

RECEIVED  
FILED



2004 APR 16 AM 9:09

# ***ANNUAL REPORT***

OF

**Eagle Water Company, Inc.**

---

**NAME**

**172 E State Street, Ste. D Eagle, Idaho 83616**

---

**ADDRESS**

TO THE

**IDAHO PUBLIC**

**UTILITIES COMMISSION**

FOR THE

YEAR ENDED December 31, 2003

**ANNUAL REPORT FOR WATER UTILITIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING December 31, 2003**

**COMPANY INFORMATION**

1 Give full name of utility Eagle Water Company, Inc.  
 2 Date of Organization 3/14/74  
 3 Organized under the laws of the state of Idaho  
 4 Address of Principal Office (number & street) 172 W. State Street, Suite D  
 5 P.O. Box (if applicable) PO Box 455  
 6 City Eagle  
 7 State Idaho  
 8 Zip Code 83616  
 9 Organization (proprietor, partnership, corp.) Corporation  
 10 Towns, Counties served Eagle, Ada County, Idaho

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)	Robert V. DeShazo, Jr.	939-0242
Vice President	Rowland Jones	
Secretary	Betty Holt	939-0242
General Manager	Norman Revels	939-0242
Complaints or Billing	Betty Holt	939-0240
Engineering	Jim Rees, MTC Engineers	
Emergency Service	Norman Revels	939-0242
Accounting	Betty Holt 939-0242 or Geneva Trent	939-8206

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 172 W. State Street, Suite D  
 City Eagle  
 State Idaho  
 Zip 83616

NAME: Eagle Water Company, Inc.

**COMPANY INFORMATION (Cont.)**

For the Year Ended 31-Dec-03

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

4

High Bills

6

Disconnection

0

22 Number of Customers involuntarily disconnected

12

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

Jul-03

**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: Eagle Water Company, Inc.

**REVENUE & EXPENSE DETAIL**

For the Year Ended 31-Dec-03

ACCT #	DESCRIPTION		
<b>400 REVENUES</b>			
1	460	Unmetered Water Revenue	
2	461.1	Metered Sales - Residential	<u>485,495</u>
3	461.2	Metered Sales - Commercial, Industrial	<u>114,907</u>
4	462	Fire Protection Revenue	
5	464	Other Water Sales Revenue	<u>500</u>
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>600,902</u>
9	* DEQ Fees Billed separately to customers		Booked to Acct # _____
10	** Hookup or Connection Fees Collected	<u>13,180</u>	Booked to Acct # <u>271</u>
11	***Commission Approved Surcharges Collected		Booked to Acct # _____
<b>401 OPERATING EXPENSES</b>			
12	601.1-6	Labor - Operation & Maintenance	<u>32,621</u>
13	601.7	Labor - Customer Accounts	<u>80,893</u>
14	601.8	Labor - Administrative & General	<u>19,575</u>
15	603	Salaries, Officers & Directors	<u>11,393</u>
16	604	Employee Pensions & Benefits	<u>27,103</u>
17	610	Purchased Water	
18	615-16	Purchased Power & Fuel for Power	<u>91,565</u>
19	618	Chemicals	
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>4,866</u>
21	620.7-8	Materials & Supplies - Administrative & General	<u>21,607</u>
22	631-34	Contract Services - Professional	<u>52,266</u>
23	635	Contract Services - Water Testing	
24	636	Contract Services - Other	
25	641-42	Rentals - Property & Equipment	
26	650	Transportation Expense	<u>6,058</u>
27	656-59	Insurance	<u>34,659</u>
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	<u>25</u>
33	<b>Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)</b>		<u>382,631</u>

Name: Eagle Water Company, Inc.

**INCOME STATEMENT**

For Year Ended 31-Dec-03

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>600,902</u>
2	Operating Expenses (From Page 3, line 33)	<u>382,631</u>	
3 403	Depreciation Expense	<u>45,348</u>	
4 406	Amortization, Utility Plant Aquisition Adj.		
5 407	Amortization Exp. - Other		
6 408.10	Regulatory Fees (PUC)	<u>1,467</u>	
7 408.11	Property Taxes	<u>24,132</u>	
8 408.12	Payroll Taxes	<u>19,993</u>	
9A 408.13	Other Taxes (list)      DEQ Fees	<u>7,900</u>	
9B	Sales Taxes	<u>11,066</u>	
9C			
9D			
10 409.10	Federal Income Taxes		
11 409.11	State Income Taxes	<u>20</u>	
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>492,557</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>108,345</u>
20 415	Revenues, Merchandizing Jobbing and Contract Work		
21 416	Expenses, Merchandizing, Jobbing & Contracts		
22 419	Interest & Dividend Income	<u>3</u>	
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)		<u>3</u>
29	Gross Income (add lines 19 & 28)		<u>108,348</u>
30 427.3	Interest Exp. on Long-Term Debt	<u>5,924</u>	
31 427.5	Other Interest Charges	<u>6,227</u>	
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		<u><u>96,197</u></u>

Name: Eagle Water Company, Inc.

**ACCOUNT 101 PLANT IN SERVICE DETAIL**  
For Year Ended 31-Dec-03

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization	13,857			13,857
2 302	Franchises and Consents				-
3 303	Land & Land Rights	19,100			19,100
4 304	Structures and Improvements	15,199			15,199
5 305	Collecting & Impounding Reservoirs	48,015			48,015
6 306	Lake, River & Other Intakes				-
7 307	Wells	387,943		13,574	374,369
8 308	Infiltration Galleries & Tunnels				-
9 309	Supply Mains				-
10 310	Power Generation Equipment	20,236			20,236
11 311	Power Pumping Equipment	188,549	13,574		202,123
12 320	Purification Systems				-
13 330	Distribution Reservoirs & Standpipes				-
14 331	Trans. & Distrib. Mains & Accessories	980,033			980,033
15 333	Services				-
16 334	Meters and Meter Installations	171,710	15,519		187,229
17 335	Hydrants	4,200			4,200
18 336	Backflow Prevention Devices				-
19 339	Other Plant & Misc. Equipment				-
20 340	Office Furniture and Equipment	15,296			15,296
21 341	Transportation Equipment	21,175	10,000	1,000	30,175
22 342	Stores Equipment				-
23 343	Tools, Shop and Garage Equipment	12,505			12,505
24 344	Laboratory Equipment				-
25 345	Power Operated Equipment				-
26 346	Communications Equipment				-
27 347	Miscellaneous Equipment	2,291			2,291
28 348	Other Tangible Property				-
29	<b>TOTAL PLANT IN SERVICE</b>	<b>1,900,109</b>	<b>25,519</b>	<b>1,000</b>	<b>1,924,628</b>

(Add lines 1 - 28)

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

**ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL**

For Year Ended 31-Dec-03

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements		8,044	8,324	280
2 305	Collecting & Impounding Reservoirs				-
3 306	Lake, River & Other Intakes				-
4 307	Wells		68,290	79,416	11,722
5 308	Infiltration Galleries & Tunnels				-
6 309	Supply Mains		2,190	2,448	258
7 310	Power Generation Equipment		20,236	20,236	-
8 311	Power Pumping Equipment		53,865	63,254	8,794
9 320	Purification Systems				-
10 330	Distribution Reservoirs & Standpipes		47,744	48,015	271
11 331	Trans. & Distrib. Mains & Accessories		129,010	139,612	10,602
12 333	Services				-
13 334	Meters and Meter Installations		14,170	17,764	3,594
14 335	Hydrants		840	874	34
15 336	Backflow Prevention Devices				-
16 339	Other Plant & Misc. Equipment				-
17 340	Office Furniture and Equipment		13,043	14,845	1,802
18 341	Transportation Equipment		12,123	17,158	5,035
19 342	Stores Equipment				-
20 343	Tools, Shop and Garage Equipment		9,153	10,651	1,498
21 344	Laboratory Equipment				-
22 345	Power Operated Equipment				-
23 346	Communications Equipment				-
24 347	Miscellaneous Equipment		687	1,145	458
25 348	Other Tangible Property				-
26	<b>TOTALS (Add Lines 1 - 25)</b>		<b>379,395</b>	<b>423,742</b>	<b>44,348</b>

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

Name: Eagle Water Company, Inc.

**BALANCE SHEET**

For Year Ended 31-Dec-03

<b>ASSETS</b>			Balance	Balance	Increase
ACCT #	DESCRIPTION		Beginning of Year	End of Year	or (Decrease)
1	101	Utility Plant in Service (From Pg 5, Line 29)	1,900,109	1,924,628	24,519
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)	1,900,109	1,924,628	24,519
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)	379,395	423,743	44,348
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)	1,520,714	1,500,885	(19,829)
14	123	Investment in Subsidiaries			-
15	125	Other Investments			-
16		Total Investments (Add lines 14 & 15)			-
17	131	Cash	83,936	32,754	(51,182)
18	135	Short Term Investments			-
19	141	Accts/Notes Receivable - Customers	36,795	30,613	(6,182)
20	142	Other Receivables	33,734	37,360	3,626
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)	154,465	100,727	(53,738)
27	181	Unamortized Debt Discount & Expense			-
28	183	Preliminary Survey & Investigation Charges			-
29	184	Deferred Rate Case Expenses A/R DeShazo, J	34,504		(34,504)
30	186	Other Deferred Charges A/R Construct'n	1,536,473	2,007,615	471,142
31		<b>Total Assets (Add lines 13, 16 &amp; 26 - 30)</b>	<b>3,246,156</b>	<b>3,609,227</b>	<b>363,071</b>

Name: Eagle Water Company, Inc.

**BALANCE SHEET**

For Year Ended 31-Dec-03

<b>LIABILITIES &amp; CAPITAL</b>		Balance	Balance	Increase
ACCT #	DESCRIPTION	Beginning of Year	End of Year	or (Decrease)
1	201-3 Common Stock	20,000	20,000	
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts      Paid In Capital	63,702	63,702	
4	214 Appropriated Retained Earnings			
5	215 Unappropriated Retained Earnings	642,193	738,390	96,197
6	216 Reacquired Capital Stock			
7	218 Proprietary Capital			
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	725,895	822,092	96,197
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt	44,409	37,926	(6,483)
12	231 Accounts Payable	76,597	210,721	134,124
13	232 Notes Payable	46,905	87,873	40,968
14	233 Accounts Payable - Associated Companies			
15	235 Customer Deposits (Refundable)			
16	236.11 Accrued Other Taxes Payable      Payroll	32,429	21,812	(10,617)
17	236.12 Accrued Income Taxes Payable			
18	236.2 Accrued Taxes - Non-Utility			
19	237-40 Accrued Debt, Interest & Dividends Payable	8,292	8,700	408
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	2,311,629	2,420,103	108,474
28	272 Accum. Amort. of Contrib. in Aid of Const. **			
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)	2,520,261	2,787,135	266,874
31	<b>TOTAL LIAB &amp; CAPITAL ( Add lines 8 &amp; 30)</b>	<b>3,246,156</b>	<b>3,609,227</b>	<b>363,071</b>

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

Name: Eagle Water Company, Inc.

**STATEMENT OF RETAINED EARNINGS**

For Year Ended 31-Dec-03

1	Retained Earnings Balance @ Beginning of Year	<u>642,193</u>
2	Amount Added from Current Year Income (From Pg 4, Line 32)	<u>96,197</u>
3	Other Credits to Account	<u>          </u>
4	Dividends Paid or Appropriated	<u>          </u>
5	Other Distributions of Retained Earnings	<u>          </u>
6	Retained Earnings Balance @ End of Year	<u><u>783,390</u></u>

**CAPITAL STOCK DETAIL**

7	Description (Class, Par Value etc.)	No. Shares	No. Shares	Dividends
		Authorized	Outstanding	Paid
	Common	20,000	20,000	-0-

**DETAIL OF LONG-TERM DEBT**

8	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
	Note Payable - Nyborg	12% - 14%	37,926	5,244	272

Name: Eagle Water Company, Inc.

**SYSTEM ENGINEERING DATA**

For Year Ended 31-Dec-03

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	600 gpm	none		well
#2	400 gpm	none		well
#3	400 gpm	none		well
#5	variable to 2,500	none		well
#6	variable to 2,500	none		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)
W/H #2	90,000	90,000	Boosted	Concrete)

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

Name: Eagle Water Company, Inc.

**SYSTEM ENGINEERING DATA**  
**(continued)**  
 For Year Ended 31-Dec-03

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
W/H #1 Sub. Berkley	50	600		
W/H #2 Sub. Berkley	20	400		
W/H #3 Sub. Berkley	20	400		
W.H #4 Layne & Bowler	variable 250	up to 2,500		
W/H #6 Layne & Bowler	variable 250	up to 2,500		
W/H #2 Pacific	25	450		
W/H #2 Pacific	15	220		
W/H #2 Pacific	25	450		

**\*\* 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? 730,965,000
- What was the total amount pumped during peak month? July 130,295,500
- What was the total amount pumped on the peak day? 15 July 4,647,000
- 6 If customers are metered, what was the total amount sold in peak month? 130,295,500
- 7 Was your system designed to supply fire flows? yes
- If Yes: What is current system rating? 4
- 8 How many times were meters read this year? 12
- During which months? Dec. thru Jan.
- 9 How many additional customers could be served with no system improvements except a service line and meter? 100
- How many of those potential additions are vacant lots? 50
- 10 Are backbone plant additions anticipated during the coming year? Yes
- If Yes, attach an explanation of projects and anticipated costs! Well - Approx. \$250,000-300,000
- 11 In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded? 2004

Name: Eagle Water Company, Inc.

**SYSTEM ENGINEERING DATA  
(continued)**

For Year Ended 31-Dec-03

**FEET OF MAINS**

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	1 1/2 "	13,010	0	0	13,010
	2"	1,601	0	0	1,601
	4"	9,074	0	0	9,074
	6"	41,296	0	0	41,296
	8"	120,964	1,700	0	122,664
	10"	20	0	0	20
	12"	68,852	0	0	68,852

**CUSTOMER STATISTICS**

		Number of Customers		Thousands of Gallons Sold	
		This Year	Last Year	This Year	Last Year
2	Metered:				
2A	Residential	2488	2364	547,248,325	492,162,445
2B	Commercial	257	235	129,318,068	117,465,555
2C	Industrial	0	0		
3	Flat Rate:				
3A	Residential	0	0		
3B	Commercial	1	1		
3C	Industrial	0	0		
4	Private Fire Protection				
5	Public Fire Protection				
6	Street Sprinkling				
7	Municipal, Other				
8	Other Water Utilities				
	<b>TOTALS (Add lines 2 through 8)</b>	<b>2746</b>	<b>2600</b>	<b>676,566,393</b>	<b>609,628,000</b>

