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IDAHO PUBLIC
UTILITIES COMMISSION

ANNUAL REPORT

OF

ISL-W

Island Park Water Company

NAME

550 Linden Drive, Idaho Falls, ID 83401

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED December 31, 2008

**ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 12/31/2008**

COMPANY INFORMATION

1 Give full name of utility Island Park Water Company
 Telephone Area Code () 208-524-7426
 E-mail address iph2o@msn.com
 2 Date of Organization 5/1/1976
 3 Organized under the laws of the state of Idaho
 4 Address of Principal Office (number & street) 550 Linden Drive
 5 P.O. Box (if applicable) _____
 6 City Idaho Falls
 7 State Idaho
 8 Zip Code 83401
 9 Organization (proprietor, partnership, corp.) Corporation
 10 Towns, Counties served Fremont County

11 Are there any affiliated companies? None
If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12 Contact Information	Name	Phone No.
President (Owner)	Mike Bischoff	208-709-7372
Vice President		
Secretary		
General Manager	Mike Bischoff	208-709-7372
Complaints or Billing	Mike Bischoff	208-709-7372
Engineering	David Benton	208-529-5046
Emergency Service	Bill Warner	208-206-0912
Accounting	Travis John	208-524-5171

13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? None
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 325 South Woodruff
 City Idaho Falls
 State Idaho
 Zip 83401

NAME: Island Park Water Company

COMPANY INFORMATION (Cont.)

For the Year Ended 12/31/2008

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? YES

If yes, attach full explanation

21 Number of Complaints received during year concerning:

Quality of Service	<u>2</u>
High Bills	<u>2</u>
Disconnection	<u>0</u>

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? _____

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: Island Park Water Company

REVENUE & EXPENSE DETAIL

For the Year Ended 12/31/2008

ACCT #	DESCRIPTION		
<u>400 REVENUES</u>			
1	460	Unmetered Water Revenue	61,110.76
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)	61,110.76
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 # _____
<u>401 OPERATING EXPENSES</u>			
12	601.1-6	Labor - Operation & Maintenance	12,352.00
13	601.7	Labor - Customer Accounts	
14	601.8	Labor - Administrative & General	10,100.00
15	603	Salaries, Officers & Directors	
16	604	Employee Pensions & Benefits	
17	610	Purchased Water	
18	615-16	Purchased Power & Fuel for Power	12,295.26
19	618	Chemicals	
20	620.1-6	Materials & Supplies - Operation & Maint.	59.55
21	620.7-8	Materials & Supplies - Administrative & General	1,444.03
22	631-34	Contract Services - Professional	10,465.00
23	635	Contract Services - Water Testing	1,010.00
24	636	Contract Services - Other	102.27
25	641-42	Rentals - Property & Equipment	500.00
26	650	Transportation Expense	
27	656-59	Insurance	900.00
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	452.11
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)		49,680.22

Name: Island Park Water Company

INCOME STATEMENT

For Year Ended 12/31/2008

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>61,110.76</u>
2	Operating Expenses (From Page 3, line 33)	<u>49,680.22</u>	
3	403 Depreciation Expense	<u>6,291.57</u>	
4	406 Amortization, Utility Plant Aquisition Adj.		
5	407 Amortization Exp. - Other		
6	408.10 Regulatory Fees (PUC)	<u>101.60</u>	
7	408.11 Property Taxes	<u>1,408.68</u>	
8	408.12 Payroll Taxes		
9A	408.13 Other Taxes (list) DEQ Fees		
9B	Miscellaneous Fees	<u>1,102.00</u>	
9C			
9D			
10	409.10 Federal Income Taxes		
11	409.11 State Income Taxes	<u>20.00</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>58,604.07</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>2,506.69</u>
20	415 Revenues, Merchandizing Jobbing and Contract Work		
21	416 Expenses, Merchandizing, Jobbing & Contracts		
22	419 Interest & Dividend Income	<u>31.37</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>31.37</u>
29	Gross Income (add lines 19 & 28)		<u>2,538.06</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>2,538.06</u>

Name: Island Park Water Company

ACCOUNT 101 PLANT IN SERVICE DETAIL
 For Year Ended 12/31/2008

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	45,977.10			45,977.10
8 308	Infiltration Galleries & Tunnels				
9 309	Supply Mains				
10 310	Power Generation Equipment				
11 311	Power Pumping Equipment	30,038.98	2,346.76		32,385.74
12 320	Purification Systems				
13 330	Distribution Reservoirs & Standpipes				
14 331	Trans. & Distrib. Mains & Accessories				
15 333	Services	9,733.75			9,733.75
16 334	Meters and Meter Installations				
17 335	Hydrants				
18 336	Backflow Prevention Devices				
19 339	Other Plant & Misc. Equipment	4,588.51			4,588.51
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	562.45			562.45
28 348	Other Tangible Property				
29	TOTAL PLANT IN SERVICE (Add lines 1 - 28)	90,900.79	2,346.76	-	93,247.55
		Enter beginning & end of year totals on Pg 7, Line 1			

Name: Island Park Water Company

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended 12/31/2008

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%	13,782.45	16,081.31	2,298.86
5 308	Infiltration Galleries & Tunnels				
6 309	Supply Mains				
7 310	Power Generation Equipment				
8 311	Power Pumping Equipment	5%	10,479.68	12,035.41	1,555.73
9 320	Purification Systems				
10 330	Distribution Reservoirs & Standpipes				
11 331	Trans. & Distrib. Mains & Accessories				
12 333	Services	20%	7,868.11	9,733.75	1,865.64
13 334	Meters and Meter Installations				
14 335	Hydrants				
15 336	Backflow Prevention Devices				
16 339	Other Plant & Misc. Equipment	10%	95.59	554.44	458.85
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	20%	257.79	370.28	112.49
25 348	Other Tangible Property				
26	TOTALS (Add Lines 1 - 25)		32,483.62	38,775.19	6,291.57

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

Name: Island Park Water Company

BALANCE SHEET

For Year Ended 12/31/2008

		<u>ASSETS</u>		
ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	101 Utility Plant in Service (From Pg 5, Line 29)	90,900.79	93,247.55	2,346.76
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)	90,900.79	93,247.55	2,346.76
7	108.1 Accumulated Depreciation (From Pg 6, Line 26)	32,483.62	38,775.19	6,291.57
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)	58,417.17	54,472.36	(3,944.81)
14	123 Investment in Subsidiaries			
15	125 Other Investments			
16	Total Investments (Add lines 14 & 15)	-	-	-
17	131 Cash	19,392.05	20,354.92	962.87
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)	19,392.05	20,354.92	962.87
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)	77,809.22	74,827.28	(2,981.94)

Name: Island Park Water Company

BALANCE SHEET

For Year Ended 12/31/2008

LIABILITIES & CAPITAL

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock			
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts			
4	214 Appropriated Retained Earnings	(59,360.35)	(54,102.29)	5,258.06
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)	(59,360.35)	(54,102.29)	5,258.06
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt			
12	231 Accounts Payable		16,600.00	16,600.00
13	232 Notes Payable	137,169.57	112,329.57	(24,840.00)
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)	137,169.57	128,929.57	(8,240.00)
31	TOTAL LIAB & CAPITAL (Add lines 8 & 30)	77,809.22	74,827.28	(2,981.94)

** Only if Commission Approved

Name: Island Park Water Company

STATEMENT OF RETAINED EARNINGS

For Year Ended 12/31/2008

1	Retained Earnings Balance @ Beginning of Year	<u>(59,360.35)</u>
2	Amount Added from Current Year Income (From Pg 4, Line 32)	<u>2,538.06</u>
3	Other Credits to Account	<u>2,720.00</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>(54,102.29)</u></u>

CAPITAL STOCK DETAIL

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

DETAIL OF LONG-TERM DEBT

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

Name: Island Park Water Company

**SYSTEM ENGINEERING DATA
(continued)**

For Year Ended 12/31/2008

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				
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)				

CERTIFICATE

State of Idaho)
) ss
County of Bonneville)

WE, the undersigned Mike Bischoff
and Mike Bischoff
of the Island Park 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.

Mike Bischoff
(Chief Officer)

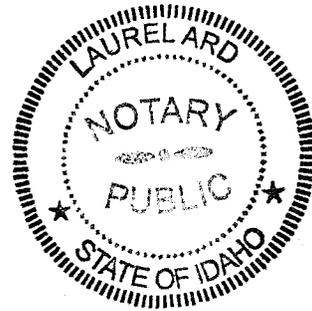
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 14th day of May, 2009

Laurel Ard
NOTARY PUBLIC

My Commission Expires August 28, 2012



gdk/excel/jnelson/anulrpts/wtrannualrpt

Page 2 Question 20

They recommended that water flow meters be added to all wells and that flush lines be added on the ends of lines.