

GSW-W

ANNUAL REPORT

OF

GEM STATE WATER COMPANY LLC

NAME

250 SW TAYLOR STREET
PORTLAND, OR 97204

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2020

IDAHO PUBLIC
UTILITIES COMMISSION

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ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 08/01/2019 - 12/31/2019

COMPANY INFORMATION

1 Give full name of utility Gem State Water Company LLC
 2 Date of Organization 8/1/2019
 3 Organized under the laws of the state of Idaho
 4 Address of Principal Office (number & street) 250 SW Taylor St.
 5 P.O. Box (if applicable) _____
 6 City Portland
 7 State Oregon
 8 Zip Code 97204
 9 Organization (proprietor, partnership, corp.) LLC
 10 Towns, Counties served Kootenai

11 Are there any affiliated companies? (yes or no) yes Y Natural Water of Idaho

If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12	Contact Information	Name	Phone No.
	Manager	Justin Palfreyman	503-226-4211
	Vice President		
	Secretary		
	General Manager	Leslie Abrams-Rayner	1.877.755.9287
	Complaints or Billing	Astra Underdown	1.877.755.9287
	Engineering	Leslie Abrams-Rayner	1.877.755.9287
	Emergency Service	Cole Rayner	1.877.755.9287
	Accounting	Leslie Abrams-Rayner	1.877.755.9287

13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? yes Lynnwood Water Bar Circle S Diamond Bar

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 250 NW BLVD
 City Coeur D Alene
 State Idaho
 Zip 83814

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

COMPANY INFORMATION (Cont.)

For the Year Ended

08/01/2019 - 12/31/2019

15 Is the system operated or maintained under a service contract? SLE/LWW No BCS YES DB YES

16 If yes: With whom is the contract? Robert Turnipseed
 When does the contract expire? At will
 What services and rates are included? Monthly sample. On call but billed per time and materials

17 Is water purchased for resale through the system? No

18 If yes: Name of Organization _____
 Name of owner or operator _____
 Mailing Address _____
 City _____
 State _____
 Zip _____

Water Purchased	Gallons/CCF	\$Amount
19 Has any system(s) been disapproved by the Idaho Department of Environmental Quality?		
<u>No</u>		

If yes, attach full explanation

20 Has the Idaho Department of Environmental Quality recommended any improvements? Yes per IDEQ sanitary survey reports

If yes, attach full explanation

21 Number of Complaints received during year concerning:
 Quality of Service 10 BCS/Db Pressure complaints
 High Bills 5
 Disconnection 0

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? 1/1/2019

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

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

REVENUE & EXPENSE DETAIL

For the Year Ended

08/01/2019 - 12/31/2019

SUB ACCT	DESCRIPTION		
400 REVENUES			
1	460	Unmetered Water Revenue	
2	461.1	Metered Sales - Residential	\$ 83,727
3	461.2	Metered Sales - Commercial, Industrial	
4	462	Fire Protection Revenue	
5	464	Other Water Sales Revenue	
6	465	Irrigation Sales Revenue	
7	466	Sales for Resale	
8	400	Total Revenue (Add Lines 1 - 7)	\$ 83,727
		(also enter result on Page 4, line 1)	
		Booked to Acct #	
9		* DEQ Fees Billed separately to customers	
		Booked to Acct #	
10		** Hookup or Connection Fees Collected	\$ 10,000
		Booked to Acct #	
11		***Commission Approved Surcharges Collected	
401 OPERATING EXPENSES			
12	601.1-6	Labor - Operation & Maintenance	\$ 30,102
13	601.7	Labor - Customer Accounts	
14	601.8	Labor - Administrative & General	
15	603	Salaries, Officers & Directors	\$ 29,615
16	604	Employee Pensions & Benefits	\$ 4,490
17	610	Purchased Water	
18	615-16	Purchased Power & Fuel for Power	\$ 14,541
19	618	Chemicals	\$ 123
20	620.1-6	Materials & Supplies - Operation & Maint.	\$ 609
21	620.7-8	Materials & Supplies - Administrative & General	\$ 5,012
22	631-34	Contract Services - Professional	\$ 150
23	635	Contract Services - Water Testing	\$ 2,450
24	636	Contract Services - Other	\$ 10,498
25	641-42	Rentals - Property & Equipment	\$ 7,120
26	650	Transportation Expense	\$ 676
27	656-59	Insurance	\$ 4,210
28	660	Advertising	\$ 167
29	666	Rate Case Expense (Amortization)	
30	667	Regulatory Comm. Exp. (Other except taxes)	
31	670	Bad Debt Expense	
32	675	Miscellaneous	\$ 3,502
33		Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)	\$ 113,265

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

INCOME STATEMENT

For the Year Ended

08/01/2019 - 12/31/2019

	SUB ACCT	DESCRIPTION		
1		Revenue (From Page 3, line 8)	\$	83,727
2		Operating Expenses (From Page 3, line 33)	\$	113,265
3	403	Depreciation Expense	\$	10,895
4	406	Amortization, Utility Plant Aquisition Adj.		
5	407	Amortization Exp. - Other		
6	408.10	Regulatory Fees (PUC)		
7	408.11	Property Taxes	\$	2,463
8	408.12	Payroll Taxes	\$	4,892
9A	408.13	Other Taxes (list) DEQ Fees	\$	1,605
9B				
9C				
9D				
10	409.10	Federal Income Taxes	\$	(11,781)
11	409.11	State Income Taxes	\$	(4,177)
12	410.10	Provision for Deferred Income Tax - Federal	\$	2,907
13	410.11	Provision for Deferred Income Tax - State	\$	1,030
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)	\$	121,099
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)	\$	(37,372)
20	415	Revenues, Merchandizing Jobbing and Contract Work		
21	416	Expenses, Merchandizing, Jobbing & Contracts		
22	419	Interest & Dividend Income		
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)	\$	-
29		Gross Income (add lines 19 & 28)	\$	(37,372)
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)	\$	(37,372)

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

ACCOUNT 101 PLANT IN SERVICE DETAIL

For the Year Ended

08/01/2019 - 12/31/2019

		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		3,273		\$ 3,273
4	304 Structures and Improvements		23,968		\$ 23,968
5	305 Collecting & Impounding Reservoirs		119,552		\$ 119,552
6	306 Lake, River & Other Intakes				\$ -
7	307 Wells		983,308		\$ 983,308
8	308 Infiltration Galleries & Tunnels				\$ -
9	309 Supply Mains		84,319		\$ 84,319
10	310 Power Generation Equipment		92,364		\$ 92,364
11	311 Power Pumping Equipment		272,312		\$ 272,312
12	320 Purification Systems		1,504		\$ 1,504
13	330 Distribution Reservoirs & Standpipes		7,195		\$ 7,195
14	331 Trans. & Distrib. Mains & Accessories		105,211		\$ 105,211
15	333 Services				\$ -
16	334 Meters and Meter Installations		29,198		\$ 29,198
17	335 Hydrants		1,135		\$ 1,135
18	336 Backflow Prevention Devices				\$ -
19	339 Other Plant & Misc. Equipment		30,476		\$ 30,476
20	340 Office Furniture and Equipment		6,199		\$ 6,199
21	341 Transportation Equipment				\$ -
22	342 Stores Equipment				\$ -
23	343 Tools, Shop and Garage Equipment				\$ -
24	344 Laboratory Equipment				\$ -
25	345 Power Operated Equipment		42,352		\$ 42,352
26	346 Communications Equipment		3,903		\$ 3,903
27	347 Miscellaneous Equipment		1,136		\$ 1,136
28	348 Other Tangible Property		2,367		\$ 2,367
29	TOTAL PLANT IN SERVICE	\$ -	\$ 1,809,772	\$ -	\$ 1,809,772

(Add lines 1 - 28) Enter beginning & end of year totals on Pg 7, Line 1

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For the Year Ended

08/01/2019 - 12/31/2019

		Depreciation	Balance	Balance	Increase
		Rate	Beginning	End of	or
		%	of Year	Year	(Decrease)
SUB ACCT	DESCRIPTION				
1	304 Structures and Improvements			15,788	\$ 15,788.00
2	305 Collecting & Impounding Reservoirs			65,458	\$ 65,458.00
3	306 Lake, River & Other Intakes				\$ -
4	307 Wells			848,044	\$ 848,044.00
5	308 Infiltration Galleries & Tunnels				\$ -
6	309 Supply Mains			31,921	\$ 31,921.00
7	310 Power Generation Equipment			91,481	\$ 91,481.00
8	311 Power Pumping Equipment			130,524	\$ 130,524.00
9	320 Purification Systems			1,504	\$ 1,504.00
10	330 Distribution Reservoirs & Standpipes			1,675	\$ 1,675.00
11	331 Trans. & Distrib. Mains & Accessories			51,704	\$ 51,704.00
12	333 Services				\$ -
13	334' Meters and Meter Installations			12,510	\$ 12,510.00
14	335 Hydrants			1,135	\$ 1,135.00
15	336 Backflow Prevention Devices				\$ -
16	339 Other Plant & Misc. Equipment			14,868	\$ 14,868.00
17	340 Office Furniture and Equipment			5,331	\$ 5,331.00
18	341 Transportation Equipment				\$ -
19	342 Stores Equipment				\$ -
20	343 Tools, Shop and Garage Equipment				\$ -
21	344 Laboratory Equipment				\$ -
22	345 Power Operated Equipment			40,763	\$ 40,763.00
23	346 Communications Equipment			3,903	\$ 3,903.00
24	347 Miscellaneous Equipment			1,173	\$ 1,173.00
25	348 Other Tangible Property			2,174	\$ 2,174.00
26	TOTALS (Add Lines 1 - 25)		\$ -	\$ 1,319,956	\$ 1,319,956.00

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

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

BALANCE SHEET

For the Year Ended 08/01/2019 - 12/31/2019

ASSETS		Balance	Balance	Increase
		Beginning	End of	or
		of Year	Year	(Decrease)
SUB ACCT	DESCRIPTION			
1	101 Utility Plant in Service (From Pg 5, Line 29)	\$ -	\$ 1,809,772	\$ 1,809,772
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)	\$ -	\$ 1,809,772	\$ 1,809,772
7	108.1 Accumulated Depreciation (From Pg 6, Line 26)	\$ -	\$ 1,319,956	\$ 1,319,956
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)	\$ -	\$ 489,816	\$ 489,816
14	123 Investment in Subsidiaries			\$ -
15	125 Other Investments			\$ -
16	Total Investments (Add lines 14 & 15)	\$ -	\$ -	\$ -
17	131 Cash		\$ 110,582	\$ 110,582
18	135 Short Term Investments			\$ -
19	141 Accts/Notes Receivable - Customers			\$ -
20	142 Other Receivables			\$ -
21	145 Receivables from Associated Companies		\$ 16,156	\$ 16,156
22	151 Materials & Supplies Inventory		\$ 77	\$ 77
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)	\$ -	\$ 126,815	\$ 126,815
27	181 Unamortized Debt Discount & Expense			\$ -
28	183 Preliminary Survey & Investigation Charges			\$ -
29	184 Deferred Rate Case Expenses			\$ -
30	186 Other Deferred Charges		\$ 66,508	\$ 66,508
31	Total Assets (Add lines 13, 16 & 26 - 30)	\$ -	\$ 683,139	\$ 683,139

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION
 Gem State Water Company LLC

NAME:
 BALANCE SHEET

For the Year Ended 08/01/2019 - 12/31/2019

LIABILITIES & CAPITAL		Balance	Balance	Increase
		Beginning	End of	or
		of Year	Year	(Decrease)
SUB ACCT	DESCRIPTION			
1	201-3 Common Stock		\$ 613,144	\$ 613,144
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts			
4	214 Appropriated Retained Earnings			
5	215 Unappropriated Retained Earnings			
6	216 Reacquired Capital Stock			
7	218 Proprietary Capital			
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	\$ -	\$ 613,144	\$ 613,144
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		\$ (3,004)	\$ (3,004)
18	236.2 Accrued Taxes - Non-Utility			
19	237-40 Accrued Debt, Interest & Dividends Payable			
20	241 Misc. Current & Accrued Liabilities		\$ 47,044	\$ 47,044
21	251 Unamortized Debt Premium			
22	252 Advances for Construction			
23	253 Other Deferred Liabilities		\$ 63,327	\$ 63,327
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			
28	272 Accum. Amort. of Contrib. in Aid of Const. **			
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)	\$ -	\$ 107,367	\$ 107,367
31	TOTAL LIABILITIES & CAPITAL (Add lines 8 & 30)	\$ -	\$ 720,511	\$ 720,511

** Only if Commission Approved

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

STATEMENT OF RETAINED EARNINGS

For the Year Ended

08/01/2019 - 12/31/2019

1	Retained Earnings Balance @ Beginning of Year	
2	Amount Added from Current Year Income (From Pg 4, Line 32)	\$ (37,372.00)
3	Other Credits to Account	
4	Dividends Paid or Appropriated	
5	Other Distributions of Retained Earnings	
6	Retained Earnings Balance @ End of Year	

CAPITAL STOCK DETAIL

7	Description (Class, Par Value etc.)	No. Shares	No. Shares	Dividends
		Authorized	Outstanding	Paid
				\$ -

DETAIL OF LONG-TERM DEBT

8	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
	Totals		\$ -	\$ -	\$ -

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

SYSTEM ENGINEERING DATA Continued

For the Year Ended

08/01/2019 - 12/31/2019

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

Designation or Location & Type of Pump**	Rated Horse power (hp)	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy used this Year (Kwh)
SLE 9112 Liberty Dr. Well pump 100 hp Franklin Sub	100	480	N/A	
SLE Booster - 10 hp Berkeley	10	250	60	
SLE Booster - 10 hp Berkeley	10	250	60	
SLE Booster - 25 hp Peerless	25	500	60	105,520
LYN Trinity Ln. Well pump	20	74	78	6,847
BCS KC Garwood Peerless Fire Pump	150	2300	20	
BCS KC Garwood Jacuzzi Well Pump	5	36	5	
BCS KC Garwood Booster Pump	10	225	60	
BCS KC Garwood Booster Pump	10	225	60	
BCS KC Garwood Booster Pump	10	225	60	
BCS KC Garwood Booster Pump	10	225	60	
BCS KC Circle "S" Trail Well Pump	60	485	55	
BCS KC Circle "S" Trail Well Pump #3	60	520	60	
DB KC - Rodeo Rd - Submersible	60	570	N/A	
DB KC - Rodeo Rd	3	75	20	
DB KC - Rodeo Rd	3	75	20	
DB KC - Rodeo Rd	10	150	N/A	
DB KC Atlas Rd Submersible Well Pump	15	N/A		

** 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? 000's gal.

66.6 MG / 3 MG

What was the total amount pumped during peak month? 000's gal.

12.6 MG/ 250k

What was the total amount pumped on the peak day? gal.

N/A

6 If customers are metered, what was the total amount sold in peak month? 000's gal.

9.7 MG

7 Was your system designed to supply fire flows?

SLE NO BCS YES

DB YES

If Yes: What is current system rating?

BCS 1700 gpm

8 How many times were meters read this year?

7

During which months?

April May June July August September October

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

9	How many additional customers could be served with no system improvements except a service line and meter? How many of those potential additions are vacant lots?	<u>SLE 37</u>	BCS 3
10	Are backbone plant additions anticipated during the coming year?	<u>SLE 37</u>	BCS 3
	If Yes, attach an explanation of projects and anticipated costs!		<u>SLE NO</u> BCS NO
11	In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded?	<u>SLE 2022</u>	SLE 2022

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Gem State Water Company LLC

SYSTEM ENGINEERING DATA Continued

For the Year Ended

08/01/2019 - 12/31/2019

FEET OF MAINS

	Pipe Size		In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
SLE	1"	Galvanized	495			495
	2"	PVC	2862			2862
	2.5"	Galvanized	8			8
	3"	PVC	3897			3897
	4"	Galvanized/PVC	16/37202			16/37202
	6"	Galvanized/PVC	8/56736			8/56736
	8"	PVC	22638			22638
	10"	PVC	2698			2698
LYN	12"	Steel	25			25
	1"	HDPE Service Connections				
BCS	4"	PVC	7650			7650
	10"	PVC	12441			12441
	8"	PVC	20312			20312
	6"	PVC	20384			20384
DB	4"	PVC	360			360
	6"	PVC	12547			12547
	4"	PVC	1033			1033

CUSTOMER STATISTICS

		Number of Customers		Thousands of Gallons Sold	
		This Year	Last Year	This Year	Last Year
2	Metered: Residential	SLE/LWW 352 BCS 226 D 857	SLE 322 BCS 218 DB	SLE 13.9 MG / DB 275K	N/A
2A	Commercial	BCS 1	BCS 1		
2B	Industrial				
2C	Flat Rate:				
3	Residential				
3A	Commercial				
3B	Industrial				
3C	Private Fire Protection	BCS 49	BCS 49		

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

4	Public Fire Protection				
5	Street Sprinkling				

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

6	Municipal, Other				
7	Other Water Utilities				
8	TOTALS (Add lines 2 through 8)	685	647	0	0

CERTIFICATE

I, the undersigned, *Justin Palocz*
Justin Palocz, Director
Idaho Department of Water Resources
 do hereby certify that the above information is true and correct to the best of my knowledge and belief.

Witness my hand and the seal of the Department of Water Resources at Boise, Idaho, this *20th* day of *February*, 2021.
Justin Palocz
 Director

I, the undersigned, *John L. Kelly*
John L. Kelly, Director
Idaho Department of Public Utilities
 do hereby certify that the above information is true and correct to the best of my knowledge and belief.

Witness my hand and the seal of the Department of Public Utilities at Boise, Idaho, this *20th* day of *February*, 2021.
John L. Kelly
 Director

SPECIAL STAMP
 I HAVE RECEIVED THE ORIGINAL REPORT FROM THE WATER UTILITIES AND I HAVE REVIEWED THE REPORT AND I HAVE APPROVED THE REPORT FOR PUBLICATION.
 WEDNESDAY, FEBRUARY 24, 2021
 BY: [Signature]