACCOUNTS**

Oregon Water Utilities - Mountain Lakes, Inc.

For account information not already entered, please enter amounts below, if applicable.

Category Act # Act Name

ASSETS AND OTHER DEBITS (101-190)

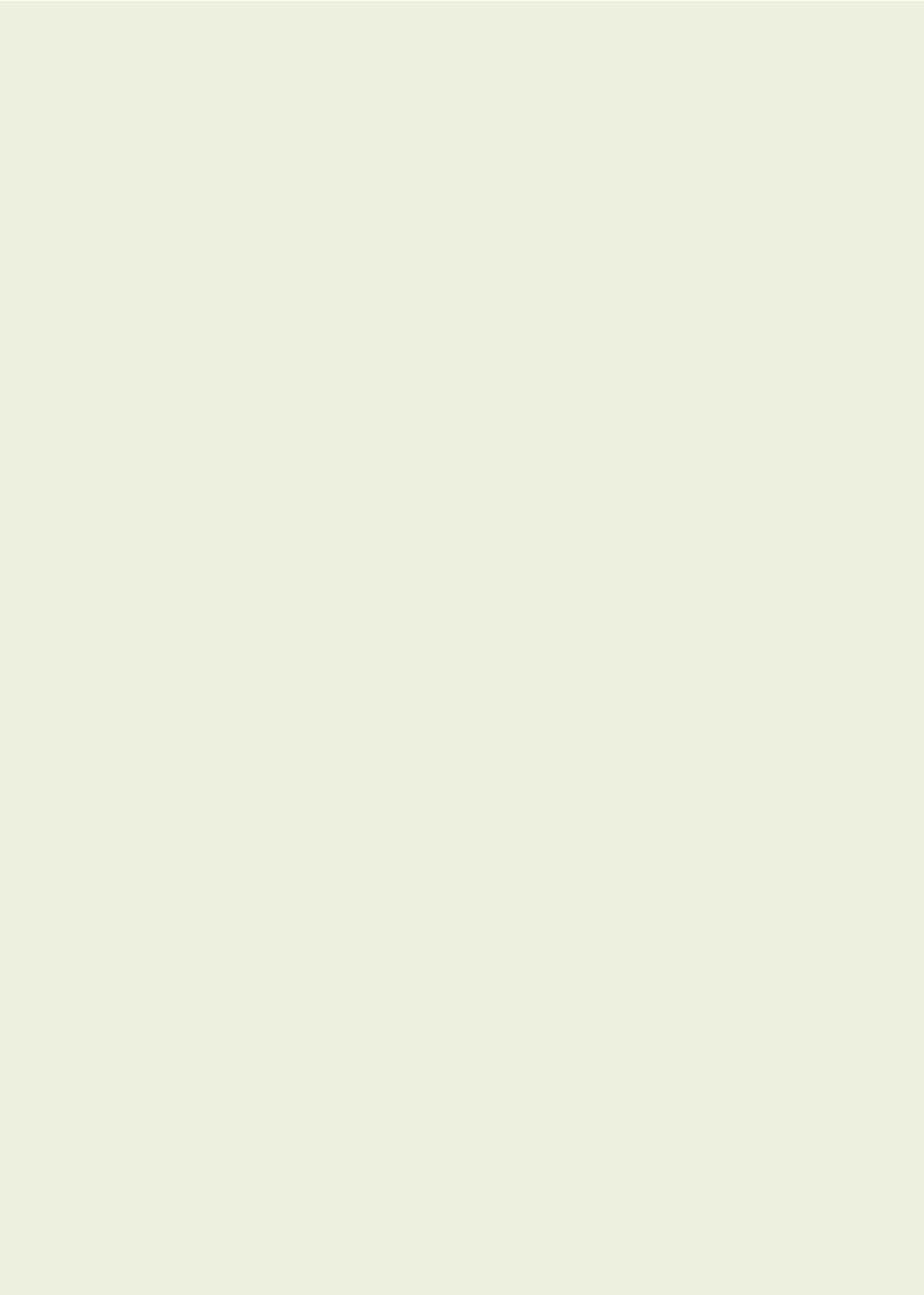
Utility Plant		
101	Utility Plant in Service	\$ 12,602,281
102	Utility Plant Leased to Others	
103	Property Held for Future Use	
104	Utility Plant Purchased or Sold	
105	Construction Work in Progress - Commission Approved	
108	Accumulated Depreciation of Utility Plant in Service	\$ 4,828,565
110	Accumulated 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	\$ 571,590
132	Special Deposits	
134	Working Funds	
135	Temporary Cash Investments	
141	Customer Accounts Receivable	\$ 31,491
142	Other Accounts Receivable	\$ 8
143	Allowance for Uncollectible Accounts (Enter positive)	\$ 759
144	Notes Receivable	
145	Accounts Receivable from Associated Companies	
146	Notes Receivable from Associated Companies	
151	Plant Materials and Supplies	\$ 319
162	Prepayments	\$ 918
171	Accrued Interest Receivable	
174	Miscellaneous Current and Accrued Assets	\$ 573
Deferred Debits		
181	Unamortized Debt Discount and Expense	
182	Extraordinary Property Losses	
186	Miscellaneous Deferred Debits	
190	Accumulated Deferred Income Taxes	
EQUITY, LIABILITIES, AND OTHER CREDITS (201-283)		
Equity		
201	Common Stock Issued	\$ -
204	Preferred Stock Issued	\$ -
207	Premium on Capital Stock	
211	Paid in Capital	
212	Discount on Capital Stock	
213	Capital Stock Expense	
214	Appropriated Retained Earnings	
215	Unappropriated Retained Earnings	\$ (82,984)
216	Reacquired Capital Stock	
218	Proprietary Capital	
Long Term Debt		
221	Bonds	
223	Advances from Associated Companies	
224	Other Long-Term Debt	
Current and Accrued Liabilities		
231	Accounts Payable	\$ 6,116
232	Notes Payable	
233	Accounts Payable to Associated Companies	\$ 8,416,985
234	Notes Payable to Associated Companies	
235	Customer Deposits	
236	Accrued Taxes	\$ (31,371)
237	Accrued Interest	
238	Accrued Dividends	
239	Matured Long-Term Debt	
240	Matured Interest	
241	Miscellaneous Current and Accrued Liabilities	\$ 2,863
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	\$ 39,625
272	Accumulated Amortization of CIAC	\$ 5,165
Accumulated Deferred Income Taxes		
281	Accumulated Deferred Income Taxes - Accelerated Depreciation	
282	Accumulated Deferred Income Taxes - Liberalized Depreciation	\$ 31,787
283	Accumulated Deferred Income Taxes - Other	
WATER UTILITY PLANT ACCOUNTS (301-348)		
301	Organization	\$ -
302	Franchises	\$ -
303	Land and Land Rights	\$ 5,000
304	Structures and Improvements	\$ 148,685
305	Collecting and Impounding Reservoirs	\$ -
306	Lakes, River and Other Intakes	\$ -
307	Wells and Springs	\$ 1,017,067
308	Infiltration Galleries and Tunnels	\$ -
309	Supply Mains	\$ 1,181,191
310	Power Generation Equipment	\$ -
311	Pumping Equipment	\$ 823,294
320	Water Treatment Equipment	\$ -
330	Distribution Reservoirs and Standpipes	\$ 611,823
331	Transmission and Distribution Mains	\$ 7,453,738
333	Services	\$ 861,536
334	Meters and Meter Installations	\$ 162,225
335	Hydrants	\$ 327,220
336	Backflow Prevention Devices	\$ -
339	Other Plant and Miscellaneous Equipment	\$ -
340	Office Furniture and Equipment	\$ 4,045
341	Transportation Equipment	\$ 604
343	Tools, Shop and Garage Equipment	\$ -
344	Laboratory Equipment	\$ -

345	Power Operated Equipment	\$ -
346	Communication Equipment	\$ -
347	Computer & electronic Equipment	\$ 5,853
348	Miscellaneous Equipment	\$ -
INCOME ACCOUNTS (404-434)		
Utility Operating Income		
400	Operating Revenue	\$ 516,449
401	Operating Expenses	\$ 291,337
403	Depreciation Expense	\$ 310,370
406	Amortization of Utility Plant Acquisition Adjustment	
407	Amortization Expense (no CIAC)	
408	Taxes Other than Income	\$ 6,373
409	Income Taxes	\$ (61,252)
410	Provision for Deferred Income Taxes - Debit	\$ 39,821
411	Provision for Deferred Income Taxes - Credit	\$ -
412	Investment Tax Credit	
413	Income from Utility Plant Leased to Others	
414	Gain/Loss from Utility Property Sales	\$ -
415	Revenues from Merchandising, Jobbing, and Contract Work	
416	Cost and Expenses of Merchandising, Jobbing, and Contract Work	
419	Interest and Dividend Income	
421	Nonutility Income	
426	Nonutility Expenses	
433	Extraordinary Income	
434	Extraordinary Deductions	
Taxes Applicable to Nonutility Income and Deductions		
408.2	Taxes Other than Income - Nonutility	\$ -
409.2	Income Taxes - Nonutility	\$ -
410.2	Provision for Deferred Income Taxes - Debit - Nonutility	\$ -
411.2	Provision for Deferred Income Taxes - Credit - Nonutility	\$ -
Interest Expense		
427	Interest Expense	
428	Amortization of Debt Discount and Expense	
429	Amortization of Premium on Debt	
Retained Earnings Account (435-439)		
435	Balance Transferred from Income	\$ (68,109)
436	Appropriations of Retained Earnings	
437	Preferred Stock Dividends Declared	\$ -
438	Common Stock Dividends Declared	\$ -
439	Adjustment to Retained Earnings	\$ -
OPERATING REVENUE ACCOUNTS (460-475)		
460	Unmetered Water Revenue	\$ -
461.1	Metered Sales to Residential Customers	\$ 274,327
461.2	Metered Sales to Commercial Customers	\$ 66,690
461.3	Metered Sales to Industrial Customers	\$ -
461.4	Metered Sales to Public Authorities	\$ -
461.5	Metered Sales to Multiple Family Dwellings	\$ -
462.1	Public Fire Protection	\$ -
462.2	Private Fire Protection	\$ -
464	Other Sales to Public Authorities	\$ -
465	Sales to Irrigation Customers	\$ 75,373
466	Sales for Resale	\$ -
467	Interdepartmental Sales	\$ 77,946
468	Special Contract/Agreement Revenue	\$ -
470	Forfeited Discounts	\$ -
471	Miscellaneous Service Revenues	\$ 113
472	Rents From Water Property	\$ -
473	Interdepartmental Rents	\$ -
474	Other Water Revenues	\$ 3,031
475	Cross Connection Sales & Services Revenues	\$ 18,969
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)		
Source of Supply and Expenses		
601	Salaries and Wages - Employees	\$ 69,200
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$ -
604	Employee Pensions and Benefits	\$ 12,868
610	Purchased Water	\$ -
611	Telephone/Communications	\$ 1,012
615	Purchased Power	\$ 74,603
616	Fuel for Power Production	\$ -
617	Utilities - Other	\$ -
618	Chemicals & testing	\$ -
619	Office Supplies (excluding postage)	\$ 2,214
619.1	Postage	\$ 1,890
620	Materials and Supplies	\$ 2,182
621	Repairs to Water Plant	\$ 4,645
631	Contractual Services - Engineering	\$ -
632	Contractual Services - Accounting	\$ 1,800
633	Contractual Services - Legal	\$ 1,477
634	Contractual Services - Management Fees	\$ 84,040
635	Contractual Services - Testing/Sampling	\$ 3,615
636	Contractual Services - Other	\$ -
637	Contractual Services - Billing/Collections	\$ -
638	Contractual Services - Meter Reading	\$ -
639	Contractual Services - Other	\$ 4,804
641	Rental of Building/Real Property	\$ 2,360
642	Rental of Equipment	\$ -
643	Small Tools	\$ 395
648	Computer & Electronic Expenses	\$ 1,227
650	Transportation Expenses	\$ 5,397
656	Insurance - Vehicle	\$ 900
657	Insurance - General Liability	\$ 850
658	Insurance - Workman's Compensation	\$ (152)
659	Insurance - Other	\$ 3,210
660	Public Relations / Advertising Expense	\$ -
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$ -
667	Regulatory Commission Expense - Other	\$ 1,484
668	Water Resource Conservation Expense	\$ -
670	Bad Debt Expense	\$ -
671.1	Cross Connection Control Program Expense	\$ -
671.2	Cross Connection Testin & Maintenance Services	\$ -
672	System Capacity Development Program Expense	\$ -
673	Training & Certification Expense	\$ 1,857
674	Consumer Confidence Report	\$ -
675	Miscellaneous Expenses	\$ 9,460

**NOTES**

Oregon Water Utilities - Mountain Lakes, Inc.

Notes and explanations:





## INCOME STATEMENT

Oregon Water Utilities - Mountain Lakes, Inc.

400 Operating Revenue	\$ 516,449
401 Operating Expenses	\$ 291,337
403 Depreciation Expense	\$ 308,280
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 6,373
409 Income Taxes	\$ (61,252)
410.1 Provision for Deferred Income Taxes - debit	\$ 39,821
411.1 Provision for Deferred Income Taxes - credit	\$ -
412 Investment Tax Credit	\$ -
413 Income From Utility Plant Leased to Others	\$ -
419 Interest & Dividend Income	\$ -
427 Interest Expense	\$ -
428-429 Amortization of Premium/Discount on Debt	\$ -
414 Gains/Losses From Utility Property Disposition (net)	\$ -
433-434 Extraordinary Income/deductions (net)	\$ -
NET UTILITY OPERATING INCOME	\$ (68,109)
421 Nonutility Income	\$ -
415 Revenue From Merchandising, Jobbing, & Contracts	\$ -
426 Nonutility Expense	\$ -
408.2 Nonutility Taxes Other Than Income Tax	\$ -
409.2 Nonutility Income Taxes	\$ -
410.2 Nonutility Deferred Income Taxes	\$ -
411.2 Nonutility Provision for Deferred Income Taxes Credit	\$ -
416 Cost & Expense of Merchandising, Jobbing, Contracts	\$ -
Net Income	\$ (68,109)

**BALANCE SHEET**

Oregon Water Utilit

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

101 Utility Plant in Service (excluding CIAC)	\$	12,602,281
108-110 Accumulated Depreciation & Amortization	\$	4,828,565
Subtotal	\$	7,773,716
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	\$	7,773,716
131 Cash	\$	571,590
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	31,499
143 Accumulated Provision for Uncollectible Accounts	\$	759
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	-
151 Materials & Supplies Inventory	\$	319
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	1,491
Net Current & Accrued Assets	\$	604,140
181-186 Deferred Debits	\$	-
Total Assets	\$	8,377,856
252 Advances for Construction	\$	-
271 CIAC	\$	39,625
272 Accumulated Amortization of CIAC	\$	5,165
Net CIAC & Advances for Construction	\$	34,460
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	-
231 Accounts Payable	\$	6,116
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	8,416,985
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	-
236 Accrued Taxes	\$	(31,371)
237 Accrued Interest	\$	-
238-241 Miscellaneous Current and Accrued Liabilities	\$	2,863
Liabilities	\$	8,394,593
251 Premium on Unamortized Debt	\$	-
253 Other Deferred Credit	\$	-
261-265 Reserves	\$	-
Other	\$	-
281 Accumulated Deferred Income Taxes-Accelerated Amortization	\$	-
282 Accumulated Deferred Income Taxes-Liberalized Depreciation	\$	31,787
283 Accumulated Deferred Income Taxes-Other	\$	-
Total Liabilities	\$	8,426,380
201 Common Stock Issued	\$	-
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	-
211 Other Paid in Capital	\$	-
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	(82,984)
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	(82,984)
Total Liabilities and Equity	\$	8,377,856

**STATS**

Oregon Water Utilities - Mountain Lakes, Inc.

<b>Operating Revenues</b>		<b>Assets &amp; Other Debits</b>	
Flat Rate	\$ -	Utility Plant	\$ 12,641,906
Metered - Residential	\$ 274,327	Less: Depreciation & Amortization Reserve	\$ 4,833,730
Metered - Commercial	\$ 66,690	Other Property & Investments	\$ 571,590
Irrigation (including golf courses)	\$ 153,319	Materials and Supplies	\$ 319
Fire Protection	\$ -	Other Current & Accrued Assets	\$ 32,231
Other Sales of Water	\$ -	Deferred Debits	\$ -
Other Operating Revenue	\$ 22,113	<b>Total Assets &amp; Other Debits</b>	\$ 8,412,316
<b>Total Operating Revenues</b>	\$ 516,449		
<b>Operating Expenses</b>		<b>Liabilities &amp; Other Credits</b>	
Purchased Water	\$ -	Capital/Common Stock	\$ -
Purchased Power	\$ 74,603	Retained Earnings	\$ (82,984)
Water Treatment	\$ 3,615	Long-Term Debt	\$ -
Supplies and Expenses	\$ 34,286	Customer Deposits	\$ -
Repairs of Plant	\$ 4,645	Other Current & Accrued Liabilities	\$ 8,394,593
Administrative & General	\$ 174,189	Advances for Construction	\$ -
<b>Total Operating Expenses</b>	\$ 291,337	Other Deferred Credits	\$ -
		Contributions in Aid of Construction	\$ 34,460
<b>Other Revenue Deductions</b>		Accumulated Deferred Income Taxes	\$ 31,787
Depreciation & Amortization	\$ 308,280	<b>Total Liabilities &amp; Other Credits</b>	\$ 8,377,856
Operating Income Taxes	\$ (21,431)		
Other Operating Taxes	\$ 6,373	<b>Average Number of Customers</b>	
Uncollectible Revenue/Bad Debt Expense	\$ -	Flat Rate	-
<b>Total Revenue Deductions</b>	\$ 293,222	Metered - Residential	538
<b>Total Expenses and Deductions</b>	\$ 584,559	Metered - Commercial	23
		Irrigation (including golf courses)	50
Other Income	\$ -	Fire Protection	-
Interest on Long-Term Debt	\$ -	Other	-
Other Interest Charges	\$ -	<b>Total Customers</b>	611
Other Income Deductions	\$ (39,821)		
<b>Net Operating Income (or Loss)</b>	\$ (28,288)		