



# 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

2020

## COMPANY NAME

Salmon Valley Water Company

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

## 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 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 971-209-0533 OR EMAIL AT  
RUSSELL.BEITZEL@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:	503-622-3458
email:	michael@salmonvalleywater.com
fax:	N/A
website:	

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

Name:	Brody Wilson
Title:	CFO/Treasurer
Phone:	503-610-7176
Email:	brody.wilson@nwnatural.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**

Salmon Valley Water Company

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

Name:	Michael Bowman
Address:	24525 E. Welches Road, Welches OR 97067
Phone:	503-887-0991
Email:	michael@salmonvalleywater.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):**

1/1/1968
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**Provide the following information for all utility officers and directors**

Name	Title	Phone #	Email
Justin Palfreyman	President	503-721-2451	justin.palfreyman@nwnatural.com
Brody Wilson	CFO/Treasurer	503-610-7176	brody.wilson@nwnatural.com
Shawn Filippi	Secretary	503-220-2435	shawn.filippi@nwnatural.com

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

Name	Title	Phone #	Email
None			

**ORGANIZATION**

Salmon Valley Water Company

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	NW Natural Water Company, LLC
	Title	Parent
	Address	250 SW Taylor St. Portland, OR 97204
	# shares owned	2,267.00
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	2500	
# shares issued at year end	2267	
Par or stated value per share:	\$ 10.0000	
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
NW Natural Water	Commercial and general liability insurance	11/1/2018	\$ 9,658
NW Natural Water	Corporate Shared Services		\$ 47,616
Sunriver Water	GM Salary & benefits allocated by hours worked		\$ 5,421
NW Natural Water	IT Contractor support		\$ 2,640
			\$ 65,335
<b>TOTAL</b>			<b>\$ (65,335)</b>

**Explanations or Notes**

Time writing by NW Natural employees participating in Rate Case preparation driving increase in Corporate Shared Services from NW Natural Water

**REVENUES**

Salmon Valley Water Company

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**Consumption and Revenue**

	Act #	# customers at year beginning	# customers at year end	Total Quantity water sold	revenues
Unmetered (flat rate) water sales	460				
Metered sales to RESIDENTIAL customers	461.1				\$ 340,439
Metered sales to COMMERCIAL customers	461.2				
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				
TOTAL		-	-	-	\$ 340,439

**Revenue other than water sales**

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

Total Operating Revenue

\$ 340,439
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**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		
Metered sales to COMMERCIAL customers	461.2		
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 AND PROPERTY SALES**

**Act # TAXES OTHER THAN INCOME TAX**

408.11	Property Tax	\$	12,709
408.12	Payroll Tax	\$	14,169
408.13	Other Tax Other Than Income Tax		
408.2	Nonutility Taxes Other Than Income Tax		
TOTAL		\$	26,878

**Act # INCOME TAXES**

409.1	Federal Income Tax	\$	(59,081)
409.11	State Income Tax	\$	(11,659)
409.13	Other Income Tax		
409.2	Nonutility Income Tax		
TOTAL		\$	(70,740)

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

410.1	Deferred Federal Income Taxes – Utility Operations	\$	25,795
410.11	Deferred State Income Taxes – Utility Operations	\$	2,186
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		\$	27,981

**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	\$ 211,573
603	Salaries and Wages – officers, directors, and majority stockholders	\$ -
604	Employee Pensions & Benefits	\$ 27,198
610	Purchased Water	\$ -
611	Telephone/Communications	\$ 12,476
615	Purchased Power	\$ 19,315
616	Fuel for Power Production	\$ -
617	Utilities - Other (garbage, natural gas)	\$ 283
618	Chemicals & testing	\$ 3,846
619	Office Supplies (excluding postage)	\$ 2,663
619.1	Postage	\$ 2,739
620	Materials & Supplies (O&M)	\$ 344
621	Repairs of Water Plant	\$ 16,505
631	Contractual Services - engineering	\$ -
632	Contractual Services - accounting	\$ 5,560
633	Contractual Services - legal	\$ 230
634	Contractual Services - management	\$ 47,616
635	Contractual Services – testing / sampling	\$ -
636	Contractual Services – labor	\$ -
637	Contractual Services - billing/collections	\$ -
638	Contractual Services - meter reading	\$ 6,780
639	Contractual Services - other	\$ 752
641	Rental of Building / Real Property	\$ 10,530
642	Rental of Equipment	\$ 720
643	Small Tools	\$ 5,260
648	Computer and electronic Expenses	\$ 17,512
650	Transportation Expenses	\$ 1,639
656	Insurance - Vehicle	\$ 1,348
657	Insurance – General Liability	\$ 2,510
658	Insurance – Workman’s Compensation	\$ 4,727
659	Insurance – Other	\$ 998
660	Public Relation / Advertising Expense	\$ 20
666	Amortization of Rate Case Expense	\$ -
667	Regulatory Commission Fee (Gross Rev Fee)	\$ 2,339
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	\$ 97
674	Consumer Confidence Report	\$ -
675	Miscellaneous Expense	\$ 7,884
	TOTAL	\$ 413,464

**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	\$ 43,272	\$ -			\$ 43,272
304	Structures & improvements	\$ 41,687	\$ -			\$ 41,687
305	Collecting & impounding reservoirs	\$ -	\$ -			\$ -
306	Lake, river & other intakes	\$ -	\$ -			\$ -
307	Wells & springs	\$ 253,897	\$ -			\$ 253,897
308	Infiltration galleries & tunnels	\$ -	\$ -			\$ -
309	Supply mains	\$ 13,311	\$ -			\$ 13,311
310	Power generation equipment	\$ -	\$ -			\$ -
311	Pumping equipment	\$ 146,013	\$ -			\$ 146,013
320	Water treatment equipment	\$ -	\$ -			\$ -
330	Distribution reservoirs & standpipes	\$ 297,629	\$ -			\$ 297,629
331	Transmission & distribution mains	\$ 238,946	\$ 3,257			\$ 242,202
333	Services	\$ -	\$ -			\$ -
334	Meters & meter installations	\$ 24,845	\$ -			\$ 24,845
335	Hydrants	\$ 6,026	\$ -			\$ 6,026
336	Backflow prevention devices (utility owned)	\$ -	\$ -			\$ -
339	Other plant & miscellaneous equipment	\$ 13,200	\$ 72,341			\$ 85,541
340	Office furniture & equipment	\$ 9,680	\$ 3,193			\$ 12,873
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	\$ 460	\$ -			\$ 460
	<b>TOTAL</b>	\$ 1,107,532	\$ 78,790	\$ -	\$ -	\$ 1,186,322

Explanation of unusual changes in utility plant during the year:

**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	\$ 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	\$ 229,709
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	\$ 239,280

\* Explain any adjustments:

**DEPRECIATION**

Salmon Valley Water Company

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	\$ 2,231	\$ 25,965	\$ 2,231		\$ 28,196
305	Collecting & impounding reservoirs	\$ -	\$ -	\$ -		\$ -
306	Lake, river & other intakes	\$ -	\$ -	\$ -		\$ -
307	Wells & springs	\$ 8,090	\$ 193,042	\$ 8,090		\$ 201,131
308	Infiltration galleries & tunnels	\$ -	\$ -	\$ -		\$ -
309	Supply mains	\$ 370	\$ 9,177	\$ 370		\$ 9,546
310	Power generation equipment	\$ -	\$ -	\$ -		\$ -
311	Pumping equipment	\$ 1,382	\$ 107,770	\$ 1,382		\$ 109,152
320	Water treatment equipment	\$ -	\$ -	\$ -		\$ -
330	Distribution reservoirs & standpipes	\$ 6,764	\$ 150,632	\$ 6,764		\$ 157,397
331	Transmission & distribution mains	\$ 4,237	\$ 135,877	\$ 4,237		\$ 140,114
333	Services	\$ -	\$ -	\$ -		\$ -
334	Meters & meter installations	\$ 684	\$ 8,054	\$ 684		\$ 8,738
335	Hydrants	\$ 133	\$ 3,469	\$ 133		\$ 3,602
336	Backflow prevention devices (utility owned)	\$ -	\$ -	\$ -		\$ -
339	Other plant & miscellaneous equipment	\$ 3,129	\$ -	\$ 3,129		\$ 3,129
340	Office furniture & equipment	\$ 558	\$ 9,197	\$ 558		\$ 9,756
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	\$ 50	\$ -	\$ 50		\$ 50
	<b>TOTAL</b>	<b>\$ 27,628</b>	<b>\$ 661,748</b>	<b>\$ 27,628</b>	<b>\$ -</b>	<b>\$ 689,376</b>

\*Explanation of any adjustments made:

## RETAINED EARNINGS

Salmon Valley Water Company

215	Unappropriated Retained Earnings (beginning of year balance)	\$	(528,706)
435	Balance transferred from income	\$	(82,052)
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)	\$	(610,758)

\* Explanation of any adjustments made to Retained Earnings

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**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	\$	1,186,322
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	\$	412,799
108	Accumulated Depreciation of Utility Plant in Service	\$	689,376
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	\$	3,514
132	Special Deposits		
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$	32,871
142	Other Accounts Receivable		
143	Allowance for Uncollectible Accounts (Enter positive)		
144	Notes Receivable		
145	Accounts Receivable from Associated Companies	\$	115,882
146	Notes Receivable from Associated Companies		
151	Plant Materials and Supplies		
162	Prepayments	\$	600
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	\$	54,481
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	\$	1,201,881
212	Discount on Capital Stock		
213	Capital Stock Expense		
214	Appropriated Retained Earnings		
215	Unappropriated Retained Earnings	\$	(610,758)
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	\$	832
232	Notes Payable		
233	Accounts Payable to Associated Companies	\$	293,652
234	Notes Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
238	Accrued Dividends		
239	Matured Long-Term Debt		
240	Matured Interest		
241	Miscellaneous Current and Accrued Liabilities	\$	29,887

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	\$	239,280

Accumulated Deferred Income Taxes

281	Accumulated Deferred Income Taxes - Accelerated Depreciation		
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		
283	Accumulated Deferred Income Taxes - Other	\$	54,499

WATER UTILITY PLANT ACCOUNTS (301-348)

301	Organization	\$	-
302	Franchises	\$	-
303	Land and Land Rights	\$	43,272
304	Structures and Improvements	\$	41,687
305	Collecting and Impounding Reservoirs	\$	-
306	Lakes, River and Other Intakes	\$	-
307	Wells and Springs	\$	253,897
308	Infiltration Galleries and Tunnels	\$	-
309	Supply Mains	\$	13,311
310	Power Generation Equipment	\$	-
311	Pumping Equipment	\$	146,013
320	Water Treatment Equipment	\$	-
330	Distribution Reservoirs and Standpipes	\$	297,629
331	Transmission and Distribution Mains	\$	242,202
333	Services	\$	-
334	Meters and Meter Installations	\$	24,845
335	Hydrants	\$	6,026
336	Backflow Prevention Devices	\$	-
339	Other Plant and Miscellaneous Equipment	\$	85,541
340	Office Furniture and Equipment	\$	12,873
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	\$	460

INCOME ACCOUNTS (404-434)

Utility Operating Income

400	Operating Revenue	\$	340,439
401	Operating Expenses	\$	413,464
403	Depreciation Expense	\$	27,628
406	Amortization of Utility Plant Acquisition Adjustment		
407	Amortization Expense (no CIAC)		
408	Taxes Other than Income	\$	26,878
409	Income Taxes	\$	(70,740)
410	Provision for Deferred Income Taxes - Debit	\$	27,981
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	\$	2,720
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	\$	(82,052)
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	\$	340,439
461.2	Metered Sales to Commercial Customers	\$	-
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	\$	-
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)

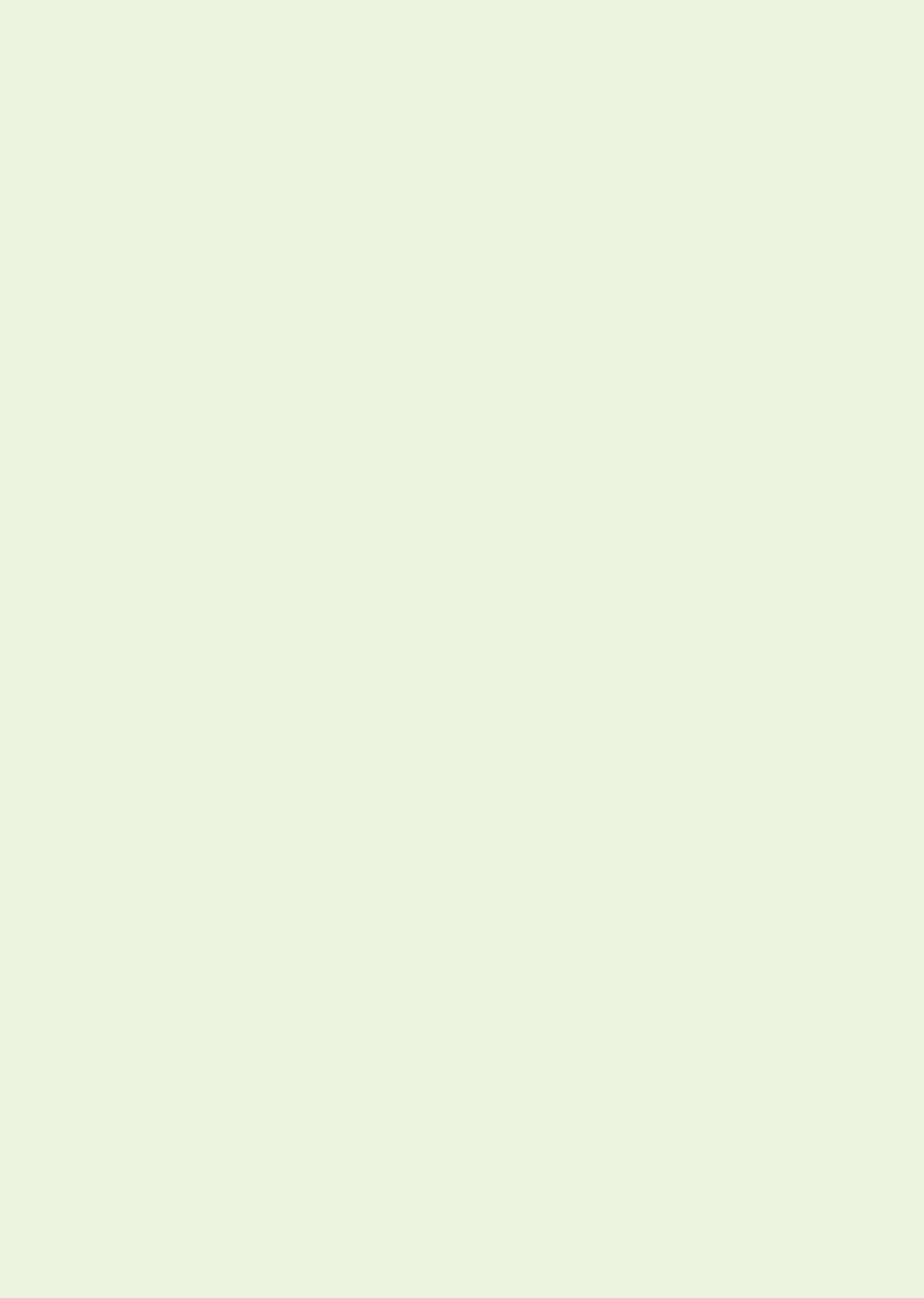
Source of Supply and Expenses

601	Salaries and Wages - Employees	\$	211,573
603	Salaries and Wages - Officers, Directors and Majority Stockholders	\$	-
604	Employee Pensions and Benefits	\$	27,198
610	Purchased Water	\$	-
611	Telephone/Communications	\$	12,476
615	Purchased Power	\$	19,315
616	Fuel for Power Production	\$	-
617	Utilities - Other	\$	283
618	Chemicals & testing	\$	3,846
619	Office Supplies (excluding postage)	\$	2,663
619.1	Postage	\$	2,739
620	Materials and Supplies	\$	344
621	Repairs to Water Plant	\$	16,505
631	Contractual Services - Engineering	\$	-
632	Contractual Services - Accounting	\$	5,560
633	Contractual Services - Legal	\$	230
634	Contractual Services - Management Fees	\$	47,616
635	Contractual Services - Testing/Sampling	\$	-
636	Contractual Services - Other	\$	-
637	Contractual Services - Billing/Collections	\$	-
638	Contractual Services - Meter Reading	\$	6,780
639	Contractual Services - Other	\$	752
641	Rental of Building/Real Property	\$	10,530
642	Rental of Equipment	\$	720
643	Small Tools	\$	5,260
648	Computer & Electronic Expenses	\$	17,512
650	Transportation Expenses	\$	1,639
656	Insurance - Vehicle	\$	1,348
657	Insurance - General Liability	\$	2,510
658	Insurance - Workman's Compensation	\$	4,727
659	Insurance - Other	\$	998
660	Public Relations / Advertising Expense	\$	20
666	Regulatory Commission Expense - Amortization of Rate Case Expense	\$	-
667	Regulatory Commission Expense - Other	\$	2,339
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	\$	97
674	Consumer Confidence Report	\$	-
675	Miscellaneous Expenses	\$	7,884

**NOTES**

Salmon Valley Water Company

Notes and explanations:



## INCOME STATEMENT

Salmon Valley Water Company

400 Operating Revenue	\$ 340,439
401 Operating Expenses	\$ 413,464
403 Depreciation Expense	\$ 27,628
406 Amortization of Utility Plant Acquisition Adjustment	\$ -
407 Amortization Expense	\$ -
408 Taxes Other Than Income Taxes (total)	\$ 26,878
409 Income Taxes	\$ (70,740)
410.1 Provision for Deferred Income Taxes - debit	\$ 27,981
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	\$ (84,772)
421 Nonutility Income	\$ 2,720
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	\$ (82,052)



**BALANCE SHEET**

Salmon Valley Wate

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

101 Utility Plant in Service (excluding CIAC)	\$	1,186,322
108-110 Accumulated Depreciation & Amortization	\$	689,376
Subtotal	\$	496,946
102-104 Other Utility Plant	\$	-
105 Commission Approved Construction Work in Progress (CWIP)	\$	412,799
114 Commission Approved Utility Plant Acquisition Adjustments	\$	-
115 Accumulated Amortization of Commission Approved Acquisition Adjustments	\$	-
190 Accumulated Deferred Income Taxes (asset)	\$	-
Subtotal	\$	412,799
Net Utility Plant	\$	909,745
131 Cash	\$	3,514
132 Special Deposits	\$	-
141-142 Accounts Receivable	\$	32,871
143 Accumulated Provision for Uncollectible Accounts	\$	-
144 Notes Receivable	\$	-
145-146 Accounts & Notes Receivable from Associated Companies	\$	115,882
151 Materials & Supplies Inventory	\$	-
133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments	\$	600
Net Current & Accrued Assets	\$	152,867
181-186 Deferred Debits	\$	54,481
Total Assets	\$	1,117,093
252 Advances for Construction	\$	-
271 CIAC	\$	363,710
272 Accumulated Amortization of CIAC	\$	239,280
Net CIAC & Advances for Construction	\$	124,430
121 Nonutility Property	\$	-
122 Accumulated Depreciation & Amortization (Nonutility)	\$	-
123-127 Miscellaneous Nonutility Investments	\$	-
Nonutility Plant & Investment	\$	-
221-224 Long-Term Debt	\$	-
231 Accounts Payable	\$	832
232 Notes Payable	\$	-
233 Accounts Payable to Affiliated Companies	\$	293,652
234 Notes Payable to Affiliated companies	\$	-
235 Customer Deposits	\$	-
236 Accrued Taxes	\$	-
237 Accrued Interest	\$	-
238-241 Miscellaneous Current and Accrued Liabilities	\$	29,887
Liabilities	\$	324,371
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	\$	54,499
Total Liabilities	\$	378,870
201 Common Stock Issued	\$	22,670
204 Preferred Stock Issued	\$	-
207 Premium on Capital Stock	\$	-
211 Other Paid in Capital	\$	1,201,881
212 Discount on Capital Stock	\$	-
213 Capital Stock Expense	\$	-
214 Appropriated Retained Earnings	\$	-
215 Unappropriated Retained Earnings	\$	(610,758)
216 Reacquired Capital Stock	\$	-
218 Proprietary Capital (Proprietorships & Partnerships Only)	\$	-
Total Equity	\$	613,793
Total Liabilities and Equity	\$	1,117,093

**STATS**

Salmon Valley Water Company

**Operating Revenues**

Flat Rate	\$	-
Metered - Residential	\$	340,439
Metered - Commercial	\$	-
Irrigation (including golf courses)	\$	-
Fire Protection	\$	-
Other Sales of Water	\$	-
Other Operating Revenue	\$	-
<b>Total Operating Revenues</b>	\$	<u>340,439</u>

**Operating Expenses**

Purchased Water	\$	-
Purchased Power	\$	19,315
Water Treatment	\$	3,846
Supplies and Expenses	\$	74,089
Repairs of Plant	\$	16,505
Administrative & General	\$	299,709
<b>Total Operating Expenses</b>	\$	<u>413,464</u>

**Other Revenue Deductions**

Depreciation & Amortization	\$	27,628
Operating Income Taxes	\$	(42,759)
Other Operating Taxes	\$	26,878
Uncollectible Revenue/Bad Debt Expense	\$	-
<b>Total Revenue Deductions</b>	\$	<u>11,747</u>

**Total Expenses and Deductions**

	\$	425,211
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Other Income	\$	-
Interest on Long-Term Debt		
Other Interest Charges	\$	-
Other Income Deductions	\$	<u>(27,981)</u>
<b>Net Operating Income (or Loss)</b>	\$	<u>(56,791)</u>

**Assets & Other Debits**

Utility Plant	\$	1,186,322
Less: Depreciation & Amortization Reserve	\$	689,376
Other Property & Investments	\$	3,514
Materials and Supplies	\$	-
Other Current & Accrued Assets	\$	562,152
Deferred Debits	\$	54,481
<b>Total Assets &amp; Other Debits</b>	\$	<u>1,117,093</u>

**Liabilities & Other Credits**

Capital/Common Stock	\$	1,224,551
Retained Earnings	\$	(610,758)
Long-Term Debt	\$	-
Customer Deposits	\$	-
Other Current & Accrued Liabilities	\$	324,371
Advances for Construction	\$	-
Other Deferred Credits	\$	-
Contributions in Aid of Construction	\$	124,430
Accumulated Deferred Income Taxes	\$	<u>54,499</u>
<b>Total Liabilities &amp; Other Credits</b>	\$	<u>1,117,093</u>

**Average Number of Customers**

Flat Rate	-
Metered - Residential	-
Metered - Commercial	-
Irrigation (including golf courses)	-
Fire Protection	-
Other	-
<b>Total Customers</b>	<u>-</u>