

# ANNUAL REPORT

ASP-W  
OF

Aspen Creek Water Co.  
NAME

10 S. Bear Lake Blvd., Garden City, UT 84028  
ADDRESS

TO THE  
**IDAHO PUBLIC  
UTILITIES COMMISSION**

FOR THE

YEAR ENDED 12-31-05

IDAHO PUBLIC  
UTILITIES COMMISSION

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**ANNUAL REPORT FOR WATER UTILITIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING** December 31, 2005

**COMPANY INFORMATION**

1 Give full name of utility Aspen Creek Water Company, Inc.  
 Telephone Area Code (    ) 435-946-3503  
 E-mail address vista@bearlake.com  
 2 Date of Organization 12/28/1999  
 3 Organized under the laws of the state of Idaho  
 4 Address of Principal Office (number & street) 10 S. Bear Lake Blvd.  
 5 P.O. Box (if applicable) \_\_\_\_\_  
 6 City Garden City  
 7 State Utah  
 8 Zip Code 84028  
 9 Organization (proprietor, partnership, corp.) Corporation  
 10 Towns, Counties served Fish Haven, Idaho

11 Are there any affiliated companies? Yes  
**If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.**

12 Contact Information	Name	Phone No.
President (Owner)	A. Ray Elliott	435-946-3503
Vice President	Norman Mecham	435-946-3503
Secretary	Norman Mecham	435-946-3503
General Manager	A. Ray Elliott	435-946-3503
Complaints or Billing	Dixie Nelson	435-946-3503
Engineering	A. Ray Elliott	435-946-3503
Emergency Service	A. Ray Elliott	435-946-3503
Accounting	Dixie Nelson	435-946-3503

13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? No  
**If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.**

14 Where are the Company's books and records kept?  
 Street Address 10 S. Bear Lake Blvd.  
 City Garden City  
 State Utah  
 Zip 84028

NAME: Ray Elliott, Aspen Creek Water Co.

**COMPANY INFORMATION (Cont.)**

For the Year Ended 12/31/2005

15 Is the system operated or maintained under a service contract? No

16 **If yes:** With whom is the contract? n/a

When does the contract expire? n/a

What services and rates are included? n/a

17 Is water purchased for resale through the system? No

18 **If yes:** Name of Organization n/a

Name of owner or operator n/a

Mailing Address n/a

City n/a

State n/a

Zip n/a

	Gallons/CCF	\$Amount
Water Purchased	<u>n/a</u>	

19 Has any system(s) been disapproved by the Idaho Division of Environmental Quality? No

**If yes, attach full explanation**

20 Has the Idaho Division of Environmental Quality recommended any improvements? Yes

**If yes, attach full explanation**

21 Number of Complaints received during year concerning:

Quality of Service	<u>0</u>
High Bills	<u>0</u>
Disconnection	<u>0</u>

22 Number of Customers involuntarily disconnected 0

23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701? 1-Apr-02 (New Customers Receive at time of hookup)

**Attach a copy of the Summary**

24 Did significant additions or retirements from the Plant Accounts occur during the year? No

**If yes, attach full explanation and an updated system map**

NAME: Ray Elliott, Aspen Creek Water Co.

**REVENUE & EXPENSE DETAIL**

For the Year Ended 12/31/2005

ACCT #	DESCRIPTION		
<b><u>400 REVENUES</u></b>			
1	460	Unmetered Water Revenue	5250
2	461.1	Metered Sales - Residential	
3	461.2	Metered Sales - Commercial, Industrial	
4	462	Fire Protection Revenue	
5	464	Other Water Sales Revenue	7500
6	465	Irrigation Sales Revenue	
7	466	Sales for Resale	
8	400	Total Revenue (Add Lines 1 - 7) (also enter result on Page 4, line 1)	12750
9	* DEQ Fees Billed separately to customers		Booked to Acct # _____
10	** Hookup or Connection Fees Collected	7500	Booked to Acct # 464
11	***Commission Approved Surcharges Collected		Booked to Acct # _____
<b><u>401 OPERATING EXPENSES</u></b>			
12	601.1-6	Labor - Operation & Maintenance	
13	601.7	Labor - Customer Accounts	
14	601.8	Labor - Administrative & General	
15	603	Salaries, Officers & Directors	
16	604	Employee Pensions & Benefits	
17	610	Purchased Water	
18	615-16	Purchased Power & Fuel for Power	2642
19	618	Chemicals	
20	620.1-6	Materials & Supplies - Operation & Maint.	8000
21	620.7-8	Materials & Supplies - Administrative & General	
22	631-34	Contract Services - Professional	2089
23	635	Contract Services - Water Testing	
24	636	Contract Services - Other	
25	641-42	Rentals - Property & Equipment	
26	650	Transportation Expense	
27	656-59	Insurance	
28	660	Advertising	
29	666	Rate Case Expense (Amortization)	
30	667	Regulatory Comm. Exp. (Other except taxes)	
31	670	Bad Debt Expense	
32	675	Miscellaneous	50
33	<b>Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)</b>		12781

Name: Ray Elliott, Aspen Creek Water Co.

**INCOME STATEMENT**

For Year Ended 12/31/2005

ACCT #	DESCRIPTION	
1	Revenue (From Page 3, line 8)	12750
2	Operating Expenses (From Page 3, line 33)	12781
3	403 Depreciation Expense	
4	406 Amortization, Utility Plant Aquisition Adj.	
5	407 Amortization Exp. - Other	
6	408.10 Regulatory Fees (PUC)	
7	408.11 Property Taxes	84
8	408.12 Payroll Taxes	
9A	408.13 Other Taxes (list)      DEQ Fees	
9B		
9C		
9D		
10	409.10 Federal Income Taxes	
11	409.11 State Income Taxes	30
12	410.10 Provision for Deferred Income Tax - Federal	
13	410.11 Provision for Deferred Income Tax - State	
14	411 Provision for Deferred Utility Income Tax Credits	
15	412 Investment Tax Credits - Utility	
16	Total Expenses from operations before interest (add lines 2-15)	12895
17	413 Income From Utility Plant Leased to Others	
18	414 Gains (Losses) From Disposition of Utility Plant	
19	Net Operating Income (Add lines 1, 17 & 18 less line 16)	-145
20	415 Revenues, Merchandizing Jobbing and Contract Work	
21	416 Expenses, Merchandizing, Jobbing & Contracts	
22	419 Interest & Dividend Income	146
23	420 Allowance for Funds used During Construction	
24	421 Miscellaneous Non-Utility Income	
25	426 Miscellaneous Non-Utility Expense	
26	408.20 Other Taxes, Non-Utility Operations	
27	409-20 Income Taxes, Non-Utility Operations	
28	Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27)	146
29	Gross Income (add lines 19 & 28)	1
30	427.3 Interest Exp. on Long-Term Debt	
31	427.5 Other Interest Charges	
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)	1

Name: Ray Elliott, Aspen Creek Water Co.

**ACCOUNT 101 PLANT IN SERVICE DETAIL**  
 For Year Ended 12/31/2005

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization				
2 302	Franchises and Consents				
3 303	Land & Land Rights	10000			10000
4 304	Structures and Improvements	14500			14500
5 305	Collecting & Impounding Reservoirs	90000			90000
6 306	Lake, River & Other Intakes				
7 307	Wells	70000			70000
8 308	Infiltration Galleries & Tunnels				
9 309	Supply Mains				
10 310	Power Generation Equipment				
11 311	Power Pumping Equipment	18500			18500
12 320	Purification Systems				
13 330	Distribution Reservoirs & Standpipes				
14 331	Trans. & Distrib. Mains & Accessories	70650	9000		79650
15 333	Services				
16 334	Meters and Meter Installations	1500			1500
17 335	Hydrants	14500			14500
18 336	Backflow Prevention Devices				
19 339	Other Plant & Misc. Equipment				
20 340	Office Furniture and Equipment				
21 341	Transportation Equipment				
22 342	Stores Equipment				
23 343	Tools, Shop and Garage Equipment				
24 344	Laboratory Equipment				
25 345	Power Operated Equipment				
26 346	Communications Equipment				
27 347	Miscellaneous Equipment				
28 348	Other Tangible Property				
29	<b>TOTAL PLANT IN SERVICE</b>	<b>289650</b>	<b>9000</b>		<b>298650</b>

(Add lines 1 - 28)

Enter beginning & end of year totals on Pg 7, Line 1

Name: Ray Elliott, Aspen Creek Water Co.

**ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL**

For Year Ended 12/31/2005

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements	5	2450	3175	725
2 305	Collecting & Impounding Reservoirs	5	18000	22500	4500
3 306	Lake, River & Other Intakes				
4 307	Wells	5	14000	17500	3500
5 308	Infiltration Galleries & Tunnels				
6 309	Supply Mains				
7 310	Power Generation Equipment				
8 311	Power Pumping Equipment	10	7400	9250	1850
9 320	Purification Systems				
10 330	Distribution Reservoirs & Standpipes				
11 331	Trans. & Distrib. Mains & Accessories	5	11880	15862	3982
12 333	Services				
13 334	Meters and Meter Installations	10	600	750	150
14 335	Hydrants	5	2900	3625	725
15 336	Backflow Prevention Devices				
16 339	Other Plant & Misc. Equipment				
17 340	Office Furniture and Equipment				
18 341	Transportation Equipment				
19 342	Stores Equipment				
20 343	Tools, Shop and Garage Equipment				
21 344	Laboratory Equipment				
22 345	Power Operated Equipment				
23 346	Communications Equipment				
24 347	Miscellaneous Equipment				
25 348	Other Tangible Property				
26	TOTALS (Add Lines 1 - 25)		57230	72662	15432

Enter beginning & end of year totals on Pg 7, Line 7

Name: Ray Elliott, Aspen Creek Water Co.

**BALANCE SHEET**

For Year Ended 12/31/2005

		<b>ASSETS</b>		
ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	101 Utility Plant in Service (From Pg 5, Line 29)	289650	298650	9000
2	102 Utility Plant Leased to Others			
3	103 Plant Held for Future Use			
4	105 Construction Work in Progress			
5	114 Utility Plant Aquisition Adjustment			
6	Subtotal (Add Lines 1 - 5)	289650	298650	9000
7	108.1 Accumulated Depreciation (From Pg 6, Line 26)	57230	72662	15432
8	108.2 Accum. Depr. - Utility Plant Lease to Others			
9	108.3 Accum. Depr. - Property Held for Future Use			
10	110.1 Accum. Amort. - Utility Plant in Service			
11	110.2 Accum. Amort. - Utility Plant Lease to Others			
12	115 Accumulated Amortization - Aquisition Adj.			
13	Net Utility Plant (Line 6 less lines 7 - 12)	232420	225988	-6432
14	123 Investment in Subsidiaries			
15	125 Other Investments			
16	Total Investments (Add lines 14 & 15)			
17	131 Cash	2974	3124	150
18	135 Short Term Investments			
19	141 Accts/Notes Receivable - Customers	254	0	-254
20	142 Other Receivables			
21	145 Receivables from Associated Companies			
22	151 Materials & Supplies Inventory			
23	162 Prepaid Expenses			
24	173 Unbilled (Accrued) Utility Revenue			
25	143 Provision for Uncollectable Accounts			
26	Total Current (Add lines 17 -24 less line 25)	3228	3124	-104
27	181 Unamortized Debt Discount & Expense			
28	183 Preliminary Survey & Investigation Charges			
29	184 Deferred Rate Case Expenses			
30	186 Other Deferred Charges (Escrow)	4782	4887	105
31	<b>Total Assets (Add lines 13, 16 &amp; 26 - 30)</b>	<b>240430</b>	<b>233999</b>	<b>-6431</b>



Name: Ray Elliott, Aspen Creek Water Co.

**BALANCE SHEET**

For Year Ended 12/31/2005

**LIABILITIES & CAPITAL**

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock	3000	3000	
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts	1559	1559	
4	214 Appropriated Retained Earnings			
5	215 Unappropriated Retained Earnings	3451	3452	1
6	216 Reacquired Capital Stock			
7	218 Proprietary Capital			
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	8010	8011	1
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt			
12	231 Accounts Payable			
13	232 Notes Payable			
14	233 Accounts Payable - Associated Companies			
15	235 Customer Deposits (Refundable)			
16	236.11 Accrued Other Taxes Payable			
17	236.12 Accrued Income Taxes Payable			
18	236.2 Accrued Taxes - Non-Utility			
19	237-40 Accrued Debt, Interest & Dividends Payable			
20	241 Misc. Current & Accrued Liabilities			
21	251 Unamortized Debt Premium			
22	252 Advances for Construction			
23	253 Other Deferred Liabilities			
24	255.1 Accumulated Investment Tax Credits - Utility			
25	255.2 Accum. Investment Tax Credits - Non-Utility			
26	261-5 Operating Reserves			
27	271 Contributions in Aid of Construction	289650	298650	9000
28	272 Accum. Amort. of Contrib. in Aid of Const. **	-57230	-72662	-15432
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)	232420	225988	-6432
31	<b>TOTAL LIAB &amp; CAPITAL ( Add lines 8 &amp; 30)</b>	<b>240430</b>	<b>233999</b>	<b>-6431</b>

**\*\* Only if Commission Approved**

Name: Ray Elliott, Aspen Creek Water Co.

**STATEMENT OF RETAINED EARNINGS**

For Year Ended 12/31/2005

1	Retained Earnings Balance @ Beginning of Year	8010
2	Amount Added from Current Year Income (From Pg 4, Line 32)	1
3	Other Credits to Account	
4	Dividends Paid or Appropriated	
5	Other Distributions of Retained Earnings	
6	Retained Earnings Balance @ End of Year	8011

**CAPITAL STOCK DETAIL**

	Description (Class, Par Value etc.)	No. Shares Authorized	No. Shares Outstanding	Dividends Paid
7	Common Stock \$1 Par Value	50000	3000	0

**DETAIL OF LONG-TERM DEBT**

	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
8	N/A				

Name: Ray Elliott, Aspen Creek Water Co.

**SYSTEM ENGINEERING DATA**

For Year Ended 12/31/2005

1 Provide an updated system map if significant changes have been made to the system during the year.

2 Water Supply:

Pump Designation or location	Rated Capacity (gpm)	Type of Treatment: (None, Chlorine Fluoride Filter etc.)	Annual Production (000's Gal.)	Water Supply Source (Well, Spring, Surface Wtr)
Dempster Y-750- Aspen Creek	40	Chlorine	21024	Well

3 System Storage:

Storage Designation or Location	Total Capacity 000's Gal.	Usable Capacity 000's Gal.	Type of Reservoir (Elevated, Pressurized, Boosted)	Construction (Wood, Steel Concrete)
Storage Tank- Aspen Creek	115	100	Elevated	Concrete

(Duplicate form and attach if necessary. Asterisk facilities added this year.)

Name: Ray Elliott, Aspen Creek Water Co.

**SYSTEM ENGINEERING DATA**  
(continued)

For Year Ended 12/31/2005

4 Pump information for ALL system pumps, including wells and boosters.

Designation or Location & Type of Pump**	Horse Power	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy Used This Year
Dempster Y-750- Aspen Creek	7.5	40	70	10162

**\*\* Submit pump curves unless previously provided or unavailable. Asterisk facilities added this year. Attach additional sheets if inadequate space is available on this page.**

- 5 If Wells are metered:
  - What was the total amount pumped this year? 517650
  - What was the total amount pumped during peak month? 101325
  - What was the total amount pumped on the peak day? 8505
  
- 6 If customers are metered, what was the total amount sold in peak month? 81325
  
- 7 Was your system designed to supply fire flows? Yes  
 If Yes: What is current system rating? 1000 GPM
  
- 8 How many times were meters read this year? 1  
 During which months? October
  
- 9 How many additional customers could be served with no system improvements  
 except a service line and meter? 52  
 How many of those potential additions are vacant lots? 52
  
- 10 Are backbone plant additions anticipated during the coming year? Yes  
**If Yes, attach an explanation of projects and anticipated costs!**
  
- 11 In what year do you anticipate that the system capacity (supply, storage or distribution)  
 will have to be expanded? 2006

Name: Ray Elliott, Aspen Creek Water Co.

**SYSTEM ENGINEERING DATA**  
 (continued)  
 For Year Ended 12/31/2005

**FEET OF MAINS**

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	6"	11100			11100
	2"	700			700
	8"	1500	750		2250

**CUSTOMER STATISTICS**

		<u>Number of Customers</u>		<u>Thousands of Gallons Sold</u>	
		This Year	Last Year	This Year	Last Year
2	Metered:				
2A	Residential	25	20	497650	408000
2B	Commercial				
2C	Industrial				
3	Flat Rate:				
3A	Residential				
3B	Commercial				
3C	Industrial				
4	Private Fire Protection				
5	Public Fire Protection				
6	Street Sprinkling				
7	Municipal, Other				
8	Other Water Utilities				
TOTALS (Add lines 2 through 8)		25	20	497650	408000

# CERTIFICATE

State of Utah )  
~~Utah~~ )  
County of Rich ) ss

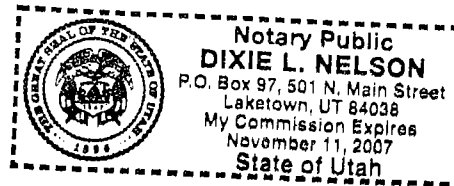
I, the undersigned \_\_\_\_\_ Ray Elliott  
and \_\_\_\_\_  
of the \_\_\_ Aspen Creek Water Co.  
utility, on our oath do severally say that the foregoing report has been prepared under our direction,  
from the original books, papers and records of said utility; that we have carefully examined same, and  
declare the same to be a correct statement of the business and affairs of said utility for the period  
covered by the report in respect to each and every matter and thing therein set forth, to the best of our  
knowledge, information and belief.

*Ray Elliott*  
(Chief Officer)

\_\_\_\_\_  
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 23 day of May, 2006  
*Dixie L. Nelson*  
NOTARY PUBLIC



My Commission Expires 11-11-2007

gdk/excel/jnelson/anulrpts/wtrannualrpt

**Aspen Creek Water, Co.  
Attachment to Annual Report**

**Line 11: Affiliated Companies**

Executive Recreational Properties  
10 S. Bear Lake Blvd.  
Garden City, Utah 84028

Management company that provides  
accounting and management services.

Lake Vista Properties, LLC  
10 S. Bear Lake Blvd.  
Garden City, Utah 84028

Land Developer who is responsible for  
Developing the land that the Water  
Company will service.

**Line 20: Recommended Improvements by Division of Environmental Quality**

Recommendation has been made that a 2<sup>nd</sup> Well drilled and added to the water system because of expansion of the subdivision. Many of the requirements for digging the new well have already been met and drilling should begin in July 2006.

**System Engineering Data- Line 10: Back Bone Plant Additions**

A 2<sup>nd</sup> Well will be drilled in 2006 at a cost of approximately \$70,000. This will be provided by the developer.

**SUMMARY OF RULES AND REGULATIONS  
OF THE IDAHO PUBLIC UTILITIES COMMISSION  
GOVERNING CUSTOMER RELATIONS OF  
NATURAL GAS, ELECTRIC AND WATER PUBLIC UTILITIES  
UNDER THE JURISDICTION OF THE IDAHO  
PUBLIC UTILITIES COMMISSION**

A utility may terminate service to a customer without his/her permission after adequate notice for the following reasons:

- A) Non-payment of delinquent bills.
- B) Failure to abide by the terms of payment arrangement.
- C) Misrepresentation of identity
- D) Unauthorized diversion or use of the utility
- E) Non-sufficient funds check.

Actions customer may take to avoid termination:

- A) Pay in full or make payment arrangements with the utility company.
- B) A physicians certificate stating the existence of a medical emergency.
- C) An informal or formal complaint concerning the termination may be filed with the utility:

Aspen Creek Water Co.  
10 South Bear Lake Blvd.  
Garden City, Utah 84028  
(435) 946-3500

Or if you are unable to contact the utility company you may file with the Idaho Public Utilities Commission, P.O. Box 83720, Boise, Idaho 83720 or call 1-800-432-0369.

Complete set of customer Rules & Regulations on file with ASPEN CREEK WATER CO. and the Idaho Public Utilities Commission.