

Class A Water Utility (Annual Gross Revenue of \$1,000,000 or more)
 Class B Water Utility (Annual Gross Revenue of \$500,000 and \$999,999)
 Class C Water Utility (Annual Gross Revenue of \$100,000 and \$499,999)



ANNUAL RESULTS OF OPERATIONS REPORT

2012
 2013
 2014
 2015
 2016
 2017
 2018
 2019
 2020
 2021
 2022
 2023
 2024
 2025
 2026
 2027
 2028
 2029
 2030

SELECT COMPANY SIZE (based on Annual Revenue)

Class A Water Utility
 (Annual Gross Revenue of \$1,000,000 or more)

FOR THE CALENDAR YEAR

2016

COMPANY NAME

Sunriver Water LLC

Instructions

Sunriver Water LLC

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

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

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

Oath

Sunriver Water LLC

Complete Address of Reporting Utility

| | |
|----------|--------------|
| Line 1: | PO Box 3699 |
| Line 2: | |
| City: | Sunriver |
| State: | Oregon |
| Zip: | 97707 |
| phone: | 541-593-4197 |
| email: | |
| fax: | 541-593-4643 |
| website: | |

Name and title of person responsible for report

| | |
|--------|----------------------------------|
| Name: | Jess Chojnacky |
| Title: | Controller |
| Phone: | 541-593-3705 |
| Email: | jchojnacky@destinationhotels.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. |
|--|

Information

Sunriver Water LLC

Provide the following information for the contact person regarding this report

| | |
|----------|----------------------------------|
| Name: | Jess Chojnacky |
| Address: | PO Box 3609 Sunriver, OR 97707 |
| Phone: | 541-593-3705 |
| Email: | jchojnacky@destinationhotels.com |

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

| | |
|----------|--------------------------------|
| Name: | Sunriver Resort LP |
| Address: | PO Box 3609 Sunriver, OR 97707 |
| Phone: | 541-593-4197 |
| Email: | |

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

| | |
|----------|--|
| Name: | Deloitte |
| Address: | 111 SW Fifth Avenue, Suite 3900 Portland, OR 97204 |
| Phone: | 503-727-3044 |
| Email: | |

Date of original organization of the utility (month, day, year):

6/1/1998

Provide the following information for all utility officers and directors

| Name | Title | Phone # | Email |
|---------------|---------------------|--------------|-------|
| Steve Runner | General Manager | 541-593-4458 | |
| Greg Mooney | Operations | 541-593-4458 | |
| Thomas Samwel | Director of Finance | 541-593-4629 | |
| | | | |
| | | | |

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

| Name | Title | Phone # | Email |
|----------------|----------|---------|-------|
| Steve Hultberg | Attorney | | |
| | | | |
| | | | |
| | | | |
| | | | |

Organization

Sunriver Water LLC

Sole Propri Partnership Corporation

Select business type

Private/Investor Owned

Private/Inv Association Mobile Home

Select ownership type

Partnership

Select accounting method

accrual

accrual cash

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 | Sunriver Resort LP | |
| | Address | PO Box 3609 Sunriver, OR 97707 | |
| | % interest or equity | 100% | |
| | 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 | | |
| | Title | | |
| | Address | | |
| | # 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: | | |

Affiliates

Sunriver Water LLC

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the company and an affiliated business or financial organization, firm, partnership, or individual. For a definition of affiliated, see ORS 757.015.

Products or Services SOLD to Affiliated Interests

| Name of Affiliate | Description of product or service | Contract or Agreement effective date | Revenue |
|--------------------|-----------------------------------|--------------------------------------|------------|
| Sunriver Resort LP | Water services | approved tariffs | \$ 249,175 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | \$ 249,175 |

Products or Services PURCHASED from Affiliated Interests

| Name of Affiliate | Description of product or service | Contract or Agreement effective date | Cost |
|------------------------|-----------------------------------|--------------------------------------|------------|
| Sunriver Resort LP | management services | approved affiliated interest | \$ 174,816 |
| Sunriver Environmental | office rent | approved affiliated interest | \$ 45,960 |
| | | | |
| | | | |
| | | | |
| | | | \$ 220,776 |

TOTAL \$ 28,399

Explanations or Notes

| |
|--|
| |
|--|

Revenues

Sunriver Water LLC

gal or cf

gal
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 | 40 | 40 | 840,930 | \$ 10,555 |
| Metered sales to RESIDENTIAL customers | 461.1 | 4,081 | 4,111 | 290,576,547 | \$ 1,073,673 |
| Metered sales to COMMERCIAL customers | 461.2 | 125 | 125 | 58,350,370 | \$ 167,215 |
| Metered sales to INDUSTRIAL customers | 461.3 | | | | |
| Other metered sales to public authorities | 461.4 | | | | |
| Metered sales to multiple family dwellings | 461.5 | 263 | 263 | 10,879,260 | \$ 53,057 |
| Public fire protection revenue | 462.1 | | | | |
| Private fire protection revenue | 462.2 | 30 | 30 | | \$ 8,356 |
| Other Sales to public authorities | 464 | | | | |
| Sales to irrigation customers | 465 | 117 | 114 | 250,564,540 | \$ 374,654 |
| Sales for resale | 466 | | | | |
| Water Sales to golf course/recreation revenue | 467 | | | | |
| Special contract/agreement revenue | 468 | | | | |
| TOTAL | | 4,656 | 4,683 | 611,211,647 | \$ 1,687,511 |

Revenue other than water sales

| | Act # | revenues |
|--|-------|------------------|
| Forfeited discounts | 470 | |
| Miscellaneous service revenues | 471 | \$ 25,163 |
| Rents from water property | 472 | |
| Interdepartmental rents | 473 | |
| Other | 474 | |
| Cross Connection sales & services revenues | 475 | \$ 27,505 |
| Total | | \$ 52,668 |

Total Operating Revenue

| |
|--------------|
| \$ 1,740,180 |
|--------------|

Average Monthly Consumption and Bill

| | Act # | Average Monthly Consumption per customer | Average Monthly Revenue per customer |
|---|-------|--|--------------------------------------|
| Unmetered (flat rate) water sales | 460 | 1751.9375 | 21.99022917 |
| Metered sales to RESIDENTIAL customers | 461.1 | 5911.794983 | 21.84393188 |
| Metered sales to COMMERCIAL customers | 461.2 | 38900.24667 | 111.4768733 |
| Metered sales to INDUSTRIAL customers | 461.3 | | |
| Other metered sales to public authorities | 461.4 | | |
| Metered sales to multiple family dwellings | 461.5 | 3447.1673 | 16.8116033 |
| Public fire protection revenue | 462.1 | | |
| Private fire protection revenue | 462.2 | | 23.21241667 |
| Other Sales to public authorities | 464 | | |
| Sales to irrigation customers | 465 | 180782.4964 | 270.3131313 |
| Sales for resale | 466 | | |
| Water Sales to golf course/recreation revenue | 467 | | |
| Special contract/agreement revenue | 468 | | |

Taxes & property sales

Sunriver Water LLC

Act # **TAXES OTHER THAN INCOME TAX**

| | | | |
|--------|--|-------|------------|
| 408.11 | Property Tax | \$ | 85,700 |
| 408.12 | Payroll Tax | \$ | 47,430 |
| 408.13 | Other Tax Other Than Income Tax | | |
| 408.2 | Nonutility Taxes Other Than Income Tax | | |
| | | TOTAL | \$ 133,130 |

Act # **INCOME TAXES**

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

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

| | | | |
|--------|--|-------|------|
| 410.1 | Deferred Federal Income Taxes – Utility Operations | | |
| 410.11 | Deferred State Income Taxes – Utility Operations | | |
| 410.2 | Provision for Deferred Income Taxes – Other Income and Deductions | | |
| 411.1 | Provision for Deferred Income Taxes – Credit – Utility Operations | | |
| 411.2 | Provision for Deferred Income Taxes – Credit – Other income & Deductions | | |
| | | TOTAL | \$ - |

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

| Description | Amount |
|----------------|----------|
| sale of assets | \$ 3,700 |
| | |
| | |
| | |
| | |
| | |
| | |
| Total | \$ 3,700 |

Expenses

Sunriver Water LLC

| Act # | | Expense amount |
|--------------|---|-----------------------|
| 601 | Salaries and Wages - employees | \$ 487,647 |
| 603 | Salaries and Wages – officers, directors, and majority stockholders | |
| 604 | Employee Pensions & Benefits | \$ 164,325 |
| 610 | Purchased Water | |
| 611 | Telephone/Communications | |
| 615 | Purchased Power | \$ 71,797 |
| 616 | Fuel for Power Production | \$ 105 |
| 617 | Utilities - Other (garbage, natural gas) | \$ 7,743 |
| 618 | Chemicals & testing | |
| 619 | Office Supplies (excluding postage) | \$ 2,568 |
| 619.1 | Postage | \$ 23,153 |
| 620 | Materials & Supplies (O&M) | \$ 13,120 |
| 621 | Repairs of Water Plant | \$ 10,677 |
| 631 | Contractual Services - engineering | |
| 632 | Contractual Services - accounting | |
| 633 | Contractual Services - legal | \$ 2,518 |
| 634 | Contractual Services - management | \$ 174,819 |
| 635 | Contractual Services – testing / sampling | \$ 396 |
| 636 | Contractual Services – labor | |
| 637 | Contractual Services - billing/collections | \$ 9,484 |
| 638 | Contractual Services - meter reading | |
| 639 | Contractual Services - other | \$ 34,654 |
| 641 | Rental of Building / Real Property | \$ 45,960 |
| 642 | Rental of Equipment | |
| 643 | Small Tools | \$ 823 |
| 648 | Computer and electronic Expenses | \$ 15,178 |
| 650 | Transportation Expenses | \$ 35,057 |
| 656 | Insurance - Vehicle | |
| 657 | Insurance – General Liability | \$ 25,947 |
| 658 | Insurance – Workman’s Compensation | \$ 22,362 |
| 659 | Insurance – Other | |
| 660 | Public Relation / Advertising Expense | |
| 666 | Amortization of Rate Case Expense | \$ 3,125 |
| 667 | Regulatory Commission Fee (Gross Rev Fee) | \$ 4,623 |
| 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 | \$ 3,599 |
| 674 | Consumer Confidence Report | |
| 675 | Miscellaneous Expense | \$ 5,409 |
| | TOTAL | \$ 1,165,089 |

Plant

Sunriver Water LLC

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

| <u>Act #</u> | | <u>Beg Year Balance</u> | <u>Added during year</u> | <u>Retired during year</u> | <u>Adjustments</u> | <u>End of year balance</u> |
|--------------|---|-------------------------|--------------------------|----------------------------|--------------------|----------------------------|
| 301 | Organization | | | | | \$ - |
| 302 | Franchises | | | | | \$ - |
| 303 | Land & land rights | \$ 247,915 | \$ 16,787 | | | \$ 264,702 |
| 304 | Structures & improvements | \$ 101,357 | \$ 8,650 | | | \$ 110,007 |
| 305 | Collecting & impounding reservoirs | | \$ 14,913 | | | \$ 14,913 |
| 306 | Lake, river & other intakes | | | | | \$ - |
| 307 | Wells & springs | \$ 1,211,249 | \$ - | | | \$ 1,211,249 |
| 308 | Infiltration galleries & tunnels | | | | | \$ - |
| 309 | Supply mains | \$ 3,773 | \$ - | | | \$ 3,773 |
| 310 | Power generation equipment | \$ 200,788 | \$ - | | | \$ 200,788 |
| 311 | Pumping equipment | \$ 138,789 | \$ - | | | \$ 138,789 |
| 320 | Water treatment equipment | \$ 7,010 | \$ - | | | \$ 7,010 |
| 330 | Distribution reservoirs & standpipes | \$ 2,471,389 | \$ - | | | \$ 2,471,389 |
| 331 | Transmission & distribution mains | \$ 99,447 | \$ - | | | \$ 99,447 |
| 333 | Services | | | | | \$ - |
| 334 | Meters & meter installations | \$ 827,671 | \$ 77,501 | | | \$ 905,172 |
| 335 | Hydrants | \$ 15,455 | \$ 6,835 | | | \$ 22,290 |
| 336 | Backflow prevention devices (utility owned) | \$ 94 | \$ - | | | \$ 94 |
| 339 | Other plant & miscellaneous equipment | \$ 50,641 | \$ 29,928 | | | \$ 80,569 |
| 340 | Office furniture & equipment | \$ 2,984 | \$ - | | | \$ 2,984 |
| 341 | Transportation equipment | \$ 378,876 | \$ 29,995 | \$ 24,431 | | \$ 384,440 |
| 343 | Tools, shop & garage equipment | \$ 213,623 | \$ - | | | \$ 213,623 |
| 344 | Laboratory equipment | | | | | \$ - |
| 345 | Power operated equipment | \$ 2,562 | \$ - | | | \$ 2,562 |
| 346 | Communication equipment | \$ 138,081 | \$ - | | | \$ 138,081 |
| 347 | Electronic & computer equipment | \$ 464,434 | \$ 18,367 | | | \$ 482,801 |
| 348 | Miscellaneous equipment | \$ 91,803 | \$ 15,737 | | | \$ 107,540 |
| | TOTAL | \$ 6,667,941 | \$ 218,715 | \$ 24,431 | \$ - | \$ 6,862,225 |

Explanation of unusual changes in utility plant during the year:

Sunriver Water LLC

Advances for Construction

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

Contributions in Aid of Construction

| | |
|-----------------------------|----------------|
| Beg of year balance | \$ (2,134,765) |
| 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 | \$ (2,134,765) |

Accumulated Amortization of CIAC

| | |
|--|----------------|
| Beg of year balance | \$ (1,494,336) |
| Add CIAC amortized during year | \$ (85,391) |
| Subtract effects of CIAC disposals | |
| +/- other adjustments* | |
| Change in Accumulated Amortization during the year | \$ (85,391) |
| End of year balance | \$ (1,579,727) |

* Explain any adjustments:

Depreciation

Sunriver Water LLC

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

| <u>Act #</u> | | <u>annual depreciation expense</u> | <u>acc dep balance beg of year</u> | <u>accruals booked to acc dep</u> | <u>plant retired charged to acc dep</u> | <u>Adjustments*</u> | <u>acc dep balance end of year</u> |
|--------------|---|------------------------------------|------------------------------------|-----------------------------------|---|---------------------|------------------------------------|
| 301 | Organization | | | | | | |
| 302 | Franchises | | | | | | |
| 303 | Land & land rights | | | | | | |
| 304 | Structures & improvements | \$ 7,972 | \$ 68,312 | \$ 7,972 | | | \$ 76,284 |
| 305 | Collecting & impounding reservoirs | \$ 7,606 | \$ - | \$ 7,606 | | | \$ 7,606 |
| 306 | Lake, river & other intakes | | \$ - | \$ - | | | \$ - |
| 307 | Wells & springs | \$ 42,970 | \$ 533,668 | \$ 42,970 | | | \$ 576,638 |
| 308 | Infiltration galleries & tunnels | | \$ - | \$ - | | | \$ - |
| 309 | Supply mains | \$ 151 | \$ 2,641 | \$ 151 | | | \$ 2,792 |
| 310 | Power generation equipment | \$ 4,600 | \$ 164,786 | \$ 4,600 | | | \$ 169,386 |
| 311 | Pumping equipment | \$ 3,487 | \$ 96,076 | \$ 3,487 | | | \$ 99,563 |
| 320 | Water treatment equipment | \$ 140 | \$ 5,117 | \$ 140 | | | \$ 5,257 |
| 330 | Distribution reservoirs & standpipes | \$ 53,241 | \$ 1,300,947 | \$ 53,241 | | | \$ 1,354,188 |
| 331 | Transmission & distribution mains | \$ 2,993 | \$ 72,615 | \$ 2,993 | | | \$ 75,608 |
| 333 | Services | | | \$ - | | | \$ - |
| 334 | Meters & meter installations | \$ 64,266 | \$ 525,038 | \$ 64,266 | | | \$ 589,304 |
| 335 | Hydrants | \$ 3,539 | \$ 14,561 | \$ 3,539 | | | \$ 18,100 |
| 336 | Backflow prevention devices (utility owned) | \$ 4 | \$ 66 | \$ 4 | | | \$ 70 |
| 339 | Other plant & miscellaneous equipment | \$ 16,135 | \$ 41,997 | \$ 16,135 | | | \$ 58,132 |
| 340 | Office furniture & equipment | \$ 93 | \$ 2,101 | \$ 93 | | | \$ 2,194 |
| 341 | Transportation equipment | \$ 16,707 | \$ 357,234 | \$ 16,707 | \$ 24,431 | | \$ 349,510 |
| 343 | Tools, shop & garage equipment | \$ 10,698 | \$ 180,789 | \$ 10,698 | | | \$ 191,487 |
| 344 | Laboratory equipment | | | \$ - | | | \$ - |
| 345 | Power operated equipment | \$ 54 | \$ 2,045 | \$ 54 | | | \$ 2,099 |
| 346 | Communication equip | \$ 1,582 | \$ 135,188 | \$ 1,582 | | | \$ 136,770 |
| 347 | Electronic & computer Equipment | \$ 18,445 | \$ 449,577 | \$ 18,445 | | | \$ 468,022 |
| 348 | Miscellaneous Equipment | \$ 11,551 | \$ 59,295 | \$ 11,551 | | | \$ 70,846 |
| | TOTAL | \$ 266,234 | \$ 4,012,053 | \$ 266,234 | \$ 24,431 | \$ - | \$ 4,253,856 |

*Explanation of any adjustments made:

| |
|--|
| |
|--|

Retained Earnings

Sunriver Water LLC

| | | | |
|-----|--|----|-----------|
| 215 | Unappropriated Retained Earnings (beginning of year balance) | \$ | (202,086) |
| 435 | Balance transferred from income | \$ | 94,036 |
| 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) | \$ | (108,050) |

Explanation of any adjustments made to Retained Earnings

| |
|--|
| |
|--|

Other Accounts

Sunriver Water LLC

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

Category Act # Act Name

ASSETS AND OTHER DEBITS (101-190)

Utility Plant

| | | |
|-----|---|--------------|
| 101 | Utility Plant in Service | \$ 6,862,225 |
| 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 | \$ 4,253,856 |
| 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 | \$ (728) |
| 132 | Special Deposits | |
| 134 | Working Funds | |
| 135 | Temporary Cash Investments | |
| 141 | Customer Accounts Receivable | |
| 142 | Other Accounts Receivable | |
| 143 | Allowance for Uncollectible Accounts (Enter positive) | |
| 144 | Notes Receivable | |
| 145 | Accounts Receivable from Associated Companies | \$ 54,323 |
| 146 | Notes Receivable from Associated Companies | |
| 151 | Plant Materials and Supplies | \$ 38,676 |
| 162 | Prepayments | \$ 43,059 |
| 171 | Accrued Interest Receivable | |
| 174 | Miscellaneous Current and Accrued Assets | |

Deferred Debits

| | | |
|-----|---------------------------------------|--|
| 181 | Unamortized Debt Discount and Expense | |
| 182 | Extraordinary Property Losses | |
| 186 | Miscellaneous Deferred Debits | |
| 190 | Accumulated Deferred Income Taxes | |

EQUITY, LIABILITIES, AND OTHER CREDITS (201-283)

Equity

| | | |
|-----|----------------------------------|--------------|
| 201 | Common Stock Issued | \$ - |
| 204 | Preferred Stock Issued | \$ - |
| 207 | Premium on Capital Stock | |
| 211 | Paid in Capital | \$ 3,320,708 |
| 212 | Discount on Capital Stock | |
| 213 | Capital Stock Expense | |
| 214 | Appropriated Retained Earnings | |
| 215 | Unappropriated Retained Earnings | \$ (108,050) |
| 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 | \$ 54,239 |
| 232 | Notes Payable | |
| 233 | Accounts Payable to Associated Companies | \$ 31,843 |
| 234 | Notes Payable to Associated Companies | |
| 235 | Customer Deposits | |
| 236 | Accrued Taxes | |
| 237 | Accrued Interest | |
| 238 | Accrued Dividends | |
| 239 | Matured Long-Term Debt | |
| 240 | Matured Interest | |
| 241 | Miscellaneous Current and Accrued Liabilities | |

Deferred Credits

| | | |
|-----|-----------------------------|------|
| 251 | Unamortized Premium on Debt | |
| 252 | Advances for Construction | \$ - |
| 253 | Other Deferred Credits | |

Operating Reserves

| | | |
|-----|----------------------------------|--|
| 261 | Property Insurance Reserve | |
| 262 | Injuries and Damages Reserve | |
| 263 | Pensions and Benefits Reserve | |
| 265 | Miscellaneous Operating Reserves | |

Contributions in Aid of Construction

| | | |
|-----|--------------------------------------|----------------|
| 271 | Contributions in Aid of Construction | \$ (2,134,765) |
| 272 | Accumulated Amortization of CIAC | \$ (1,579,727) |

Accumulated Deferred Income Taxes

| | | |
|-----|--|--|
| 281 | Accumulated Deferred Income Taxes - Accelerated Depreciation | |
| 282 | Accumulated Deferred Income Taxes - Liberalized Depreciation | |
| 283 | Accumulated Deferred Income Taxes - Other | |

WATER UTILITY PLANT ACCOUNTS (301-348)

| | | |
|-----|---|--------------|
| 301 | Organization | \$ - |
| 302 | Franchises | \$ - |
| 303 | Land and Land Rights | \$ 264,702 |
| 304 | Structures and Improvements | \$ 110,007 |
| 305 | Collecting and Impounding Reservoirs | \$ 14,913 |
| 306 | Lakes, River and Other Intakes | \$ - |
| 307 | Wells and Springs | \$ 1,211,249 |
| 308 | Infiltration Galleries and Tunnels | \$ - |
| 309 | Supply Mains | \$ 3,773 |
| 310 | Power Generation Equipment | \$ 200,788 |
| 311 | Pumping Equipment | \$ 138,789 |
| 320 | Water Treatment Equipment | \$ 7,010 |
| 330 | Distribution Reservoirs and Standpipes | \$ 2,471,389 |
| 331 | Transmission and Distribution Mains | \$ 99,447 |
| 333 | Services | \$ - |
| 334 | Meters and Meter Installations | \$ 905,172 |
| 335 | Hydrants | \$ 22,290 |
| 336 | Backflow Prevention Devices | \$ 94 |
| 339 | Other Plant and Miscellaneous Equipment | \$ 80,569 |
| 340 | Office Furniture and Equipment | \$ 2,984 |
| 341 | Transportation Equipment | \$ 384,440 |
| 343 | Tools, Shop and Garage Equipment | \$ 213,623 |
| 344 | Laboratory Equipment | \$ - |

| | | |
|-----|---------------------------------|------------|
| 345 | Power Operated Equipment | \$ 2,562 |
| 346 | Communication Equipment | \$ 138,081 |
| 347 | Computer & electronic Equipment | \$ 482,801 |
| 348 | Miscellaneous Equipment | \$ 107,540 |

INCOME ACCOUNTS (404-434)

Utility Operating Income

| | | |
|-----|--|--------------|
| 400 | Operating Revenue | \$ 1,740,180 |
| 401 | Operating Expenses | \$ 1,165,089 |
| 403 | Depreciation Expense | \$ 266,234 |
| 406 | Amortization of Utility Plant Acquisition Adjustment | |
| 407 | Amortization Expense (no CIAC) | |
| 408 | Taxes Other than Income | \$ 133,130 |
| 409 | Income Taxes | \$ - |
| 410 | Provision for Deferred Income Taxes - Debit | \$ - |
| 411 | Provision for Deferred Income Taxes - Credit | \$ - |
| 412 | Investment Tax Credit | |
| 413 | Income from Utility Plant Leased to Others | |
| 414 | Gain/Loss from Utility Property Sales | \$ 3,700 |
| 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 | \$ 94,036 |
| 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 | \$ 10,555 |
| 461 | 1 Metered Sales to Residential Customers | \$ 1,073,673 |
| 461 | 2 Metered Sales to Commercial Customers | \$ 167,215 |
| 461 | 3 Metered Sales to Industrial Customers | \$ - |
| 461 | 4 Metered Sales to Public Authorities | \$ - |
| 461 | 5 Metered Sales to Multiple Family Dwellings | \$ 53,057 |
| 462.1 | 1 Public Fire Protection | \$ - |
| 462.2 | 2 Private Fire Protection | \$ 8,356 |
| 464 | Other Sales to Public Authorities | \$ - |
| 465 | Sales to Irrigation Customers | \$ 374,654 |
| 466 | Sales for Resale | \$ - |
| 467 | Interdepartmental Sales | \$ - |
| 468 | Special Contract/Agreement Revenue | \$ - |
| 470 | Forfeited Discounts | \$ - |
| 471 | Miscellaneous Service Revenues | \$ 25,163 |
| 472 | Rents From Water Property | \$ - |
| 473 | Interdepartmental Rents | \$ - |
| 474 | Other Water Revenues | \$ - |
| 475 | Cross Connection Sales & Services Revenues | \$ 27,505 |

OPERATION AND MAINTENANCE EXPENSE ACCOUNTS (601-675)

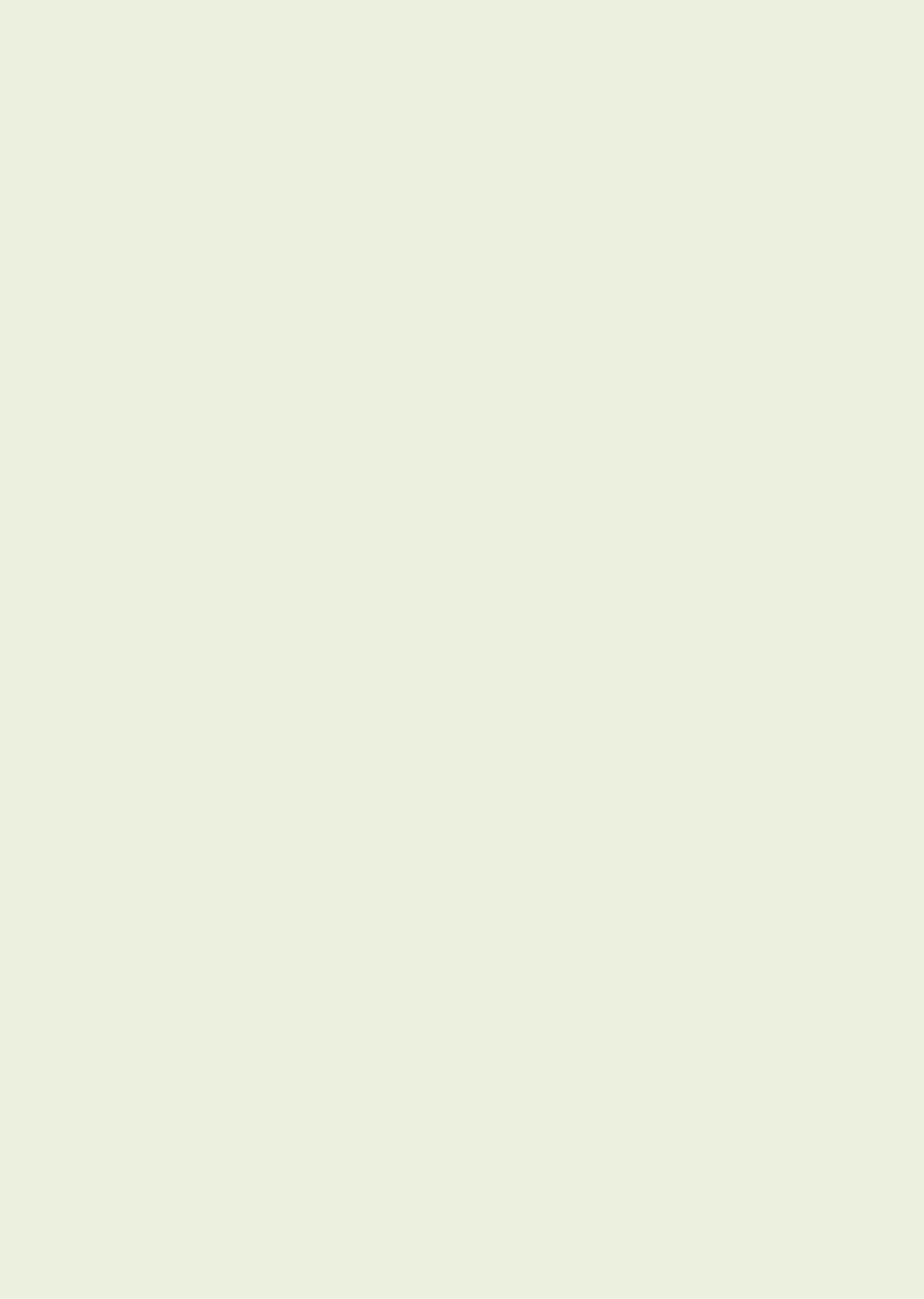
Source of Supply and Expenses

| | | |
|-------|--|------------|
| 601 | Salaries and Wages - Employees | \$ 487,647 |
| 603 | Salaries and Wages - Officers, Directors and Majority Stockholders | \$ - |
| 604 | Employee Pensions and Benefits | \$ 164,325 |
| 610 | Purchased Water | \$ - |
| 611 | Telephone/Communications | \$ - |
| 615 | Purchased Power | \$ 71,797 |
| 616 | Fuel for Power Production | \$ 105 |
| 617 | Utilities - Other | \$ 7,743 |
| 618 | Chemicals & testing | \$ - |
| 619 | Office Supplies (excluding postage) | \$ 2,568 |
| 619.1 | Postage | \$ 23,153 |
| 620 | Materials and Supplies | \$ 13,120 |
| 621 | Repairs to Water Plant | \$ 10,677 |
| 631 | Contractual Services - Engineering | \$ - |
| 632 | Contractual Services - Accounting | \$ - |
| 633 | Contractual Services - Legal | \$ 2,518 |
| 634 | Contractual Services - Management Fees | \$ 174,819 |
| 635 | Contractual Services - Testing/Sampling | \$ 396 |
| 636 | Contractual Services - Other | \$ - |
| 637 | Contractual Services - Billing/Collections | \$ 9,484 |
| 638 | Contractual Services - Meter Reading | \$ - |
| 639 | Contractual Services - Other | \$ 34,654 |
| 641 | Rental of Building/Real Property | \$ 45,960 |
| 642 | Rental of Equipment | \$ - |
| 643 | Small Tools | \$ 823 |
| 648 | Computer & Electronic Expenses | \$ 15,178 |
| 650 | Transportation Expenses | \$ 35,057 |
| 656 | Insurance - Vehicle | \$ - |
| 657 | Insurance - General Liability | \$ 25,947 |
| 658 | Insurance - Workman's Compensation | \$ 22,362 |
| 659 | Insurance - Other | \$ - |
| 660 | Public Relations / Advertising Expense | \$ - |
| 666 | Regulatory Commission Expense - Amortization of Rate Case Expense | \$ 3,125 |
| 667 | Regulatory Commission Expense - Other | \$ 4,623 |
| 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 | \$ 3,599 |
| 674 | Consumer Confidence Report | \$ - |
| 675 | Miscellaneous Expenses | \$ 5,409 |

Notes

Sunriver Water LLC

Notes and explanations:



Income Statement

Sunriver Water LLC

| | |
|---|--------------|
| 400 Operating Revenue | \$ 1,740,180 |
| 401 Operating Expenses | \$ 1,165,089 |
| 403 Depreciation Expense | \$ 351,625 |
| 406 Amortization of Utility Plant Acquisition Adjustment | \$ - |
| 407 Amortization Expense | \$ - |
| 408 Taxes Other Than Income Taxes (total) | \$ 133,130 |
| 409 Income Taxes | \$ - |
| 410.1 Provision for Deferred Income Taxes - debit | \$ - |
| 411.1 Provision for Deferred Income Taxes - credit | \$ - |
| 412 Investment Tax Credit | \$ - |
| 413 Income From Utility Plant Leased to Others | \$ - |
| 419 Interest & Dividend Income | \$ - |
| 427 Interest Expense | \$ - |
| 428-429 Amortization of Premium/Discount on Debt | \$ - |
| 414 Gains/Losses From Utility Property Disposition (net) | \$ 3,700 |
| 433-434 Extraordinary Income/deductions (net) | \$ - |
| NET UTILITY OPERATING INCOME | \$ 94,036 |
| 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 | \$ 94,036 |

Balance Sheet

Sunriver Water LLC

Please do not submit to PUC until figures are balanced.

| | | |
|---|----|-------------|
| 101 Utility Plant in Service (excluding CIAC) | \$ | 6,862,225 |
| 108-110 Accumulated Depreciation & Amortization | \$ | 4,253,856 |
| Subtotal | \$ | 2,608,368 |
| 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 | \$ | 2,608,368 |
| 131 Cash | \$ | (728) |
| 132 Special Deposits | \$ | - |
| 141-142 Accounts Receivable | \$ | - |
| 143 Accumulated Provision for Uncollectible Accounts | \$ | - |
| 144 Notes Receivable | \$ | - |
| 145-146 Accounts & Notes Receivable from Associated Companies | \$ | 54,323 |
| 151 Materials & Supplies Inventory | \$ | 38,676 |
| 133-135 & 162-174 Miscellaneous Current & Accrued Assets & Prepayments | \$ | 43,059 |
| Net Current & Accrued Assets | \$ | 135,330 |
| 181-186 Deferred Debits | \$ | - |
| Total Assets | \$ | 2,743,698 |
| 252 Advances for Construction | \$ | - |
| 271 CIAC | \$ | (2,134,765) |
| 272 Accumulated Amortization of CIAC | \$ | (1,579,727) |
| Net CIAC & Advances for Construction | \$ | (555,038) |
| 121 Nonutility Property | \$ | - |
| 122 Accumulated Depreciation & Amortization (Nonutility) | \$ | - |
| 123-127 Miscellaneous Nonutility Investments | \$ | - |
| Nonutility Plant & Investment | \$ | - |
| 221-224 Long-Term Debt | \$ | - |
| 231 Accounts Payable | \$ | 54,239 |
| 232 Notes Payable | \$ | - |
| 233 Accounts Payable to Affiliated Companies | \$ | 31,843 |
| 234 Notes Payable to Affiliated companies | \$ | - |
| 235 Customer Deposits | \$ | - |
| 236 Accrued Taxes | \$ | - |
| 237 Accrued Interest | \$ | - |
| 238-241 Miscellaneous Current and Accrued Liabilities | \$ | - |
| Liabilities | \$ | 86,082 |
| 251 Premium on Unamortized Debt | \$ | - |
| 253 Other Deferred Credit | \$ | - |
| 261-265 Reserves | \$ | - |
| Other | \$ | - |
| 281 Accumulated Deferred Income Taxes-Accelerated Amortization | \$ | - |
| 282 Accumulated Deferred Income Taxes-Liberalized Depreciation | \$ | - |
| 283 Accumulated Deferred Income Taxes-Other | \$ | - |
| Total Liabilities | \$ | 86,082 |
| 201 Common Stock Issued | \$ | - |
| 204 Preferred Stock Issued | \$ | - |
| 207 Premium on Capital Stock | \$ | - |
| 211 Other Paid in Capital | \$ | 3,320,708 |
| 212 Discount on Capital Stock | \$ | - |
| 213 Capital Stock Expense | \$ | - |
| 214 Appropriated Retained Earnings | \$ | - |
| 215 Unappropriated Retained Earnings | \$ | (108,050) |
| 216 Reacquired Capital Stock | \$ | - |
| 218 Proprietary Capital (Proprietorships & Partnerships Only) | \$ | - |
| Total Equity | \$ | 3,212,658 |
| Total Liabilities and Equity | \$ | 2,743,701 |

Stats

Sunriver Water LLC

Operating Revenues

| | | |
|-------------------------------------|----|------------------|
| Flat Rate | \$ | 10,555 |
| Metered - Residential | \$ | 1,126,730 |
| Metered - Commercial | \$ | 167,215 |
| Irrigation (including golf courses) | \$ | 374,654 |
| Fire Protection | \$ | 8,356 |
| Other Sales of Water | \$ | - |
| Other Operating Revenue | \$ | 52,668 |
| Total Operating Revenues | \$ | 1,740,180 |

Operating Expenses

| | | |
|---------------------------------|----|------------------|
| Purchased Water | \$ | - |
| Purchased Power | \$ | 71,797 |
| Water Treatment | \$ | 396 |
| Supplies and Expenses | \$ | 208,772 |
| Repairs of Plant | \$ | 10,677 |
| Administrative & General | \$ | 873,447 |
| Total Operating Expenses | \$ | 1,165,089 |

Other Revenue Deductions

| | | |
|--|----|------------------|
| Depreciation & Amortization | \$ | 351,625 |
| Operating Income Taxes | \$ | - |
| Other Operating Taxes | \$ | 133,130 |
| Uncollectible Revenue/Bad Debt Expense | \$ | - |
| Total Revenue Deductions | \$ | 484,755 |
| Total Expenses and Deductions | \$ | 1,649,844 |

| | | |
|---------------------------------------|----|---------------|
| Other Income | \$ | - |
| Interest on Long-Term Debt | | |
| Other Interest Charges | \$ | - |
| Other Income Deductions | \$ | - |
| Net Operating Income (or Loss) | \$ | 90,336 |

Assets & Other Debits

| | | |
|---|----|------------------|
| Utility Plant | \$ | 6,862,225 |
| Less: Depreciation & Amortization Reserve | \$ | 4,253,856 |
| Other Property & Investments | \$ | (728) |
| Materials and Supplies | \$ | 38,676 |
| Other Current & Accrued Assets | \$ | 97,382 |
| Deferred Debits | \$ | - |
| Total Assets & Other Debits | \$ | 2,743,698 |

Liabilities & Other Credits

| | | |
|--|----|------------------|
| Capital/Common Stock | \$ | 3,320,708 |
| Retained Earnings | \$ | (108,050) |
| Long-Term Debt | \$ | - |
| Customer Deposits | \$ | - |
| Other Current & Accrued Liabilities | \$ | 86,082 |
| Advances for Construction | \$ | - |
| Other Deferred Credits | \$ | - |
| Contributions in Aid of Construction | \$ | (555,038) |
| Accumulated Deferred Income Taxes | \$ | - |
| Total Liabilities & Other Credits | \$ | 2,743,701 |

Average Number of Customers

| | |
|-------------------------------------|--------------|
| Flat Rate | 40 |
| Metered - Residential | 4,374 |
| Metered - Commercial | 125 |
| Irrigation (including golf courses) | 114 |
| Fire Protection | 30 |
| Other | - |
| Total Customers | 4,683 |