

AWS-W

ANNUAL REPORT

OF

Algoma Water Company
NAME

P. O. Box 751

Sandpoint, ID 83864
ADDRESS

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IDAHO PUBLIC
UTILITIES COMMISSION

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2006

ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2006

COMPANY INFORMATION

1 Give full name of utility Algoma Water Co.
 Telephone Area Code (208) 263-8946
 E-mail address jsaub@sandpoint.net
 2 Date of Organization _____
 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 751
 6 City Sandpoint
 7 State ID
 8 Zip Code 83864
 9 Organization (proprietor, partnership, corp.) Proprietor
 10 Towns, Counties served Algoma, Bonner County

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>Paul Greenwood, Jr.</u>	<u>(818) 998-7844</u>
Vice President	_____	_____
Secretary	_____	_____
General Manager	_____	_____
Complaints or Billing	<u>Jean Brittain</u>	<u>(208) 263-8946</u>
Engineering	<u>Water Systems Mgt. Inc. Bob Hanum</u>	<u>(208) 265-4270</u>
Emergency Service	<u>Neal Kemp & Electric, Jerry Neal</u>	<u>(208) 263-9166</u>
Accounting	<u>Jean Brittain</u>	<u>(208) 263-8946</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 211 Jim Brown Way
 City Sandpoint
 State ID
 Zip 83864

NAME: Alpina Water Co.

COMPANY INFORMATION (Cont.)

For the Year Ended 2006

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

Yes

16 If yes: With whom is the contract?

Water Systems Mgt, Inc.

When does the contract expire?

Ongoing on a monthly basis

What services and rates are included?

General Public Drinking Water Systems Operation #15
Monthly Bacteria Testing Lab Charges - #14

per
mi. rate

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

0

High Bills

0

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?

2/15/06

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: Algoma Water Co.

REVENUE & EXPENSE DETAIL

For the Year Ended 2006

ACCT #	DESCRIPTION		
400 REVENUES			
1	460	Unmetered Water Revenue	<u>5680.52</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)	_____
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>134.00</u>
13	601.7	Labor - Customer Accounts	<u>583.64</u>
14	601.8	Labor - Administrative & General	<u>492.34</u>
15	603	Salaries, Officers & Directors	<u>0</u>
16	604	Employee Pensions & Benefits	<u>0</u>
17	610	Purchased Water	<u>0</u>
18	615-16	Purchased Power & Fuel for Power	<u>1221.04</u>
19	618	Chemicals	<u>0</u>
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>4431.24</u>
21	620.7-8	Materials & Supplies - Administrative & General	<u>0</u>
22	631-34	Contract Services - Professional	<u>1423.00</u>
23	635	Contract Services - Water Testing	<u>146.00</u>
24	636	Contract Services - Other	<u>0</u>
25	641-42	Rentals - Property & Equipment	<u>0</u>
26	650	Transportation Expense	<u>0</u>
27	656-59	Insurance	<u>0</u>
28	660	Advertising	<u>0</u>
29	666	Rate Case Expense (Amortization)	<u>0</u>
30	667	Regulatory Comm. Exp. (Other except taxes)	<u>0</u>
31	670	Bad Debt Expense	<u>0</u>
32	675	Miscellaneous	<u>91.00</u>
33		Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)	<u>8522.26</u>

Name: Algoma Water Co.

INCOME STATEMENT

For Year Ended 2006

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>5680.52</u>
2	Operating Expenses (From Page 3, line 33)	<u>8522.26</u>	
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	<u>544.40</u>	
8	408.12 Payroll Taxes		
9A	408.13 Other Taxes (list) <u>DEQ Fees</u>	<u>200.00</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>9266.66</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><3586.14></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		
31	427.5 Other Interest Charges		
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		<u><3586.14></u>

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			
2	302	Franchises and Consents			
3	303	Land & Land Rights			
4	304	Structures and Improvements			
5	305	Collecting & Impounding Reservoirs			
6	306	Lake, River & Other Intakes			
7	307	Wells			
8	308	Infiltration Galleries & Tunnels			
9	309	Supply Mains			
10	310	Power Generation Equipment			
11	311	Power Pumping Equipment			
12	320	Purification Systems			
13	330	Distribution Reservoirs & Standpipes			
14	331	Trans. & Distrib. Mains & Accessories			
15	333	Services			
16	334	Meters and Meter Installations			
17	335	Hydrants			
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				

(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 _____

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)				

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

Name: _____

BALANCE SHEET

For Year Ended _____

		<u>ASSETS</u>	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
ACCT #	DESCRIPTION				
1	101	Utility Plant in Service (From Pg 5, Line 29)			
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 _____

LIABILITIES & CAPITAL

<u>ACCT #</u>	<u>DESCRIPTION</u>	<u>Balance Beginning of Year</u>	<u>Balance End of Year</u>	<u>Increase or (Decrease)</u>
1	201-3 Common Stock			
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 _____

1	Retained Earnings Balance @ Beginning of Year	_____
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

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

DETAIL OF LONG-TERM DEBT

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

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

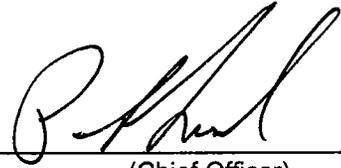
CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential				
2B Commercial				
2C Industrial				
3 Flat Rate:				
3A Residential	21	20		
3B Commercial	6	7		
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)				

CERTIFICATE

State of ~~Idaho~~ California
County of Los Angeles)^{SS}

WE, the undersigned _____
and _____
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.

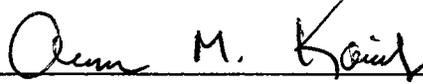


(Chief Officer)

(Officer in Charge of Accounts)

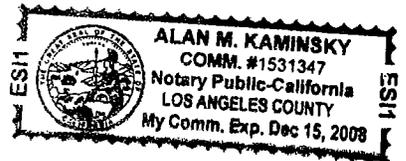
Subscribed and Sworn to Before Me

this 22 day of MARCH, 2007



NOTARY PUBLIC

My Commission Expires Dec 15 2008



gdk/excel/jnelson/anulrpts/wtrannualrpt