



Annual Employment Report Strategic Investment Program (SIP)

ORS 385C.615, OAR 123-623-4000 and 123-623-4100

After each property tax year (ending June 30) of benefiting from a SIP exemption, please complete and return this form, not later than the following April 1 date, to:

Business Oregon, Business Tax Incentives
775 Summer Street NE, Suite 200
Salem, OR 97301-1280

Benefiting Business Firm

<u>Tom Farnham</u>			<u>Manager</u>
Contact Person			Title
<u>Eurus Combine Hills II LLC</u>			<u>541-437-1960</u>
Name of Business			Phone Number
<u>4660 La Jolla Village Dr., #400</u>			<u>858-638-7125</u>
Mailing Address (Street/P.O. Box)			Fax Number
<u>San Diego</u>	<u>CA</u>	<u>92122</u>	<u>tomfarnham@aol.com</u>
City	State	Zip	E-mail Address

Eligible SIP Project/Property

<u>Eurus Combine Hills II</u>		<u>Milton Freewater</u>	<u>Umatilla</u>
Name of Project/Facility/Operations		City Located	County Located
<u>84700 White Reservoir Road, Milton Freewater, OR 97862</u>			
Site Address(es)/Assessor Map/Lot Number(s)			
<u>2011</u>	<u>1</u> out of 15	<u>137,216,170</u>	
First Exemption Year	Number of last tax year (ending previous June 30) within exemption period	Cumulative investment, through most recent calendar year	
<u>\$137,216,170</u>		<u>\$112,216,170</u>	
Total real market value of project property*		Assessed value of exempt property*	
<u>\$25,000,000</u>	<u>\$223,535</u>	<u>\$1,003,370</u>	
Assessed value of taxable property*	Total property taxes paid*	Total property tax savings*	

Attached is location and assessed value* of associated investments in Oregon not covered by SIP (optional)

*Use property tax data from the previously completed tax year (e.g., if it is 2012, data is from July 1, 2010, through June 30, 2011).

Locally Collected Fees and Payments (during most recent calendar year)

Name of Fee/Payments	Recipient/Disposition	Amount
Community Service Fee	County, local distribution	
Community Service Fee	Umatilla County	\$250,842
Local Improvement Payment	Umatilla County	\$80,000
		\$

Attached is list showing additional payments under SIP agreement or further information about the above.

Employment Associated with Project (during most recent calendar year)

Number of FTE based on 2,080-hour year, since pre-project application

3.3

New hires (jobs created)	Actively retained jobs	Passively retained jobs
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Average annual taxable income (Oregon wages, salary, etc) paid to employees

67,500

New hires (jobs created)	Actively retained jobs	Passively retained jobs
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Average annual compensation, taxable income plus discretionary fringe benefits

82,000

New hires (jobs created)	Actively retained jobs	Passively retained jobs
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Breakdown of three most common occupations for above new hires (jobs created)

FTE	Average annual taxable income	FTE	Average annual taxable income	FTE	Average annual taxable income
3.3	\$67,500				\$

- Attached is supporting information on employment data (optional, unless otherwise stipulated)
- Attached is an explanation and identification of information provided here that is financially or otherwise sensitive, and for which confidentiality is explicitly requested by the submitter of this form.

Declaration

I have examined this document and attachments to it. To the best of my knowledge, they are true, correct and complete in every material respect. If any such information changes, I will notify the department and submit proper written amendments.


 Signature _____ Date 3/21/2012
Tom Farnham
 Printed Name _____ Title of authorized company representative Asset Manager

Annual Employment Report

Strategic Investment Program

Submitted March 21, 2012

Eurus Combine Hills II LLC

Explanation and identification of information provided here that is financially or otherwise sensitive, and for which confidentiality is explicitly requested by the submitter of this form.

Employment Associated with Project:

This section reports confidential employee information of the contractor, Mitsubishi Power Systems (MPS), for new crew hired at Combine Hills to maintain the project, and incremental payroll for the site manager for the contractor Infigen US.

The Project has the benefit of six additional MPS employees engaged in managing the initial project at the location, Eurus Combine Hills I. These employees include the site manager, his assistant, and the office manager.

MPS expects to add more crew in 2012 to deal with increasing workload caused by Combine Hills II.