

Lake Region Water & Sewer Company, Inc.

Company Full Certificated Name (Do not abbreviate and include any Commission approved
AKA/DBA/Fictitious Name, if applicable.)

WATER and/or SEWER ANNUAL REPORT

SMALL COMPANY

(Fewer than 8,000 customers)

TO THE

MISSOURI PUBLIC SERVICE COMMISSION

For the Calendar Year of

January 1 - December 31, 2010

Please select how the company is certificated with the Commission under the
Company Name as shown above (check all that apply):

☒ Water Service Provider

☒ Sewer Service Provider

Please choose one of the following filing options:

☒ **Public Submission** (NOT Highly Confidential)

☐ **Non-Public Submission** (Highly Confidential / Filed Under Seal)
For this filing to be considered Highly Confidential, additional submission of
materials is required pursuant to Commission rule 4 CSR 240-3.335 and/or 4 CSR
240-3.640, Section 392.210, RSMo., and/or Section 393.140, RSMo.

1

For the calendar year of January 1 - December 31, 20102 **Company Name:** Lake Region Water & Sewer Company, Inc.**Parent Company Name:** _____
(if applicable)3 **Company Street Address:** 62 Bittersweet Road4 **Company Mailing Address:** P.O. Box 95 **Company Phone Number:** 573-374-5850 **Company E-mail Address:** jrsummers@lakeozarks.com

Name, address, phone number and e-mail of person(s) to contact concerning information contained in this report:

| | | |
|----|---------------------------------|------------------|
| 6 | <u>John R Summers</u> | _____ |
| | Name | Name |
| 7 | <u>P.O. Box 9</u> | _____ |
| | Mailing Address | Mailing Address |
| 7a | <u>Street Address</u> | _____ |
| | Street Address | Street Address |
| 8 | <u>Lake Ozark MO 65049</u> | _____ |
| | City State Zip | City State Zip |
| 9 | <u>573-374-5850</u> | _____ |
| | Telephone Number | Telephone Number |
| 10 | <u>jrsummers@lakeozarks.com</u> | _____ |
| | E-mail Address | E-mail Address |

Name, address, phone number and e-mail address of person(s) to contact concerning plant operations:

| | | |
|-----|-------------------------------|------------------|
| 11 | <u>Josh Duncan</u> | _____ |
| | Name | Name |
| 12 | <u>P.O. Box 9</u> | _____ |
| | Mailing Address | Mailing Address |
| 12a | <u>Street Address</u> | _____ |
| | Street Address | Street Address |
| 13 | <u>Lake Ozark MO 65049</u> | _____ |
| | City State Zip | City State Zip |
| 14 | <u>573-374-5850</u> | _____ |
| | Telephone Number | Telephone Number |
| 15 | <u>jduncanpwsd4@gmail.com</u> | _____ |
| | E-mail Address | E-mail Address |

Please provide the total company and gross intrastate operating revenues (i.e. Missouri Jurisdictional) Revenues
for the Calendar Year: 2010**Water Revenues**

16 Operating Revenues from Tariffed Services

17 Other Revenues

18 **TOTAL REVENUES**

| ** | MO Jurisdictional | ** | ** | Total Company | ** |
|----|-------------------|----|----|---------------|----|
| | \$ 193,878 | | | \$ 193,878 | |
| | \$ 1,793 | | | \$ 1,793 | |
| | \$ 195,671 | | | \$ 195,671 | |

MO Jurisdictional should match Statement of Revenue (MoPSC Assessment).

Sewer Revenues

19 Operating Revenues from Tariffed Services

20 Other Revenues

21 **TOTAL REVENUES**

| ** | MO Jurisdictional | ** | ** | Total Company | ** |
|----|-------------------|----|----|---------------|----|
| | \$ 658,014 | | | \$ 658,014 | |
| | \$ 351 | | | \$ 351 | |
| | \$ 658,365 | | | \$ 658,365 | |

MO Jurisdictional should match Statement of Revenue (MoPSC Assessment).

(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

CAPITAL STOCK (COMMON AND DEFERRED)

| Class and Series of Stock (a) | Number of Shares Authorized (b) | Par or Stated Value Per Share (c) | Number of Shares Issued (d) |
|----------------------------------|--|--|--------------------------------------|
| 3 Common | 150,000 | \$ 1.00 | 150,000 |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |

SECURITY HOLDERS AND VOTING POWERS

Report below the NAMES and ADDRESS of the ten stockholders who, at the end of the year, had the greatest voting powers in the respondent. AND STATE THE NUMBER OF VOTES each would have had a right to cast on that date. If any such holder held in trust, give the nature of the trust and the beneficial owner. Show also total votes of ALL securities with voting powers.

| Names and Addresses (a) | Number of Votes (b) |
|---|------------------------|
| 8 RPS Properties, 10777 Barkley, Suite 210, Overland Park, KS 66211 | 75,000 |
| 9 Sally Stump, 47203 HWY 118, Alpine, TX 79830 | 75,000 |
| 10 | |
| 11 | |
| 12 | |
| 13 | |
| 14 | |
| 15 | |

16 Total Number of Votes Held by Above

17 Total Number of Votes of all Securities with Voting Powers

Identify the principal or general officers of the company at the end of the year. Please include an additional sheet, if enough space is not provided on this page, to completely provide the requested information.

| | Title of General Officer | Name of Person Holding Office |
|----|--------------------------|-------------------------------|
| 18 | President | Vernon Stump |
| 19 | Secretary | Brian Schwermann |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |

Please check all of the following for which the company has filed / is current:

- 27 ☒ Secretary of State Requirements ☒ Federal Tax Return
- 28 ☒ Department of Natural Resources Permits ☒ State Tax Return

Please list your most recent rate increase request Case No. and effective date.

29 Case No.: R-2010-0110 & WR 2010-01

Effective Date: 6-Sep-10

(To be used when filing under seal.)

1 For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

Describe MAJOR transactions occurring during the year which will have a major effect on operations, such as rate changes, replacement of equipment and other abnormal cash expenditures of \$250 or more.

3 Rate Increase Per August 18, 2010 Order in Cases SR-2010-0110 & WR-2010-0111

4 Water: 15.1%

5 Shawnee Bend Sewer: 64.8%

6 Horseshoe Bend Sewer: 15.1%

7

8 Well Repairs \$599.66

9 Lift Station Repairs \$16,900.41

10 Pump Repair \$1,171.67

11 Rate Case \$61,643.52

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2 Company Name: Lake Region Water & Sewer Company, Inc.

NOTE: Please do not type over formulas. Totals will calculate automatically in this spreadsheet.

BALANCE SHEET
WATER AND SEWER OPERATIONS
ASSETS

| Account Description (a) | Amount (b) |
|---|-----------------|
| 3 Water Plant In Service (From Pg. W-5) | \$ 4,079,786.00 |
| 4 LESS: Water Depreciation Reserve (From Pg. W-6) | \$ 696,122.00 |
| 5 Net Water Plant in Service (i.e., Water Plant In Service MINUS Water Depreciation Reserve) | \$ 3,383,664.00 |
| 6 Water Materials and Supplies (From Pg. 11) | \$ 15,164.00 |
| 7 Water Construction Work in Progress | \$ - |
| 8 Water Plant Held for Future Use * <i>See explanation page</i> | \$ 7,914.00 |
| 9 Water Plant Acquisition Adjustment | \$ - |
| 10 Sewer Plant in Service (From Pg. S-4) | \$ 6,308,662.00 |
| 11 LESS: Sewer Depreciation Reserve (From Pg. S-5) | \$ 2,144,941.00 |
| 12 Net Sewer Plant in Service (i.e., Sewer Plant in Service MINUS Sewer Depreciation Reserve) | \$ 4,163,721.00 |
| 13 Sewer Materials and Supplies (From Pg. 11) | \$ 9,340.00 |
| 14 Sewer Construction Work in Progress | \$ 21,695.00 |
| 15 Sewer Plant Held for Future Use * | \$ - |
| 16 Sewer Plant Acquisition Adjustment | \$ - |
| 17 Other Plant * | \$ - |
| 18 Cash | \$ 114,558.00 |
| 19 Other Assets (Accounts Receivable, etc.) * <i>See explanation page</i> | \$ 298,212.00 |
| 20 Total Assets** | \$ 8,014,268.00 |

* Please attach a detailed explanation for these items.

** Total Assets should balance with Total Equity and Liabilities on Page 5 (see instructions).
 Difference between Equity & Liabilities and Assets (from Pg 5)

(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

NOTE: Please do not type over formulas. Totals will calculate automatically in this spreadsheet.

BALANCE SHEET
WATER AND SEWER OPERATIONS
EQUITY AND LIABILITIES

| Account Description (a) | | Amount (b) | |
|--|----|------------------------|----|
| | ** | | ** |
| 3 Capital Stock | | \$ 3,207,068.00 | |
| 4 Retained Earnings | | \$ (1,462,801.00) | |
| 5 Long-Term Debt to Affiliates (owners, other owner controlled companies, etc.) | | \$ - | |
| 6 Short-Term Debt to Affiliates (owners, other owner controlled companies, etc.) | | \$ 361,109.00 | |
| 7 Long-Term Debt (banks, etc.) | | \$ 24,208.00 | |
| 8 Short-Term Debt (banks, etc.) | | \$ - | |
| 9 Water Customer Deposits | | \$ - | |
| 10 Water Advances for Construction | | \$ 411,375.00 | |
| 11 Water CIAC (From Pg. 9) | | \$ 2,780,762.00 | |
| 12 LESS: Water Amortization of CIAC (From Pg. 9) | | \$ 452,425.00 | |
| 13 Net Water CIAC (i.e., Water CIAC MINUS Water Amortization of CIAC) | | \$ 2,328,337.00 | |
| 14 Sewer Customer Deposits | | \$ - | |
| 15 Sewer Advances for Construction | | \$ - | |
| 16 Sewer CIAC (From Pg. 9) | | \$ 3,665,954.00 | |
| 17 LESS: Sewer Amortization of CIAC (From Pg. 9) | | \$ 588,135.00 | |
| 18 Net Sewer CIAC (i.e., Sewer CIAC MINUS Sewer Amortization of CIAC) | | \$ 3,077,819.00 | |
| 19 Deferred Taxes - ITC | | \$ (99,171.00) | |
| 20 Deferred Taxes - Other * | | \$ - | |
| 21 Other Liabilities (Accounts Payable, etc.) * <i>See explanation page</i> | | \$ 166,324.00 | |
| 22 Total Equity and Liabilities** | | \$ 8,014,268.00 | |

* Please attach a detailed explanation for these items.

** Total Equity and Liabilities should balance with Total Assets on Page 4 (see instructions).

Difference between Equity & Liabilities and Assets (from Pg 4)

(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

SCHEDULE OF UNCOLLECTIBLE ACCOUNTS

| Account No. (a) | Describe customer account and methods used to attempt collection. Also, state why account is deemed uncollectible (bankruptcy, etc.) (b) | | Amount Written Off | | |
|-----------------------|---|--|-------------------------|-------------------------|--|
| | | | Water Utility (c) | Sewer Utility (d) | |
| 3 GP010119 | Properties at the Lake | | \$ 169.48 | | |
| 4 GP010098 | Don Stone | | \$ 290.62 | | |
| 5 CCE20089 | Cindy Byrd | | \$ 317.58 | | |
| 6 | Water & Sewer Supply | | \$ 1,700.00 | | |
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| 30 | | | | | |
| 31 | Total | | \$ 2,477.68 | | |
| | | | (Total to Pg. W-1) | (Total to Pg. S-1) | |

(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

PAYROLL INFORMATION

INSTRUCTIONS: Please provide names, titles and salaries for all officers and employees. Show total compensation paid to each during the year. Include all amounts including bonuses and other allowances. Enter "0" or none where applicable. Provide explanations where necessary. Use additional sheets if necessary.

| Name and Title (a) | Payroll Charged To: | | | | Capitalized Payroll (e) |
|-------------------------------------|--------------------------------------|-------------------------|-------------------------|---------------------|-------------------------------|
| | Total Utility Compensation (b) | Water Expense (c) | Sewer Expense (d) | | |
| 3 Vernon Stump, President (Aug-Dec) | \$ - | \$ - | \$ - | | - |
| 4 Brian Schwermann, Secretary | \$ - | \$ - | \$ - | | - |
| 5 | | | | | |
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| 18 | | | | | |
| 19 | | | | | |
| Total | | | | (Total to Page S-1) | |
| | | | | (Total to Page W-1) | |

(To be used when filing under seal.)

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

INSTRUCTIONS: Report below all information concerning rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, public relations, or other similar professional services rendered the respondent under written or verbal arrangements, for which total payments during the year to any corporation, partnership, individual (other than for services as an employee) or organization of any kind whatsoever. Use additional sheets if necessary.

| Name of Recipient and Description of Service (a) | | Amount of Payments: | | | |
|---|--|---------------------|--------------------|---------------------|--------------------|
| | | Water | | Sewer | |
| | | Expensed (b) | Capitalized (c) | Expensed (d) | Capitalized (e) |
| 3 | Beck and Company, LC Accounting Services | \$ 3,522.00 | \$ - | \$ 10,278.00 | \$ - |
| 4 | Newman Comley & Ruth, Legal Services | \$ 3,767.00 | \$ - | \$ 1,884.00 | \$ - |
| 5 | Payne & Jones, Legal Services | \$ 689.00 | \$ - | \$ 715.00 | \$ - |
| 6 | A & W Concrete, LLC Construction of lift station basin | \$ - | \$ - | \$ - | \$ 15,500.00 |
| 7 | Allied Waste Services, sanitation services | \$ 183.00 | \$ - | \$ 535.00 | \$ - |
| 8 | Cooper Siteworks, site work on lift station | \$ - | \$ - | \$ - | \$ 8,390.00 |
| 9 | Krehbiel Engineering, Engineering sewer project | \$ - | \$ - | \$ - | \$ 7,410.00 |
| 10 | Lake Utility Availability, Management Fees | \$ 67,500.00 | \$ - | \$ 197,000.00 | \$ - |
| 11 | Missouri One Call System, Inc. | \$ 108.00 | \$ - | \$ 314.00 | \$ - |
| 12 | Mullenberg Excavating, sewer projet | \$ - | \$ - | \$ - | \$ 2,400.00 |
| 13 | Pohl & Pohl, PC Legal Services | \$ - | \$ - | \$ 245.00 | \$ 595.00 |
| 14 | Camden County PWSD4, Contract Operations | \$ 48,866.00 | \$ 3,150.00 | \$ 39,510.00 | \$ 111,592.00 |
| 15 | | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | Total | \$ 124,635.00 | \$ 3,150.00 | \$ 250,481.00 | \$ 145,887.00 |
| | | (Total to Page W-1) | | (Total to Page S-1) | |

(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

CONTRIBUTIONS IN AID OF CONSTRUCTION

INSTRUCTIONS: This account shall include donations or contributions in cash, services, or property for construction purposes. The records s account shall be so kept that the utility can furnish information as to the purpose of each donation, the conditions, if any, upon which it was and the amount applicable to each utility department. The credits (deductions) to this account shall not be transferred to any other account Commission.

| (a) | Water (b) | Sewer (c) |
|--|------------------|------------------|
| 3 Balance at Beginning of Year | \$ 2,770,452 | \$ 3,662,434 |
| 4 PLUS: Additions During the Year (Please provide a detailed explanation.) | | |
| 5 New Services | \$ 10,310 | \$ 2,520 |
| 6 | | |
| 7 | | |
| 8 | | |
| 10 Total Additions | \$ 10,310 | \$ 2,520 |
| 11 LESS: Deductions During the Year (Please provide a detailed explanation.) | | |
| 12 | | |
| 13 | | |
| 14 Retire and cap off service connection, but no connection fee money returned = no entry here | | |
| 15 | | |
| 16 Total Deductions | \$ - | \$ - |
| 17 Balance at End of Year | \$ 2,780,762 | \$ 3,665,954 |
| | (Total to Pg. 5) | (Total to Pg. 5) |

AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION

(Please identify as Account Number 271A)

Distribution Method

| (a) | Water (b) | Sewer (c) |
|--|------------------|------------------|
| 18 Balance at First of Year (Total of Amortization not Total of CIAC line 3) | \$ 369,912 | \$ 514,841 |
| 19 Total Contributions in Aid at End of Year (see above) | \$ 2,780,762 | \$ 3,665,954 |
| 20 Total Plant in Service at End of Year (From Page W-5 or S-4) | \$ 4,079,786 | \$ 6,308,662 |
| 21 Percentage Contributions to Plant | \$ 1 | \$ 1 |
| 22 Total Depreciation Expense (From Page W-6 or S-5) | \$ 89,279 | \$ 235,325 |
| 23 Total Amortization of Contributions | \$ 55,513 | \$ 73,294 |
| 24 Balance at End of Year | \$ 452,425 | \$ 588,135 |
| | (Total to Pg. 5) | (Total to Pg. 5) |

OR**Attached Method**

| (a) | Water (b) | Sewer (c) |
|--|------------------|------------------|
| 25 Balance at First of Year (Total of Amortization not Total of CIAC line 3) | | |
| 26 Total Amortization of Contributions | | |
| 27 Balance at End of Year | | |
| | (Total to Pg. 5) | (Total to Pg. 5) |

(To be used when filing under seal.)

2 Company Name Lake Region Water & Sewer Company, Inc.

INTEREST EXPENSE, NOTES PAYABLE, BONDS, BANK LOANS AND OTHER DEBTS

INSTRUCTIONS: Please report information for each separate item of debt. Show principal amount to which each interest rate applies. Include all items on which interest was paid during the year. Use additional sheets if necessary.

| Description of Obligation (Include Name and Address of Each Lender) (a) | Origination Date (b) | Frequency of Payments (Semi-Monthly, Monthly, Quarterly, Annually, etc.) (c) | Date of Maturity (d) | Loan Amount (e) | Interest Rate (f) | Is Interest Rate Fixed or Variable? (g) | Paid (h) | Interest Charged To: | |
|--|----------------------------|--|----------------------------|-----------------------|-------------------------|---|--------------|-------------------------|-------------------------|
| | | | | | | | | Water Utility (i) | Sewer Utility (j) |
| Central Bank of Lake of the Ozarks (Pump Truck) | 6/10/08 | Monthly | 5/19/13 | \$ 30,152 | 6.00% | V | \$ 6,075.00 | \$ 287 | \$ 837 |
| Central Bank of Lake of the Ozarks (Pickup) | 11/18/08 | Monthly | 9/17/12 | \$ 18,332 | 6.00% | V | \$ 4,700.00 | \$ 179 | \$ 522 |
| Address: P.O. Box 207, Osage Beach, MO 65065 | | | | | | | | | |
| Note: Interest rates on both notes are variable tied to the prime rate. Minimum rate on both notes is 6%. | | | | | | | | | |
| Total | | | | \$ 48,484.00 | | | \$ 10,775.00 | \$ 466 | \$ 1,359 |
| | | | | | | | | (Total to Pg. W-1) | (Total to Pg. S-1) |

19. If the answer to column (g) is variable, please explain the method used for the interest rate calculation below with corresponding line number from above.

(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 20102 Company Name: Lake Region Water & Sewer Company, Inc.**SCHEDULE OF MATERIALS AND SUPPLIES AVAILABLE AT THE END OF THE YEAR**

| Description of Items (Pipe, Meters, Fittings, Valves, Gas, etc.) (a) | Water | | Sewer | |
|--|-----------------|------------------|-----------------|------------------|
| | Quantity (b) | Amount (c) | Quantity (d) | Amount (e) |
| 3 Gate Valves | 3 | \$ 1,319 | 3 | \$ 1,024 |
| 4 Wyes | 42 | \$ 2,730 | | \$ - |
| 5 Elbows | 24 | \$ 726 | 21 | \$ 406 |
| 6 Pipe | 197 | \$ 427 | 348 | \$ 1,231 |
| 7 Meters | 6 | \$ 6,224 | | \$ - |
| 8 Air Release | | \$ - | 2 | \$ 1,740 |
| 9 Hymax Couplings | 4 | \$ 668 | 4 | \$ 668 |
| 10 Repair Bands | 2 | \$ 140 | 5 | \$ 419 |
| 11 Other | | \$ 2,930 | | \$ 3,852 |
| 12 | | | | |
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| 24 | | | | |
| 25 Total | | \$ 15,164 | | \$ 9,340 |
| | | (Total to Pg. 4) | | (Total to Pg. 4) |

(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

WATER OPERATING REVENUES, EXPENSES AND STATISTICS

| (a) | Amount (b) |
|--|---------------|
| 3 Total Operating Revenues (From Page W-2) | \$ 195,671 |
| <u>Operating Expenses</u> | |
| 4 Salaries & Wages (From Page 7) | \$ - |
| 5 Employee Pensions and Benefits | \$ - |
| 6 Purchased Water | \$ - |
| 7 Plant Operations Expenses (From Page W-3) | \$ 23,775 |
| 8 Billing Expenses | \$ 891 |
| 9 Supplies and Expenses | \$ 3,533 |
| 10 Transportation Expenses | \$ 8,056 |
| 11 Rent Expense * <i>See explanation page</i> | \$ 4,781 |
| 12 Insurance Expense | \$ 5,188 |
| 13 Outside Services Employed (i.e., Legal, Accounting, etc.) (From Page 8) | \$ 124,635 |
| 14 Regulatory Commission Expenses | \$ 1,373 |
| 15 Uncollectible Expenses (From Page 6) | \$ 2,478 |
| 16 Depreciation Expense (From Page W-6) | \$ 89,279 |
| 17 Amortization of Contributions in Aid of Construction (Page 9) | \$ (55,513) |
| 18 Amortization Expense | \$ 80 |
| 19 Tax Expenses (From Page W-3) | \$ (4,610) |
| 20 Interest Expense (From Page 10) | \$ 466 |
| 21 Other Expenses * <i>See explanation page</i> | \$ 18,091 |
| 22 Total Operating Expenses | \$ 222,503 |
| 23 Net Income (Loss) | \$ (26,832) |

* Please attach a detailed explanation for these items.

(To be used when filing under seal.)

WATER OPERATING REVENUES, EXPENSES AND STATISTICS (Continued)

(Please indicate if metered amounts are in cubic feet measurements.)

| | | No. of Customers | | Gallons Sold 000's Omitted (d) | Revenue Amount (e) |
|---------------------------------|--|--------------------------|--------------------|--------------------------------------|-----------------------|
| | | Beginning of Year (b) | End of Year (c) | | |
| (a) | | | | | |
| <u>Unmetered Sales of Water</u> | | | | | |
| 3 | Residential - Single Family | | | XXXX | |
| 4 | Residential - Apartments | | | XXXX | |
| 5 | Residential - Mobile Homes | | | XXXX | |
| 6 | Commercial | | | XXXX | |
| 7 | Other Sales to Public Authorities | | | XXXX | |
| 8 | Other * | | | XXXX | |
| 9 | Total Unmetered Sales | | | | |
| <u>Metered Sales of Water</u> | | | | | |
| 10 | 5/8" Meter | 574 | 578 | 46,312 | \$ 136,467 |
| 11 | 3/4" Meter | - | - | - | \$ - |
| 12 | 1" Meter | 21 | 22 | 1,795 | \$ 7,963 |
| 13 | 1 1/2" Meter | 24 | 25 | 3,597 | \$ 16,274 |
| 14 | 2" Meter | 14 | 15 | 4,211 | \$ 15,989 |
| 15 | Other * | 4 | 4 | 2,770 | \$ 11,205 |
| 16 | Total Metered Sales | 637 | 644 | 58,685 | \$ 187,898 |
| <u>Other Operating Revenues</u> | | | | | |
| 17 | Late Payment Fees | | | | \$ 5,980 |
| 18 | Inspection Fees | | | | |
| 19 | Reconnect Fees | | | | |
| 20 | Rent Income | | | | |
| 21 | Income from Merchandising, Jobbing & Contract Work * | | | | |
| 22 | Other Revenue * <i>See explanation page</i> | | | | \$ 1,793 |
| 23 | Total Other Operating Revenues | | | | \$ 7,773 |
| 24 | Total Operating Revenues | | | | \$ 195,671 |
| (Total to Pg. W-1) | | | | | |

* Please attach a detailed explanation for these items.

(To be used when filing under seal.)

For the calendar year of January 1 - December 31, 2010

Company Name: Lake Region Water & Sewer Company, Inc.

WATER OPERATING REVENUES, EXPENSES AND STATISTICS (Continued)

| (a) | Amount (b) |
|--|---------------------|
| <u>Plant Operations Expenses</u> | |
| 3 Repairs of Water Plant - Pump Repair | \$ - |
| 4 Repairs of Water Plant - Well Repair | \$ 1,456 |
| 5 Repairs of Water Plant - Water Line Repair | \$ 3,621 |
| 6 Repairs of Water Plant - Equipment Repair | \$ - |
| 7 Repairs of Water Plant - Other * | \$ - |
| 8 Fuel or Power Purchases for Pumping (i.e., Electric Bills, etc.) | \$ 12,861 |
| 9 Chemicals | \$ 3,158 |
| 10 Water Testing Expenses | \$ 2,679 |
| 11 Total Plant Operations Expenses | \$ 23,775 |
| | (Total to Page W-1) |
| <u>Tax Expenses</u> | |
| 12 Tax Expense - Property Taxes | \$ 845 |
| 13 Tax Expense - Payroll Taxes | \$ - |
| 14 Tax Expense - Franchise Taxes | \$ - |
| 15 Tax Expense - Other Taxes * | \$ 105 |
| 16 Tax Expense - Federal Income Taxes <i>See explanation page</i> | \$ (5,560) |
| 17 Tax Expense - State Income Taxes | \$ - |
| 18 Tax Expense - Investment Tax Credits | \$ - |
| 19 Total Tax Expenses | \$ (4,610) |
| | (Total to Page W-1) |

* Please attach a detailed explanation for these items.

(To be used when filing under seal.)

2 Company Name: Lake Region Water & Sewer Company, Inc.

PUMPING AND PURCHASED WATER STATISTICS
(Omit 000's in reporting number of gallons or cubic feet of water. Use additional sheets if necessary.)

| | Gallons Pumped Into System | Source of Supply (Please describe source below.) | | | | Total of all Methods (a+b+c+d=e) (e) |
|----|----------------------------|---|--------|-----|-----|--|
| | | Measurements in Gallons | | | | |
| | | | | | | |
| | | (a) | (b) | (c) | (d) | |
| 8 | January | 3,122 | 446 | | | 3,568 |
| 9 | February | 2,569 | 521 | | | 3,090 |
| 10 | March | 2,882 | 521 | | | 3,403 |
| 11 | April | 4,200 | - | | | 4,200 |
| 12 | May | 5,661 | 38 | | | 5,699 |
| 13 | June | 6,602 | 8 | | | 6,610 |
| 14 | July | 8,078 | 1,158 | | | 9,236 |
| 15 | August | 1,929 | 7,158 | | | 9,087 |
| 16 | September | 3,580 | 2,973 | | | 6,553 |
| 17 | October | 1,999 | 2,723 | | | 4,722 |
| 18 | November | 1,358 | 784 | | | 2,142 |
| 19 | December | 835 | 1,301 | | | 2,136 |
| 20 | Total for Year | 42,815 | 17,631 | | | 60,446 |

(Please indicate whether measurement is gallons or cubic feet.)

Minimum: 12

683

21 Maximum Quantity Supplied to the System in Any One Day:

40-45

22 Range of Pressure in the Mains as Measured at the Highest Point on System:

| If Water is Sold to Other Utilities for Resale, List Names, Addresses, Phone Numbers and Quantities Below: | | |
|--|---------|--------------|
| Name of Reseller | Address | Phone Number |
| 23 N/A | | |
| 24 | | |
| 25 | | |
| 26 | | |

(To be used when filing under seal.)

2 Company Name: Lake Region Water & Sewer Company, Inc.**WATER UTILITY PLANT IN SERVICE**

| Account Description (a) | Acct. No. (b) | Balance at Beginning of Year (c) | Additions During the Year (d) | Retirements During the Year (e) | Balance at End of Year (c+d-e) (f) |
|--|---------------------|--|-------------------------------------|---------------------------------------|---|
| <u>Intangible Plant</u> | Class B, C or D | | | | |
| 3 Organization | 301 | \$ 39,968 | | | \$ 39,968 |
| 4 Franchise and Consents | 302 | | | | |
| 5 Miscellaneous Intangible Plant | 303 | | | | |
| <u>Source of Supply Plant</u> | | | | | |
| 6 Land and Land Rights | 310 | \$ 427 | | | \$ 427 |
| 7 Structures and Improvements | 311 | \$ 20,515 | | | \$ 20,515 |
| 8 Collecting and Impounding Reservoirs | 312 | | | | |
| 9 Lake, River, and Other Intakes | 313 | | | | |
| 10 Wells and Springs | 314 | \$ 484,431 | \$ 2,000 | | \$ 486,431 |
| 11 Infiltration Galleries and Tunnels | 315 | | | | |
| 12 Supply Mains | 316 | | | | |
| 13 Other Water Source Plant * | 317 | | | | |
| <u>Pumping Plant</u> | | | | | |
| 14 Land and Land Rights | 320 | | | | |
| 15 Structures and Improvements | 321 | | | | |
| 16 Boiler Plant Equipment | 322 | | | | |
| 17 Other Power Production Equipment * | 323 | | | | |
| 18 Submersible Electric Pumping | 325.1 | \$ 11,793 | | | \$ 11,793 |
| 19 High Service or Booster Pumps | 325.2 | | | | |
| 20 Diesel Pumping Equipment | 326 | | | | |
| 21 Hydraulic Pumping Equipment | 327 | | | | |
| 22 Other Pumping Equipment * | 328 | | | | |
| <u>Water Treatment Plant</u> | | | | | |
| 23 Land and Land Rights | 330 | | | | |
| 24 Structures and Improvements | 331 | \$ 12,799 | | | \$ 12,799 |
| 25 Water Treatment Equipment | 332 | \$ 16,564 | | | \$ 16,564 |
| <u>Transmission and Distribution Plant</u> | | | | | |
| 26 Land and Land Rights | 340 | | | | |
| 27 Structures and Improvements | 341 | | | | |
| 28 Distribution Reservoirs and Standpipes | 342 | | | | |
| 29 Transmission and Distribution Mains | 343 | \$ 3,054,094 | \$ 17,775 | | \$ 3,071,869 |
| 30 Fire Mains | 344 | | | | |
| 31 Services | 345 | \$ 267,661 | \$ 3,827 | | \$ 271,489 |
| 32 Meters | 346 | \$ 94,277 | \$ 1,127 | | \$ 95,404 |
| 33 Meter Installations | 347 | \$ 33,161 | | | \$ 33,161 |
| 34 Hydrants | 348 | | | | |
| 35 Other Transmission and Distribution Plant | 349 | | | | |
| <u>General Plant</u> | | | | | |
| Note: USOA CLASS B and C are the same | | B & C | D | | |
| 36 Land and Land Rights | 389 | 370 | | | |
| 37 Structures and Improvements | 390 | 371 | | | |
| 38 Office Furniture and Equipment | 391 | 372 | \$ 4,511 | | \$ 4,511 |
| 39 Office Computer and Electronic Equipment | 391.1 | 372.1 | \$ 3,924 | | \$ 3,924 |
| 40 Transportation Equipment | 392 | 373 | \$ 7,739 | | \$ 7,739 |
| 41 Other General Equipment | none | 379 | | | |
| 42 Stores Equipment | 393 | none | | | |
| 43 Tools, Shop and Garage Equipment | 394 | none | \$ 2,603 | \$ 589 | \$ 3,192 |
| 44 Laboratory Equipment | 395 | none | | | |
| 45 Power-operated Equipment | 396 | none | | | |
| 46 Communication Equipment | 397 | none | | | |
| 47 Miscellaneous Equipment | 398 | none | | | |
| 48 Other Tangible Property * | 399 | none | | | |
| 49 Total Water Utility Plant In Service | | \$ 4,054,467 | \$ 25,318 | | \$ 4,079,786 |
| | | | | | (Total to Pages 4 and 9) |

* Please attach a detailed explanation for these items.

NOTE: All entries should be supported by records that identify the property being added or retired, its location, and its original cost in as much detail as reasonably possible. If adjustments are included in Columns "d" and/or "e", use additional sheets.

(To be used when filing under seal.)

Company Name: Lake Region Water & Sewer Company, Inc.**DEPRECIATION RESERVE - WATER UTILITY PLANT**

| Acct. No. (b) | Annual Depreciation Rate % (g)*** | Annual Depreciation Expense (fg) (h) | Reserve Balance at Beginning of Year (i) | Retirement of Property | | | Other Charges (m)** | Reserve Balance at END of Year (h+i-j-k+l+m) (n) |
|----------------------------|-----------------------------------|--------------------------------------|--|--------------------------------|-----------------------|----------------------|---------------------|--|
| | | | | Book Cost of Plant Retired (j) | Cost of Removal (k) * | Salvage Credit (l) * | | |
| Class B, C or D | | | | | | | | |
| 301 | 5.00% | \$ 2,623 | \$ 15,118 | | | | | \$ 17,741 |
| 302 | | | | | | | | |
| 303 | | | | | | | | |
| 310 | | | | | | | | |
| 311 | 2.50% | \$ 513 | \$ 5,642 | | | | | \$ 6,155 |
| 312 | | | | | | | | |
| 313 | | | | | | | | |
| 314 | 2.00% | \$ 9,729 | \$ 73,742 | | | | | \$ 83,471 |
| 315 | | | | | | | | |
| 316 | | | | | | | | |
| 317 | | | | | | | | |
| 320 | | | | | | | | |
| 321 | | | | | | | | |
| 322 | | | | | | | | |
| 323 | | | | | | | | |
| 325.1 | 10.00% | \$ 1,179 | \$ 9,972 | | | | | \$ 1,151 |
| 325.2 | | | | | | | | |
| 326 | | | | | | | | |
| 327 | | | | | | | | |
| 328 | | | | | | | | |
| 330 | | | | | | | | |
| 331 | 2.50% | \$ 320 | \$ 3,520 | | | | | \$ 3,840 |
| 332 | 2.90% | \$ 480 | \$ 6,743 | | | | | \$ 7,223 |
| 340 | | | | | | | | |
| 341 | | | | | | | | |
| 342 | | | | | | | | |
| 343 | 2.00% | \$ 61,436 | \$ 452,260 | | | | | \$ 513,698 |
| 344 | | | | | | | | |
| 345 | 2.90% | \$ 7,873 | \$ 21,863 | | | | | \$ 29,736 |
| 346 | 2.70% | \$ 2,576 | \$ 3,987 | | | | | \$ 6,563 |
| 347 | 2.90% | \$ 962 | \$ 3,552 | | | | | \$ 4,514 |
| 348 | | | | | | | | \$ - |
| 349 | | | | | | | | |
| B & C | D | | | | | | | |
| 389 | 370 | | | | | | | |
| 390 | 371 | | | | | | | |
| 391 | 372 | 5.00% | \$ 226 | \$ 3,952 | | | | \$ 4,178 |
| 391.1 | 372.1 | 5.00% | \$ 196 | \$ 4,036 | | | | \$ 4,232 |
| 392 | 373 | 13.00% | \$ 1,006 | \$ 1,119 | | | | \$ 2,125 |
| none | 379 | | | | | | | |
| 393 | none | | | | | | | |
| 394 | none | 5.00% | \$ 160 | \$ 1,336 | | | | \$ 1,495 |
| 395 | none | | | | | | | |
| 396 | none | | | | | | | |
| 397 | none | | | | | | | |
| 398 | none | | | | | | | |
| 399 | none | | | | | | | |
| Total | | \$ 89,279 | \$ 606,842 | | | | | \$ 696,122 |
| (Total to Pg. 9 & Pg. W-1) | | | | | | | | (Total to Pg. 4) |

NOTE: Amounts included in Column "j" should be the same as in Column "e" on the preceding page. Also, Annual Depreciation Expense is equal to Column "f" from preceding page multiplied by Column "g" found on this page.

* All entries included in Columns "k" and "l" should be supported by records that identify the property retired and the cost of removal or salvage is as much detail as reasonably possible.

** Report the details for these entries. Use additional sheets if necessary.

*** Annual Depreciation Expense must be calculated separately. This total should be calculated based upon actual in-service and retirement date(s) of new equipment and retirements during the period.

(To be used when filing under seal.)

2 Company Name:

Lake Region Water & Sewer Company, Inc.

PUMPS

| Manufacturer and Type (i.e., High Service, Well, Standby, etc.) | Capacity | Date Installed | Date of Last Motor Replacement | Date of Last Pump Replacement |
|--|----------|----------------|-----------------------------------|----------------------------------|
| Grundfos, Well | 250 gpm | 1994 | 2003 | 2005 |
| Grundfos, Well | 250 gpm | 1998 | 2004 | 2004 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

WELLS

| | Number: | Number: | Number: | Number: |
|--|-----------|-----------|---------|---------|
| Description (i.e., Deep, Artesian, Spring, etc.) | Deep | Deep | Deep | |
| Year Constructed | 1994 | 1998 | | |
| Type of Construction | | | | |
| Type of Casing | Steel | Steel | | |
| Depth and Diameter of Well | 900' & 8" | 800' & 6" | | |
| Yield of Well in Gallons per day | 360,000 | 360,000 | | |
| Chemicals (i.e., Provide Type, Cost and Quantities of Each): | N/A | N/A | | |
| Type - | | | | |
| Cost - | | | | |
| Quantity - | | | | |

(To be used when filing under seal.)

Company Name: Lake Region Water & Sewer Company, Inc.

METERS AND METER SETTINGS

| Customer Class (a) | Meter Size (b) | Total at Beginning of Year (c) | Total No. of Additions (d) | Total No. Removed or Disconnected (e) | Total at End of Year (f) | Total No. Owned by Customers at End of Year (g) |
|------------------------------|-------------------|--------------------------------------|----------------------------------|---|--------------------------------|--|
| Residential: | 5/8" | 564 | 4 | - | 568 | - |
| | 1" | 15 | 1 | - | 16 | - |
| | 1.5" | 17 | - | - | 17 | - |
| | 2"-6" | 6 | 2 | - | 8 | - |
| Other Customers: | 5/8" | 10 | - | - | 10 | - |
| | 1" | 6 | - | - | 6 | - |
| | 1.5" - 4" | 19 | - | - | 19 | - |
| Total in Use by Customers | XXXXXX | 637 | 7 | - | 644 | - |
| Not in Use (i.e., Inventory) | 5/8" | 4 | | 4 | | XXXXXX |
| | | | | | | XXXXXX |
| Total Meters | XXXXXX | | | | | XXXXXX |

STORAGE FACILITIES

| Type of Storage (i.e., Pneumatic, Ground, Standpipes, Elevated Tanks, etc.) (a) | Construction Material (b) | Last Date Painted if Applicable (Indicate interior or exterior) (c) | Capacity (d) |
|--|---------------------------------|--|-----------------|
| Elevated Tank | Steel | 2003, both | 200,000 gal |
| | | | |
| | | | |
| | | | |

(To be used when filling under seal.)

MAINS (measurement in feet)

| Kind of Pipe (i.e., case iron, galvanized, iron, plastic, etc.) (a) | Diameter of Pipe (b) | Total at Beginning of Year (c) | Total Additions During the Year (d) | Total Removed or Abandoned During the Year (e) | Total at End of Year (f) |
|---|----------------------------|--------------------------------------|---|---|--------------------------------|
| PVC | 8" | 54,000 | | | |
| PVC | 6" | 37,055 | | | |
| PVC | 4" | 3,683 | | | |
| PVC | 2" | 2,094 | 15 | | |
| Total Mains | | 96,832 | 15 | | 96,847 |

SERVICES AVAILABLE FOR USE (from Main to Property Line)

| Size and Description by Type of Material (i.e., iron, copper, plastic, etc.) (a) | Owned by Utility | | | | Total No. Owned by Customers at End of Year (f) |
|--|--|----------------------------------|--|------------------------------------|--|
| | Total No. at Beginning of Year (b) | Total No. of Additions (c) | Total No. Retired or Abandoned (d) | Total No. at End of Year (e) | |
| In Use: | | | | | |
| 1" Plastic CTS | 687 | 2 | - | 689 | - |
| For Future Use: | | | | | |
| Total of All Services | | | | | |

(To be used when filing under seal.)

2 Company Name: Lake Region Water & Sewer Company, Inc.

SEWER OPERATING REVENUES, EXPENSES AND STATISTICS

| (a) | Amount (b) |
|--|---------------|
| 3 Total Operating Revenues (From Page S-2) | \$ 658,365 |
| <u>Operating Expenses</u> | |
| 4 Salaries & Wages (From Page 7) | \$ - |
| 5 Employee Pensions and Benefits | \$ - |
| 6 Purchased Water | \$ - |
| 7 Plant Operations Expenses (From Page S-3) | \$ 119,472 |
| 8 Billing Expenses | \$ 2,602 |
| 9 Supplies and Expenses | \$ 20,162 |
| 10 Transportation Expenses | \$ 23,512 |
| 11 Rent Expense * <i>See explanation page</i> | \$ 14,319 |
| 12 Insurance Expense | \$ 7,611 |
| 13 Outside Services Employed (i.e., Legal, Accounting, etc.) (From Page 8) | \$ 250,481 |
| 14 Regulatory Commission Expenses | \$ 56,602 |
| 15 Uncollectible Expenses (From Page 6) | \$ - |
| 16 Depreciation Expense (From Page S-5) | \$ 235,325 |
| 17 Amortization of Contributions in Aid of Construction (Page 9) | \$ (73,294) |
| 18 Amortization Expense | \$ - |
| 19 Tax Expenses (From Page S-3) | \$ (13,453) |
| 20 Interest Expense (From Page 10) | \$ 1,359 |
| 21 Other Expenses * | \$ 64,191 |
| 22 Total Operating Expenses | \$ 708,888 |
| 23 Net Income (Loss) | \$ (50,523) |

* Please attach a detailed explanation for these items.

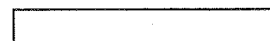
 (To be used when filing under seal.)

2 Company Name: Lake Region Water & Sewer Company, Inc.**SEWER OPERATING REVENUES, EXPENSES AND STATISTICS (Continued)**

(Please indicate if metered amounts are in cubic feet measurements.)

| | | No. of Customers | | Gallons Sold 000's Omitted (d) | Revenue Amount (e) |
|---------------------------------|--|--------------------------|--------------------|--------------------------------------|-----------------------|
| | | Beginning of Year (b) | End of Year (c) | | |
| (a) | | | | | |
| <u>Flat Rate Sales</u> | | | | | |
| 3 | Residential - Single Family | 734 | 738 | XXXX | \$ 233,683 |
| 4 | Residential - Apartments | 2 | 2 | XXXX | \$ 2,821 |
| 5 | Residential - Mobile Homes | | | XXXX | |
| 6 | Commercial | | | XXXX | |
| 7 | Other Sales to Public Authorities | | | XXXX | |
| 8 | Other * | | | XXXX | |
| 9 | Total Unmetered Sales | 736 | 740 | XXXX | \$ 236,504 |
| <u>Metered Sales of Water</u> | | | | | |
| 10 | Commercial | 26 | 18 | 88,999 | \$ 344,915 |
| 11 | Other Sales to Public Authorities | | | | |
| 12 | Other * | | 11 | | \$ 75,626 |
| 13 | Total Metered Sales | 26 | 29 | | \$ 420,541 |
| <u>Other Operating Revenues</u> | | | | | |
| 14 | Late Payment Fees | | | | \$ 969 |
| 15 | Inspection Fees | | | | |
| 16 | Reconnect Fees | | | | |
| 17 | Rent Income | | | | |
| 18 | Income from Merchandising, Jobbing & Contract Work * | | | | |
| 19 | Other Revenue * <i>See explanation page</i> | | | | \$ 351 |
| 20 | Total Other Operating Revenues | | | | \$ 1,320 |
| 21 | Total Operating Revenues | | | | \$ 658,365 |
| (Total to Pg. S-1) | | | | | |

* Please attach a detailed explanation for these items.



(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

SEWER OPERATING REVENUES, EXPENSES AND STATISTICS (Continued)

| (a) | Amount (b) |
|---|---------------------|
| <u>Plant Operations Expenses</u> | |
| 3 Contracted Maintenance Expenses | \$ 3,016 |
| 4 Repairs of Sewer Plant - Pump Repair | \$ - |
| 5 Repairs of Sewer Plant - Treatment Repair | \$ - |
| 6 Repairs of Sewer Plant - Collecting Sewers and Manhole Repair | \$ - |
| 7 Repairs of Sewer Plant - Equipment Repair | \$ 16,296 |
| 8 Repairs of Sewer Plant - Other * <i>See explanation page</i> | \$ 12,737 |
| 9 Utility Bills | \$ 41,208 |
| 10 Chemicals | \$ 15,142 |
| 11 Sludge Hauling Expenses | \$ 21,556 |
| 12 Effluent Testing Expenses | \$ 9,517 |
| 13 Total Plant Operations Expenses | \$ 119,472 |
| | (Total to Page S-1) |
| <u>Tax Expenses</u> | |
| 14 Tax Expense - Property Taxes | \$ 2,468 |
| 15 Tax Expense - Payroll Taxes | \$ - |
| 16 Tax Expense - Franchise Taxes | \$ - |
| 17 Tax Expense - Other Taxes * | \$ 307 |
| 18 Tax Expense - Federal Income Taxes <i>See explanation page</i> | \$ (16,228) |
| 19 Tax Expense - State Income Taxes | \$ - |
| 20 Tax Expense - Investment Tax Credits | \$ - |
| 21 Total Tax Expenses | \$ (13,453) |
| | (Total to Page S-1) |

* Please attach a detailed explanation for these items.



(To be used when filing under seal.)

1

2 Company Name: Lake Region Water & Sewer Company, Inc.

SEWER UTILITY PLANT IN SERVICE

| Account Description (a) | | | Acct. No. (b) | Balance at Beginning of Year (c) | Additions During the Year (d) | Retirements During the Year (e) | Balance at End of Year (c+d-e) (f) |
|-------------------------------|--|-------|---------------------|--|-------------------------------------|---------------------------------------|---|
| | | | CLASS B | CLASS C & D | | | |
| <u>Intangible Plant</u> | | | | | | | |
| 3 | Organization | 301 | 301 | \$ 22,970 | | | \$ 22,970 |
| 4 | Franchise and Consents | 302 | 302 | | | | |
| 5 | Miscellaneous Intangible Plant | 303 | 303 | | | | |
| <u>Land and Structures</u> | | | | | | | |
| 6 | Land and Land Rights | none | 310 | \$ 5,985 | | | \$ 5,985 |
| 7 | Structures and Improvements | none | 311 | | | | |
| <u>Collection Plant</u> | | | | | | | |
| 8 | Land and Land Rights | 350 | none | | | | |
| 9 | Structures and Improvements | 351 | none | \$ 4,650 | | | \$ 4,650 |
| 10 | Collection Sewer - Force | 352.1 | 352.1 | \$ 2,820,692 | \$ 291,382 | | \$ 3,112,074 |
| 11 | Collection Sewer - Gravity | 352.2 | 352.2 | \$ 162,667 | | | \$ 162,667 |
| 12 | Other Collection Plant Facilities * | 353 | 353 | \$ 208,433 | \$ 11,560 | | \$ 219,992 |
| 13 | Services to Customers | 354 | 354 | \$ 11,297 | | | \$ 11,297 |
| 14 | Flow Measuring Devices | 355 | 355 | \$ 689 | | | \$ 689 |
| <u>Pumping Plant</u> | | | | | | | |
| 15 | Land and Land Rights | 360 | none | | | | |
| 16 | Structures and Improvements | 361 | none | | | | |
| 17 | Receiving Wells and Pump Pits | 362 | 362 | \$ 258,042 | | | \$ 258,042 |
| 18 | Pumping Equipment | 363 | 363 | \$ 457,466 | \$ 78,159 | | \$ 535,625 |
| <u>Treatment and Disposal</u> | | | | | | | |
| 19 | Land and Land Rights | 370 | none | | | | |
| 20 | Structures and Improvements | 371 | none | | | | |
| 21 | Oxidation Lagoon | none | 372 | | | | |
| 22 | Treatment and Disposal Equipment | 372 | 373 | \$ 1,000,942 | \$ 6,596 | | \$ 1,007,537 |
| 23 | Sewer Collection (Septic) Tanks | 372.1 | 373.1 | | | | |
| 24 | Plant Sewer | 373 | 374 | \$ 310,868 | | | \$ 310,868 |
| 25 | Outfall Sewer Lines | 374 | 375 | | | | |
| 26 | Other Treatment and Disposal Plant Equipment * | 375 | 376 | \$ 571,498 | | | \$ 571,498 |
| <u>General Plant</u> | | | | | | | |
| 27 | Land and Land Rights | 389 | none | | | | |
| 28 | Structures and Improvements | 390 | none | | | | |
| 29 | Office Furniture and Equipment | 391 | 391 | \$ 6,378 | | | \$ 6,378 |
| 30 | Computer and Electronic Office Equipment | 391.1 | 391.1 | \$ 6,661 | | | \$ 6,661 |
| 31 | Transportation Equipment | 392 | 392 | \$ 53,988 | | | \$ 53,988 |
| 32 | Other General Equipment * | none | 393 | | | | |
| 33 | Stores Equipment | 393 | None | | | | |
| 34 | Tools Shop and Garage Equipment | 394 | None | \$ 4,023 | \$ 911 | | \$ 4,934 |
| 35 | Laboratory Equipment | 395 | None | \$ 1,284 | | | \$ 1,284 |
| 36 | Power Operated Equipment | 396 | None | \$ 11,523 | | | \$ 11,523 |
| 37 | Communications Equipment | 397 | None | | | | |
| 38 | Total Sewer Utility Plant In Service | | | \$ 5,920,056 | \$ 388,608 | | \$ 6,308,662 |
| | | | | | | | (Total to Pages 4 and 9) |

* Please attach a detailed explanation for these items.

NOTE: All entries should be supported by records that identify the property being added or retired, its location, and its original cost in as much detail as reasonably possible. If adjustments are included in Columns "d" and/or "e", please explain below. Use additional sheets if necessary.

39 Explanation:

(To be used when filing under seal.)

1
2

For the calendar year of January 1 - December 31, 2010

Company Name: Lake Region Water & Sewer Company, Inc.

DEPRECIATION RESERVE - SEWER UTILITY PLANT

| CLASS | Acct No. (b) | | Annual Depreciation Rate % (g) | Annual Depreciation Expense (f*g) (h)*** | Reserve Balance at Beginning of Year (i) | Retirement of Property | | | Other Charges (m)** | Reserve Balance at End of Year (h+i-j-k+l+m) (n) |
|-------|-----------------|-------|---|--|--|---|----------------------------|---------------------------|---------------------------|--|
| | B | C & D | | | | Book Cost of Plant Retired (j) | Cost of Removal (k)* | Salvage Credit (l)* | | |
| 3 | 301 | 301 | 5.00% | \$ 1,773 | \$ 14,047 | | | | | \$ 15,820 |
| 4 | 302 | 302 | | | | | | | | |
| 5 | 303 | 303 | | | | | | | | |
| 6 | none | 310 | | | | | | | | |
| 7 | none | 311 | | | | | | | | |
| 8 | 350 | none | | | | | | | | |
| 9 | 351 | none | 3.00% | \$ 140 | \$ 955 | | | | | \$ 1,095 |
| 10 | 352.1 | 352.1 | 2.00% | \$ 62,242 | \$ 453,462 | | | | | \$ 515,704 |
| 11 | 352.2 | 352.2 | 2.00% | \$ 3,253 | \$ 56,760 | | | | | \$ 60,013 |
| 12 | 353 | 353 | 2.00% | \$ 4,400 | \$ 19,145 | | | | | \$ 23,545 |
| 13 | 354 | 354 | 3.30% | \$ 373 | \$ 4,661 | | | | | \$ 5,034 |
| 14 | 355 | 355 | 3.30% | \$ 23 | \$ 379 | | | | | \$ 402 |
| 15 | 360 | none | | | | | | | | |
| 16 | 361 | none | | | | | | | | |
| 17 | 362 | 362 | 5.00% | \$ 12,902 | \$ 120,264 | | | | | \$ 133,166 |
| 18 | 363 | 363 | 10.00% | \$ 53,563 | \$ 271,861 | | | | | \$ 325,424 |
| 19 | 370 | none | | | | | | | | |
| 20 | 371 | none | | | | | | | | |
| 21 | none | 372 | | | | | | | | |
| 22 | 372 | 373 | 4.50% | \$ 45,340 | \$ 705,946 | | | | | \$ 751,286 |
| 23 | 372.1 | 373.1 | | | | | | | | |
| 24 | 373 | 374 | 4.50% | \$ 13,989 | \$ 77,139 | | | | | \$ 91,128 |
| 25 | 374 | 375 | | | | | | | | |
| 26 | 375 | 376 | 5.00% | \$ 28,574 | \$ 144,351 | | | | | \$ 172,924 |
| 27 | 389 | none | | | | | | | | |
| 28 | 390 | none | | | | | | | | |
| 29 | 391 | 391 | 5.00% | \$ 319 | \$ 6,217 | | | | | \$ 6,537 |
| 30 | 391.1 | 391.1 | 5.00% | \$ 333 | \$ 6,116 | | | | | \$ 6,449 |
| 31 | 392 | 392 | 13.00% | \$ 7,018 | \$ 20,718 | | | | | \$ 27,736 |
| 32 | none | 393 | | | | | | | | |
| 33 | 393 | None | | | | | | | | |
| 34 | 394 | None | 5.00% | \$ 247 | \$ 2,074 | | | | | \$ 2,321 |
| 35 | 395 | None | 5.00% | \$ 64 | \$ 679 | | | | | \$ 743 |
| 36 | 396 | None | 6.70% | \$ 772 | \$ 4,842 | | | | | \$ 5,614 |
| 37 | 397 | None | | | | | | | | |
| 38 | | | | | | | | | | |
| 39 | | | Total | \$ 235,325 | \$ 1,909,616 | | | | | \$ 2,144,941 |
| | | | | (Total to Pg. 9 & Pg. S-1) | | | | | | (Total to Pg. 4) |

(To be used when filing under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

GENERAL INFORMATION

3 Treatment Facilities - Please describe process.

Racquet Club WWTF #MO-00102628

4 Was your treatment plant constructed in place or purchased as a package unit?

☒ Yes ☐ No

5 Were your lift stations constructed in place or purchased as package units?

☐ Yes ☐ No

6 What is the designated capacity of your treatment facilities?

292,500 GPD

7 What percent of designed capacity is currently being utilized?

8 What is the name of the current operator?

Joshua Duncan

9 Please describe the treatment process for liquid waste.

Extended Aeration

10 Please describe the treatment process for waste solids.

Aerobic Digestion

11 Where is the point of discharge for liquid waste?

Receiving Stream is Lake of the Ozarks

12 What is the ultimate disposal of waste solids and how obtained?

Pumped and transferred to sludge holding lagoon.

13 List any equipment failures occurring during the year. Please state when failure occurred and briefly describe the failure and corrective measures taken.

N/A

COLLECTING SEWERS (measurement in feet)

| | Kind of Pipe (i.e., Cast Iron, VCP, PVC, etc.) (a) | Diameter of Pipe (b) | Total No. at Beginning of Year (c) | Total No. of Additions During the Year (d) | Total No. Removed or Abandoned During the Year (e) | Total No. at End of the Year (f) |
|-------------|--|----------------------------|--|---|---|--|
| 14 Force: | | 4" | 800 | | | 800 |
| 15 | | 6" | 0 | | | |
| 16 Gravity: | | 8" | 8114 | | | 8114 |
| 17 | | | | | | |
| 18 | | | | | | |

LIFT STATIONS

| | Pumps: Name, Size, Type | Location | H.P. | GPM | TDH |
|----|-------------------------|----------|------|-----|-----|
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |

(To be used when filing under seal.)

2 Company Name: Lake Region Water & Sewer Company, Inc.

GENERAL INFORMATION

3 Treatment Facilities - Please describe process.

Lodge WWTF #MO-0113689

4 Was your treatment plant constructed in place or purchased as a package unit?

☐ Yes ☒ No

5 Were your lift stations constructed in place or purchased as package units?

☐ Yes ☐ No

6 What is the designated capacity of your treatment facilities?

326,500 GPD

7 What percent of designed capacity is currently being utilized?

8 What is the name of the current operator?

Joshua Duncan

9 Please describe the treatment process for liquid waste.

Extended Aeration with Flow Equalization

10 Please describe the treatment process for waste solids.

Aerobic Digester with Sludge thickener

11 Where is the point of discharge for liquid waste?

Receiving stream is Lake of the Ozarks

12 What is the ultimate disposal of waste solids and how obtained?

Pumped out and transferred to sludge storage lagoon

13 List any equipment failures occurring during the year. Please state when failure occurred and briefly describe the failure and corrective measures taken.

N/A

COLLECTING SEWERS (measurement in feet)

| | Kind of Pipe (i.e., Cast Iron, VCP, PVC, etc.) (a) | Diameter of Pipe (b) | Total No. at Beginning of Year (c) | Total No. of Additions During the Year (d) | Total No. Removed or Abandoned During the Year (e) | Total No. at End of the Year (f) |
|-------------|--|----------------------------|--|---|---|--|
| 14 Force: | | | | | | |
| 15 | | | | | | |
| 16 Gravity: | | 8" | 10 | | | 10 |
| 17 | | | | | | |
| 18 | | | | | | |

LIFT STATIONS

| | Pumps: Name, Size, Type | Location | H.P. | GPM | TDH |
|----|-------------------------|----------|------|-----|-----|
| 19 | Flygt #CP436-3 | WWTF | 3 | 500 | 15" |
| 20 | | | | | |
| 21 | | | | | |

(To be used when filling under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

GENERAL INFORMATION

3 Treatment Facilities - Please describe process.

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

4 Was your treatment plant constructed in place or purchased as a package unit?

☐ No ☐ Yes ☐ No

5 Were your lift stations constructed in place or purchased as package units?

☐ No ☐ Yes ☐ No

6 What is the designated capacity of your treatment facilities?

7 What percent of designed capacity is currently being utilized?

8 What is the name of the current operator?

9 Please describe the treatment process for liquid waste.

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

10 Please describe the treatment process for waste solids.

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

11 Where is the point of discharge for liquid waste?

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

12 What is the ultimate disposal of waste solids and how obtained?

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

13 List any equipment failures occurring during the year. Please state when failure occurred and briefly describe the failure and corrective measures taken.

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

COLLECTING SEWERS (measurement in feet)

| | Kind of Pipe (i.e., Cast Iron, VCP, PVC, etc.) (a) | Diameter of Pipe (b) | Total No. at Beginning of Year (c) | Total No. of Additions During the Year (d) | Total No. Removed or Abandoned During the Year (e) | Total No. at End of the Year (f) |
|-------------|--|----------------------------|--|---|---|--|
| 14 Force: | | | | | | |
| 15 | | | | | | |
| 16 Gravity: | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |

LIFT STATIONS

| | Pumps: Name, Size, Type | Location | H.P. | GPM | TDH |
|----|-------------------------|----------|------|-----|-----|
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |

(To be used when filling under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

GENERAL INFORMATION

3 Treatment Facilities - Please describe process.

Shawnee Bend WWTF #MO-0123722

4 Was your treatment plant constructed in place or purchased as a package unit?

☐

Yes

☐

No

5 Were your lift stations constructed in place or purchased as package units?

☐

Yes

☐

No

6 What is the designated capacity of your treatment facilities?

100,000 GPD

7 What percent of designed capacity is currently being utilized?

8 What is the name of the current operator?

Joshua Duncan

9 Please describe the treatment process for liquid waste.

Extended Aeration with Flow Equalization

10 Please describe the treatment process for waste solids.

Aerobic Digestion

11 Where is the point of discharge for liquid waste?

Outfall to losing stream to unnamed tributary to Forked Hollow Cove Lake of the Ozarks

12 What is the ultimate disposal of waste solids and how obtained?

Pumped and transferred to sludge holding lagoon

13 List any equipment failures occurring during the year. Please state when failure occurred and briefly describe the failure and corrective measures taken.

N/A

COLLECTING SEWERS (measurement in feet)

| | Kind of Pipe (i.e., Cast Iron, VCP, PVC, etc.) (a) | Diameter of Pipe (b) | Total No. at Beginning of Year (c) | Total No. of Additions During the Year (d) | Total No. Removed or Abandoned During the Year (e) | Total No. at End of the Year (f) |
|-------------|--|----------------------------|--|---|---|--|
| 14 Force: | | | | | | |
| 15 | | | | | | |
| 16 Gravity: | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |

LIFT STATIONS

| | Pumps: Name, Size, Type | Location | H.P. | GPM | TDH |
|----|-------------------------|----------|------|-----|-----|
| 19 | 4 Myers | WWTF | 2 | 123 | 12" |
| 20 | | | | | |
| 21 | | | | | |

(To be used when filling under seal.)

1

For the calendar year of January 1 - December 31, 2010

2 Company Name: Lake Region Water & Sewer Company, Inc.

GENERAL INFORMATION

3 Treatment Facilities - Please describe process.

Charleston WWTF #MO-0113689

4 Was your treatment plant constructed in place or purchased as a package unit?

☐

Yes

☐

No

5 Were your lift stations constructed in place or purchased as package units?

☐

Yes

☐

No

6 What is the designated capacity of your treatment facilities?

24,000 GPD

7 What percent of designed capacity is currently being utilized?

8 What is the name of the current operator?

Joshua Duncan

9 Please describe the treatment process for liquid waste.

Extended Aeration with Flow Equalization

10 Please describe the treatment process for waste solids.

Aerobic Digestion

11 Where is the point of discharge for liquid waste?

Direct Discharge to Lake of the Ozarks

12 What is the ultimate disposal of waste solids and how obtained?

Sludge pumped and transferred to sludge holding lagoon

13 List any equipment failures occurring during the year. Please state when failure occurred and briefly describe the failure and corrective measures taken.

N/A

COLLECTING SEWERS (measurement in feet)

| | Kind of Pipe (i.e., Cast Iron, VCP, PVC, etc.) (a) | Diameter of Pipe (b) | Total No. at Beginning of Year (c) | Total No. of Additions During the Year (d) | Total No. Removed or Abandoned During the Year (e) | Total No. at End of the Year (f) |
|-------------|--|----------------------------|--|---|---|--|
| 14 Force: | | | | | | |
| 15 | | | | | | |
| 16 Gravity: | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |

LIFT STATIONS

| | Pumps: Name, Size, Type | Location | H.P. | GPM | TDH |
|----|-------------------------|----------|------|-----|-----|
| 19 | Zoller | WWTF | 2 | 80 | 10" |
| 20 | | | | | |
| 21 | | | | | |

(To be used when filling under seal.)

**Lake Region Water and Sewer
2010 Annual Report Explanations**

| | |
|--|-----------------|
| Water Plant Held for Future Use (P4, Line 8) | <u>7,915</u> |
| Property held for future infrastructure and survey of land | |
| Other Assets (P4, Line 19) | |
| A/R - Connection Fee | 1,930 |
| A/R - Water & Sewer Billing | 85,538 |
| A/R - Ozark Shores Water Company | 183,708 |
| A/R - Camden County PWSD4 | 25,909 |
| Customer Deposits | 1,127 |
| | <u>298,212</u> |
| Other Liabilities(P5, Line 21) | |
| Accounts Payable | 35,349 |
| Accounts Payable - SB Development (1998 Contract) | 100,825 |
| Accounts Payable - Four Seasons (1998 Contract) | 29,625 |
| Sales Tax Payable | 525 |
| | <u>166,324</u> |
| Rent Expense (page W-1, Line 12) | |
| Building Rental | 281 |
| Equipment Rental | 4,500 |
| | <u>4,781</u> |
| Other Water Expenses (page W-1, Line 21) | |
| Permits | 211 |
| Telephone | 782 |
| Travel & Entertainment | 500 |
| Discounts | (47) |
| Non-Utility Refunds | 157 |
| General | 434 |
| 2009 Rate Case | 16,054 |
| | <u>18,091</u> |
| Other Revenue (page W-2, Line 23) | |
| Sold Obsolete Inventory | 121 |
| Primacy Fee Billing Credits | 1,672 |
| | <u>1,793</u> |
| Tax Expense - Federal Income Taxes (page W-3 Line 16) | |
| Tax Benefit Due to Net Operating Loss | <u>(5,560)</u> |
| Rent Expense (page S-1, Line 11) | |
| Building Rental | 819 |
| Equipment Rental | 13,500 |
| | <u>14,319</u> |
| Other Revenue (page S-2, Line 20) | |
| Sold Obsolete Inventory | <u>351</u> |
| Repairs of Sewer Plant-Other (page S-3, Line 8) | |
| Lift Station & Treatment Plant Maintenance and Inspections | <u>12,737</u> |
| Tax Expense - Federal Income Taxes (page S-3, Line 18) | |
| Tax Benefit Due to Net Operating Loss | <u>(16,228)</u> |

Annual Report of Lake Region Water & Sewer Company, Inc.

for the calendar year of January 1 - December 31, 2010

VERIFICATION

The foregoing report must be verified by the oath of the President, Treasurer, General Manager or Receiver of the company. The oath required may be taken before any person authorized to administer an oath (Notary Public) by the laws of the State in which the same is taken.

OATH

State Of Missouri }
County Of Camden } ss:

John R Summers makes oath and says that
Name of Affiant (Company Official/Representative)

s/he is General Manager
Official Title of the Affiant (Company Official/Representative)

of Lake Region Water & Sewer Company, Inc.
Exact Legal Title or Name of the Respondent (Certificated Company Name)

and is located at P.O. 9, Lake Ozark, MO 65049 573-365-6792
Address and Telephone Number of the Affiant (Company Official/Representative)

that s/he has examined the foregoing report; that to the best of his or her knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent.

from January 1, 2010, to and including December 31, 2010
Month/Day Year Month/Day Year

[Signature]
Signature of Affiant (Company Official/Representative)

Subscribed and sworn to before me, a Notary Public, in and for the State and County above named,
this 12th day of August, 2011.
My Commission expires October 31, 2011

[Signature]
Signature of Notary Public