

ANNUAL REPORT

OF

Picabo Livestock Co. Inc
NAME

Picabo, IDAHO
ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2004

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UTILITIES COMMISSION

**ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2007**

COMPANY INFORMATION

1 Give full name of utility Picabo Livestock Co. INC
 Telephone Area Code 208 788 2516
 E-mail address N.Purdy@Earthlink.net
 2 Date of Organization OCTOBER 18 1955
 3 Organized under the laws of the state of IDAHO
 4 Address of Principal Office (number & street) _____
 5 P.O. Box (if applicable) P.O. Box 688
 6 City Picabo, ID
 7 State IDAHO
 8 Zip Code 83348
 9 Organization (proprietor, partnership, corp.) CO. P.
 10 Towns, Counties served Picabo
Blaine

11 Are there any affiliated companies? No
 If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12 Contact Information	Name	Phone No.
President (Owner)	<u>A. N. Purdy</u>	<u>788 2516</u>
Vice President	<u>NICK Purdy</u>	<u>788 3530</u>
Secretary	<u>Ruth Purdy</u>	
General Manager		
Complaints or Billing		
Engineering		
Emergency Service		
Accounting		

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 P.O. Box 688
 City Picabo
 State IDAHO
 Zip 83348

NAME: 2004

COMPANY INFORMATION (Cont.)

For the Year Ended _____

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

16 If yes: With whom is the contract? _____
When does the contract expire? _____
What services and rates are included? _____

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 _____

	Gallons/CCF	\$Amount
Water Purchased	_____	_____

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? no

If yes, attach full explanation

21 Number of Complaints received during year concerning:
Quality of Service None
High Bills "
Disconnection "

22 Number of Customers involuntarily disconnected _____

23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701? 2004

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: _____

REVENUE & EXPENSE DETAIL

For the Year Ended 2004

ACCT #	DESCRIPTION		
400 REVENUES			
1	460	Unmetered Water Revenue	<u>8580</u>
2	461.1	Metered Sales - Residential	_____
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) (also enter result on Page 4, line 1)	<u>8580</u>
9	*	DEQ Fees Billed separately to customers	Booked to Acct # _____
10	**	Hookup or Connection Fees Collected	Booked to Acct # _____
11	***	Commission Approved Surcharges Collected	Booked to Acct # _____
401 OPERATING EXPENSES			
12	601.1-6	Labor - Operation & Maintenance	<u>1100</u>
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	<u>3884</u>
19	618	Chemicals	<u>240</u>
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>643</u>
21	620.7-8	Materials & Supplies - Administrative & General	_____
22	631-34	Contract Services - Professional	_____
23	635	Contract Services - Water Testing	<u>588</u>
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)	<u>100</u>
31	670	Bad Debt Expense	_____
32	675	Miscellaneous	<u>212</u>
33		Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)	<u>6387</u>

Name: _____

INCOME STATEMENT

For Year Ended 2004

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>8580</u>
2	Operating Expenses (From Page 3, line 33)	<u>6887</u>	
3	403 Depreciation Expense		
4	406 Amortization, Utility Plant Aquisition Adj.		
5	407 Amortization Exp. - Other		
6	408.10 Regulatory Fees (PUC)	<u>50</u>	
7	408.11 Property Taxes	<u>50</u>	
8	408.12 Payroll Taxes		
9A	408.13 Other Taxes (list) DEQ Fees	<u>100</u>	
9B	_____		
9C	_____		
9D	_____		
10	409.10 Federal Income Taxes		
11	409.11 State Income Taxes		
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)		<u>7087</u>
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)		<u>1493</u>
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)		
30	427.3 Interest Exp. on Long-Term Debt		<u>1912</u>
31	427.5 Other Interest Charges		
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		

Name: _____

ACCOUNT 101 PLANT IN SERVICE DETAIL
For Year Ended _____

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization	18500			18500
2 302	Franchises and Consents				
3 303	Land & Land Rights				
4 304	Structures and Improvements	13248			13248
5 305	Collecting & Impounding Reservoirs				
6 306	Lake, River & Other Intakes				
7 307	Wells	40,000			40,000
8 308	Infiltration Galleries & Tunnels				
9 309	Supply Mains				
10 310	Power Generation Equipment				
11 311	Power Pumping Equipment	16949			16949
12 320	Purification Systems	5738			5738
13 330	Distribution Reservoirs & Standpipes				
14 331	Trans. & Distrib. Mains & Accessories	36413	1252		37665
15 333	Services	6402			6402
16 334	Meters and Meter Installations				
17 335	Hydrants		1921		1921
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	TOTAL PLANT IN SERVICE	139250	3173		140403

(Add lines 1 - 28)

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

Name: _____

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended 2004

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements	NA	NA	NA	NA
2 305	Collecting & Impounding Reservoirs				
3 306	Lake, River & Other Intakes				
4 307	Wells				
5 308	Infiltration Galleries & Tunnels				
6 309	Supply Mains				
7 310	Power Generation Equipment				
8 311	Power Pumping Equipment				
9 320	Purification Systems				
10 330	Distribution Reservoirs & Standpipes				
11 331	Trans. & Distrib. Mains & Accessories				
12 333	Services				
13 334	Meters and Meter Installations				
14 335	Hydrants				
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)				

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

Name: _____

BALANCE SHEET

For Year Ended 2004

ASSETS

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	101 Utility Plant in Service (From Pg 5, Line 29)	N/A	N/A	N/A
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)			
7	108.1 Accumulated Depreciation (From Pg 6, Line 26)			
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)			
14	123 Investment in Subsidiaries			
15	125 Other Investments			
16	Total Investments (Add lines 14 & 15)			
17	131 Cash			
18	135 Short Term Investments			
19	141 Accts/Notes Receivable - Customers			
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)			
27	181 Unamortized Debt Discount & Expense			
28	183 Preliminary Survey & Investigation Charges			
29	184 Deferred Rate Case Expenses			
30	186 Other Deferred Charges			
31	Total Assets (Add lines 13, 16 & 26 - 30)			

Name: _____

BALANCE SHEET

For Year Ended 2004

LIABILITIES & CAPITAL

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock	NA	NA	NA
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)			
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			
28	272 Accum. Amort. of Contrib. in Aid of Const. **			
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)			
31	TOTAL LIAB & CAPITAL (Add lines 8 & 30)			

**** Only if Commission Approved**

Name: _____

STATEMENT OF RETAINED EARNINGS
For Year Ended 2004

1	Retained Earnings Balance @ Beginning of Year	NA
2	Amount Added from Current Year Income (From Pg 4, Line 32)	
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 Authorized	No. Shares Outstanding	Dividends Paid
	NA			

DETAIL OF LONG-TERM DEBT

8	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
	NA				

Name: _____

SYSTEM ENGINEERING DATA

For Year Ended 2004

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)
1 well - Picabo	50	chlorine	14.8	well
1 well - Ranch	300	chlorine	}	well
SPRING -	8	chlorine		SPRING

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)
water Tank	50000		Elevated	Steel Plastic liner

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

Name: _____

SYSTEM ENGINEERING DATA
(continued)

For Year Ended 2004

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	
NA	NA	NA	NA	NA	
}	}	}	}	}	

** 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? NA
 - What was the total amount pumped during peak month? _____
 - What was the total amount pumped on the peak day? _____
- 6 If customers are metered, what was the total amount sold in peak month? _____
- 7 Was your system designed to supply fire flows?
If Yes: What is current system rating? _____
- 8 How many times were meters read this year?
During which months? _____
- 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? None
None
- 10 Are backbone plant additions anticipated during the coming year?
If Yes, attach an explanation of projects and anticipated costs! None
- 11 In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded? 2009

Name: _____

SYSTEM ENGINEERING DATA
(continued)

For Year Ended _____

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	2" Galvanized	9000'			9000'
	6" PVC 200#	6000'	180'		6240'
	3" PVC 200#	900'	200'		1100'
	2" PVC 200#	140'			140'
	4" PVC 200#	40'			40'
	5" PVC 200#	40'			40'

CUSTOMER STATISTICS

		Number of Customers		Thousands of Gallons Sold	
		This Year	Last Year	This Year	Last Year
2	Metered:				
2A	Residential	35	26	NA	NR
2B	Commercial	4	2		
2C	Industrial				
3	Flat Rate:				
3A	Residential	6 mo winter \$ 22	\$ 14		
3B	Commercial	6 mo summer	41	26	
3C	Industrial				
4	Private Fire Protection	Commercial	37	24	
5	Public Fire Protection	Hydrant	19		
6	Street Sprinkling	Handpump	500	500	
7	Municipal, Other				
8	Other Water Utilities				
TOTALS (Add lines 2 through 8)		39	28		

CERTIFICATE

State of Idaho)
County of Blairstown) ss

WE, the undersigned A. M. Purdy
and Dicabo Livestock Co.
of the _____

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.

A. M. Purdy
(Chief Officer)

A. M. Purdy
(Officer in Charge of Accounts)

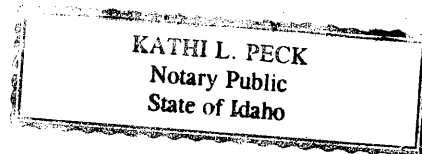
Subscribed and Sworn to Before Me

this 24 day of March, 05

Kathi L. Peck

NOTARY PUBLIC

My Commission Expires 8/31/07



gdk/excel/jnelson/anulrpts/wtrannualrpt

PICABO LIVESTOCK CO., INC.

Box 688

PICABO, IDAHO 83348

Tel 208-788-3530

fax 208-788-0214

npurdy@earthlink.net

March 22, 2004

Water Utilities Supervisor
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

sent to all water users

RE: Proposed Rate Increase for Picabo Water System

Dear Supervisor:

It has been a number of years since the Picabo Water System asked for a rate increase and in the meantime expenses for power, maintenance, materials and water testing have increased dramatically.


To make the system more dependable a well was drilled in 2000 for a cost of over \$50,000 dollars and a variable speed booster pump was installed to make the pressure in town more stable. The added expenses for power and interest on the well investment has raised the expenses several thousand dollars a year. In 2003 the income from the system was \$6,182 and the expenses were \$8,283. The expenses do not include any labor to operate the system or any depreciation to replace the equipment at the end of its life.

A survey of a system similar to ours in the town of Carey Idaho, determined that the minimum payment for a hydrant is \$50.00 a month and an average bill for the month for a household of four that waters their lawn is \$70.00. Our rate for a single hydrant is a minimum of \$12 and for household wintertime use a rate of \$14 and for a summer time household irrigation rate of \$26.

The Picabo System has about 26 customers and to bring the expenses in line with the revenues, it would take about \$6 a month to make the system break even, however there still would not be any money to cover depreciation and labor. Therefore, we are respectfully requesting an \$8.00 per month increase for the three rates we publish, since we are faced with additional increases in our electricity bills and our water sampling costs in the next several years.

Please consider this request so that we could raise rates by July 1st of 2004. If you have any questions please contact me at 208-788-3530 or at the address above.

Sincerely,


Nick Purdy
Manager