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IDAHO PUBLIC UTILITIES COMMISSION

ANNUAL REPORT

OF SPL-w

Spirit Lake East Water Co.
NAME

P.O. Box 3388 CDA ID 83816
ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 10/31/2008

**ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 10 31 08**

COMPANY INFORMATION

1 Give full name of utility Spirit Lake East Water Company
 Telephone Area Code () 1-877-755-9287
 E-mail address info@mywaterworksonline.com
 2 Date of Organization 4-1-1982
 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 3388
 6 City Coeur D Alene
 7 State Idaho
 8 Zip Code 83816
 9 Organization (proprietor, partnership, corp.) Corporation
 10 Towns, Counties served Spirit Lake East & Treeport
Developments
Kootenai + Bonner County

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

Contact Information	Name	Phone No.
President (Owner)	<u>Leslie Abrams</u>	<u>1-877-755-9287</u>
Vice President		
Secretary		
General Manager Director	<u>Dean Benninger</u>	<u>1-877-755-9287</u>
Complaints or Billing	<u>Leslie Abrams</u>	<u>1-877-755-9287</u>
Engineering		
Emergency Service	<u>Water Works, Inc.</u>	<u>208-667-0726</u>
Accounting	<u>Leslie Abrams</u>	<u>1-877-755-9287</u>

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 719 N 7th St
 City Coeur D Alene
 State Idaho
 Zip 83814

NAME: Spirit Lake East Water Co.

COMPANY INFORMATION (Cont.)

For the Year Ended 10-31-08

15 Is the system operated or maintained under a service contract?

16 If yes: With whom is the contract?

When does the contract expire?

What services and rates are included?

Yes
Water Works, Inc.
Open
Maintenance & emergency services
Accounting & billing for receivables

17 Is water purchased for resale through the system?

18 If yes: Name of Organization

Name of owner or operator

Mailing Address

City

State

Zip

No

Gallons/CCF \$Amount

Water Purchased

19 Has any system(s) been disapproved by the Idaho Division of Environmental Quality?

If yes, attach full explanation

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

If yes, attach full explanation

21 Number of Complaints received during year concerning:

Quality of Service

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?

Attach a copy of the Summary

24 Did significant additions or retirements from the Plant Accounts occur during the year?

If yes, attach full explanation and an updated system map

all docs on file
Previously was not since been returned to approved status
Yes - Completed

unknown
0
0
0

at start of service

Upgrades to system pumping and power generation as well as leak detection.

NAME: Spirit Lake East Water Co.

REVENUE & EXPENSE DETAIL

For the Year Ended 10-31-08

ACCT #	DESCRIPTION		
400 REVENUES			
1	460	Unmetered Water Revenue	
2	461.1	Metered Sales - Residential	<u>59,297</u>
3	461.2	Metered Sales - Commercial, Industrial	
4	462	Fire Protection Revenue	
5	464	Other Water Sales Revenue	<u><387></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>58910</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>42,710</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>15,010</u>
19	618	Chemicals	<u>995</u>
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>3784</u>
21	620.7-8	Materials & Supplies - Administrative & General	<u>400</u>
22	631-34	Contract Services - Professional	<u>7150</u>
23	635	Contract Services - Water Testing	<u>361</u>
24	636	Contract Services - Other	
25	641-42	Rentals - Property & Equipment	
26	650	Transportation Expense	
27	656-59	Insurance	<u>3292</u>
28	660	Advertising	
29	666	Rate Case Expense (Amortization)	
30	667	Regulatory Comm. Exp. (Other except taxes)	
31	670	Bad Debt Expense	<u>251</u>
32	675	Miscellaneous	<u>20</u>
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)		<u>73973</u>

Name: Spirit Lake East Water Co.

INCOME STATEMENT

For Year Ended 10-31-08

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>58,910</u>
2	Operating Expenses (From Page 3, line 33)	<u>73974</u>	
3	403 Depreciation Expense		
4	406 Amortization, Utility Plant Aquisition Adj.		
5	407 Amortization Exp. - Other		
6	408.10 Regulatory Fees (PUC)	<u>1284</u>	
7	408.11 Property Taxes	<u>170</u>	
8	408.12 Payroll Taxes		
9A	408.13 Other Taxes (list) DEQ Fees		
9B			
9C			
9D			
10	409.10 Federal Income Taxes	<u>6</u>	
11	409.11 State Income Taxes	<u>73</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>75507</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><16,597></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)		<u><16,597></u>
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)		<u><16,597></u>

Name: Spirit Lake East Water Co.

ACCOUNT 101 PLANT IN SERVICE DETAIL
 For Year Ended 10-31-06

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				
4 304	Structures and Improvements	8405	39817		48222
5 305	Collecting & Impounding Reservoirs	77073			77073
6 306	Lake, River & Other Intakes				
7 307	Wells	30132			30132
8 308	Infiltration Galleries & Tunnels				
9 309	Supply Mains				
10 310	Power Generation Equipment	28124	58624	28124	30500
11 311	Power Pumping Equipment	71053	69941		140994
12 320	Purification Systems	796			796
13 330	Distribution Reservoirs & Standpipes	7134			7134
14 331	Trans. & Distrib. Mains & Accessories	519732			519732
15 333	Services	71097			71097
16 334	Meters and Meter Installations	13918			13918
17 335	Hydrants				
18 336	Backflow Prevention Devices				
19 339	Other Plant & Misc. Equipment	5407			5407
20 340	Office Furniture and Equipment	3029			3029
21 341	Transportation Equipment	5001			5001
22 342	Stores Equipment				
23 343	Tools, Shop and Garage Equipment				
24 344	Laboratory Equipment				
25 345	Power Operated Equipment				
26 346	Communications Equipment	1951			1951
27 347	Miscellaneous Equipment	639			639
28 348	Other Tangible Property	27339			27339
29	TOTAL PLANT IN SERVICE (Add lines 1 - 28)	870829	168382	28124	1,011,087

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

Name: Spirit Lake East Water Co.

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended 10-31-08

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements				
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)		742459	742459	

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

Name: Spirit Lake East Water Co

BALANCE SHEET

For Year Ended 10-31-08

ASSETS			Balance	Balance	Increase
ACCT #	DESCRIPTION		Beginning of Year	End of Year	or (Decrease)
1	101	Utility Plant in Service (From Pg 5, Line 29)	870830	1,011,087	
2	102	Utility Plant Leased to Others			
3	103	Plant Held for Future Use			
4	105	Construction Work in Progress	48 806	231 131	182 325
5	114	Utility Plant Aquisition Adjustment			
6		Subtotal (Add Lines 1 - 5)	919 636	1,242,218	322,582
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)	742 459	742 459	0
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)	177177	499759	322582
14	123	Investment in Subsidiaries			
15	125	Other Investments			
16		Total Investments (Add lines 14 & 15)			
17	131	Cash	8547	2926	(5621)
18	135	Short Term Investments			
19	141	Accts/Notes Receivable - Customers	18063	24697	6634
20	142	Other Receivables			
21	145	Receivables from Associated Companies			
22	151	Materials & Supplies Inventory	19314	19314	0
23	162	Prepaid Expenses			
24	173	Unbilled (Accrued) Utility Revenue			
25	143	Provision for Uncollectable Accounts	0	0	0
26		Total Current (Add lines 17 -24 less line 25)	45924	46937	1013
27	181	Unamortized Debt Discount & Expense			
28	183	Preliminary Survey & Investigation Charges			
29	184	Deferred Rate Case Expenses			
30	186	Other Deferred Charges	0	0	0
31		Total Assets (Add lines 13, 16 & 26 - 30)	223101	549102	326521

Name: Spirit Lake East Water Co.

BALANCE SHEET

For Year Ended 10-31-08

LIABILITIES & CAPITAL

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock	296434	296434	
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts			
4	214 Appropriated Retained Earnings	<372249>	<370398>	<1851>
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)	<75815>	<73967>	<1851>
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt			
12	231 Accounts Payable	10983	0	<10983>
13	232 Notes Payable			
14	233 Accounts Payable - Associated Companies			
15	235 Customer Deposits (Refundable)	55	0	<55>
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	215977	426177	210200
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	70050	70050	0
28	272 Accum. Amort. of Contrib. in Aid of Const. **			
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)	297065	496227	199162
31	TOTAL LIAB & CAPITAL (Add lines 8 & 30)	372886	570191	197311

** Only if Commission Approved

Name: Spirit Lake East Water Co

STATEMENT OF RETAINED EARNINGS
For Year Ended 10-31-08

1	Retained Earnings Balance @ Beginning of Year	<u><370,394></u>
2	Amount Added from Current Year Income (From Pg 4, Line 32)	<u><16,597></u>
3	Other Credits to Account	_____
4	Dividends Paid or Appropriated	_____
5	Other Distributions of Retained Earnings	_____
6	Retained Earnings Balance @ End of Year	<u><386,991></u>

CAPITAL STOCK DETAIL

7	Description (Class, Par Value etc.)	No. Shares Authorized	No. Shares Outstanding	Dividends Paid
	<u>Common Stock</u>	<u>5000</u>	<u>4950</u>	

DETAIL OF LONG-TERM DEBT

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

Name: Spirit Lake East Water Co.

SYSTEM ENGINEERING DATA
For Year Ended 10-31-08

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)
Well Site	500	Chlorine	20 000	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)
Well Site	200	200	Boosted	Concrete

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

Name: Spirit Lake East Water Co

SYSTEM ENGINEERING DATA

(continued)
For Year Ended 10-31-08

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
<u>Well Site - Submersible</u>	<u>100</u>	<u>500</u>	<u>1000</u>	
<u>Well Site - Booster</u>	<u>10</u>		<u>0-45</u>	
<u>Well Site - Booster</u>	<u>25</u>		<u>25-45</u>	

** 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? 55,109,000
 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? Unknown
 7 Was your system designed to supply fire flows? No
 If Yes: What is current system rating? _____
Not Read Monthly

8 How many times were meters read this year? 2
 During which months? June/July + September

9 How many additional customers could be served with no system improvements except a service line and meter? 51
 How many of those potential additions are vacant lots? 51

10 Are backbone plant additions anticipated during the coming year? No
 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? Unknown

Name: Spirit Lake East Water Co

SYSTEM ENGINEERING DATA
(continued)
For Year Ended 10-31-08

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	10	603	0	0	603
	8	2791	0	0	2791
	6	58564	0	0	58564
	4	36944	0	0	36944
	3	4401	0	0	4401
	2	2400	0	0	2400

CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential	289	289		
2B Commercial	20	20		
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)	309	309		

CERTIFICATE

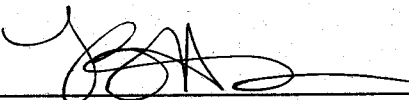
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2009 JUN 15 AM 8:15
IDAHO PUBLIC
UTILITIES COMMISSION

State of Idaho)
County of Kootenai) ss

WE, the undersigned Leslie Abrams
and Leslie Abrams
of the Spirit Lake East Water Company
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.



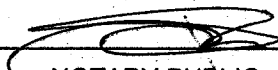
(Chief Officer)



(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 8 day of June, 2009



NOTARY PUBLIC

My Commission Expires 2/6/2015



gdk/excel/jnelson/anuirpts/wtrannualrpt