

TRH-W

ANNUAL REPORT

OF

TROY HOFFMAN WATER CORPORATION
NAME

710 W. Dalton Avenue, Suite J
Coeur d'Alene, ID 83815

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2016

IDAHO PUBLIC
UTILITIES COMMISSION

2017 APR 17 AM 10:24

RECEIVED

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2016

COMPANY INFORMATION

- 1 Give full name of utility Troy Hoffman Water Corporation
- 2 Date of Organization November 11, 1973
- 3 Organized under the laws of the state of Idaho
- 4 Address of Principal Office (number & street) 710 W Dalton Ave, Suite J
- 5 P.O. Box (if applicable) _____
- 6 City Coeur d'Alene
- 7 State Idaho
- 8 Zip Code 83815
- 9 Organization (proprietor, partnership, corp.) Corporation
- 10 Towns, Counties served Coeur d'Alene, Kootenai County

11 Are there any affiliated companies? (yes or no) 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)	Ron Stadley	208-664-9858
Vice President	Ken Murren	208-664-9858
Secretary	_____	_____
General Manager	_____	_____
Complaints or Billing	All Service Electric	208-664-9858
Engineering	_____	_____
Emergency Service	Ron Stadley	208-664-9858
Accounting	All Service Electric	208-664-9858

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 710 W Dalton Ave, Suite B
- City Coeur d'Alene
- State Idaho
- Zip 83815

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

COMPANY INFORMATION (Cont.) For the Year Ended 2016

15	Is the system operated or maintained under a service contract?		
16	If yes With whom is the contract?	<u>All Service Electric</u>	<u>All Service & Northstar</u>
	When does the contract expire?	<u>Open Ended</u>	<u>Open Ended</u>
	What services and rates are included?	<u>Bookkeeping \$352/mo</u>	<u>Various \$1,832/mo</u>

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 Department of Environmental Quality? No

If yes, attach full explanation

20 Has the Idaho Department of Environmental Quality recommended any improvements? Yes - See attached recommendations from 2017 Sanitary Survey

If yes, attach full explanation

21 Number of Complaints received during year concerning:

Quality of Service	_____	<u>0</u>
High Bills	_____	<u>0</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? June 2016

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

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

REVENUE & EXPENSE DETAIL For the Year Ended 2016

SUB ACCT	DESCRIPTION		
400 REVENUES			
1	460	Unmetered Water Revenue	<u> </u>
2	461.1	Metered Sales - Residential	\$ 42,434.00
3	461.2	Metered Sales - Commercial, Industrial	<u> </u>
4	462	Fire Protection Revenue	<u> </u>
5	464	Other Water Sales Revenue	<u> </u>
6	465	Irrigation Sales Revenue	<u> </u>
7	466	Sales for Resale	<u> </u>
8	400	Total Revenue (Add Lines 1 - 7)	\$ 42,434.00
		(also enter result on Page 4, line 1)	<u> </u>
		Booked to Acct #	<u> </u>
9	*	DEQ Fees Billed separately to customers	<u> </u>
		Booked to Acct #	<u> </u>
10	**	Hookup or Connection Fees Collected	<u> </u>
		Booked to Acct #	<u> </u>
11	***	Commission Approved Surcharges Collected	<u> </u>
401 OPERATING EXPENSES			
12	601.1	Labor - Operation & Maintenance	\$ 8,080.00
13	601.7	Labor - Customer Accounts	<u> </u>
14	602	Labor - Administrative & General	<u> </u>
15	603	Salaries, Officers & Directors	\$ 4,000.00
16	604	Employee Pensions & Benefits	<u> </u>
17	610	Purchased Water	<u> </u>
18	615-1	Purchased Power & Fuel for Power	\$ 6,152.00
19	618	Chemicals	<u> </u>
20	620.1	Materials & Supplies - Operation & Maint.	\$ 856.00
21	620.7	Materials & Supplies - Administrative & General	\$ 862.00
22	631-3	Contract Services - Professional	\$ 5,450.00
23	635	Contract Services - Water Testing	\$ 440.00
24	636	Contract Services - Other	<u> </u>
25	641-4	Rentals - Property & Equipment	\$ 8,800.00
26	650	Transportation Expense	\$ 375.00
27	656-5	Insurance	\$ 57.00
28	660	Advertising	<u> </u>
29	666	Rate Case Expense (Amortization)	<u> </u>
30	667	Regulatory Comm. Exp. (Other except taxes)	<u> </u>
31	670	Bad Debt Expense	<u> </u>
32	675	Miscellaneous	<u> </u>
33		Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)	\$ 35,072.00

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

ACCOUNT 101 PLANT IN SERVICE DETAIL

For the Year Ended

2016

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	\$ 9,272.00			\$ 9,272.00
4	304 Structures and Improvements	\$ 2,700.00			\$ 2,700.00
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	\$ 40,795.00			\$ 40,795.00
12	320 Purification Systems				\$ -
13	330 Distribution Reservoirs & Standpipes				\$ -
14	331 Trans. & Distrib. Mains & Accessories	\$ 9,498.00			\$ 9,498.00
15	333 Services				\$ -
16	334 Meters and Meter Installations	\$ 1,362.00			\$ 1,362.00
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	\$ 63,627.00	\$ -	\$ -	\$ 63,627.00

(Add lines 1 - 28) Enter beginning & end of year totals on Pg 7, Line 1

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For the Year Ended

2016

SUB ACCT	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements	2.85%	\$ 270.00	\$ 347.00	\$ 77.00
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	4.59%	\$ 11,094.00	\$ 12,966.00	\$ 1,872.00
9 320	Purification Systems			\$ -	\$ -
10 330	Distribution Reservoirs & Standpipes			\$ -	\$ -
11 331	Trans. & Distrib. Mains & Accessories	1.66%	\$ 7,958.00	\$ 8,116.00	\$ 158.00
12 333	Services			\$ -	\$ -
13 334	Meters and Meter Installations	2.86%	\$ 1,129.00	\$ 1,168.00	\$ 39.00
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)		\$ 20,451.00	\$ 22,597.00	\$ 2,146.00

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

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

BALANCE SHEET

ASSETS		For the Year Ended		2016
		Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
SUB ACCT	DESCRIPTION			
1 101	Utility Plant in Service (From Pg 5, Line 29)	\$ 63,627.00	\$ 63,627.00	\$ -
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)	\$ 63,627.00	\$ 63,627.00	\$ -
7 108	Accumulated Depreciation (From Pg 6, Line 26)	\$ 20,451.00	\$ 22,597.00	\$ 2,146.00
8 108	Accum. Depr. - Utility Plant Lease to Others			\$ -
9 108	Accum. Depr. - Property Held for Future Use			\$ -
10 110	Accum. Amort. - Utility Plant in Service			\$ -
11 110	Accum. Amort. - Utility Plant Lease to Others			\$ -
12 115	Accumulated Amortization - Aquisition Adj.			\$ -
13	Net Utility Plant (Line 6 less lines 7 - 12)	\$ 43,176.00	\$ 41,030.00	\$ (2,146.00)
14 123	Investment in Subsidiaries			\$ -
15 125	Other Investments			\$ -
16	Total Investments (Add lines 14 & 15)	\$ -	\$ -	\$ -
17 131	Cash	\$ (22.00)	\$ 3,782.00	\$ 3,804.00
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)	\$ (22.00)	\$ 3,782.00	\$ 3,804.00
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)	\$ 43,154.00	\$ 44,812.00	\$ 1,658.00

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

BALANCE SHEET

LIABILITIES & CAPITAL		For the Year Ended		2016
		Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
SUB ACCT	DESCRIPTION			
1	201-3 Common Stock	\$ 5,000.00	\$ 5,000.00	
2	204-6 Preferred Stock			
3	207-1 Miscellaneous Capital Accounts	\$ 4,272.00	\$ 4,272.00	
4	214 Appropriated Retained Earnings			
5	215 Unappropriated Retained Earnings	\$ (4,853.00)	\$ (466.00)	\$ 4,387.00
6	216 Reacquired Capital Stock			
7	218 Proprietary Capital			
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	\$ 4,419.00	\$ 8,806.00	\$ 4,387.00
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt	\$ 27,345.00	\$ 24,928.00	\$ (2,417.00)
12	231 Accounts Payable			
13	232 Notes Payable			
14	233 Accounts Payable - Associated Companies			
15	235 Customer Deposits (Refundable)			
16	236.1 Accrued Other Taxes Payable			
17	236.1 Accrued Income Taxes Payable			
18	236 Accrued Taxes - Non-Utility			
19	237-4 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 Accumulated Investment Tax Credits - Utility			
25	255 Accum. Investment Tax Credits - Non-Utility			
26	261-5 Operating Reserves			
27	271 Contributions in Aid of Construction	\$ 12,859.00	\$ 12,859.00	
28	272 Accum. Amort. of Contrib. in Aid of Const. **	\$ (1,468.00)	\$ (1,837.00)	\$ (369.00)
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)	\$ 38,736.00	\$ 35,950.00	\$ (2,786.00)
31	TOTAL LIABILITIES & CAPITAL (Add lines 8 & 30)	\$ 43,155.00	\$ 44,756.00	\$ 1,601.00

** Only if Commission Approved

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

STATEMENT OF RETAINED EARNINGS

For the Year Ended 2016

1	Retained Earnings Balance @ Beginning of Year	\$ (4,853.00)
2	Amount Added from Current Year Income (From Pg 4, Line 32)	\$ 4,387.00
3	Other Credits to Account	_____
4	Dividends Paid or Appropriated	_____
5	Other Distributions of Retained Earnings	_____
6	Retained Earnings Balance @ End of Year	<u>\$ (466.00)</u>

CAPITAL STOCK DETAIL

		No. Shares Authorized	No. Shares Outstanding	Dividends Paid
7	Description (Class, Par Value etc.)			
	Common, \$1.00 par	5000	5000	

	_____			\$ -

DETAIL OF LONG-TERM DEBT

	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
8	All Service Electric-Prep for new pump install	7.40%	\$ 3,735.00	\$ 301.00	
	Northstar-prep for new pump install	4.20%	\$ 4,034.00	\$ 186.00	
	Dalton Square - the new pump	7.50%	\$ 17,159.00	\$ 1,333.00	

	Totals		\$ 24,928.00	\$ 1,820.00	\$ -

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

SYSTEM ENGINEERING DATA

For the Year Ended

2016

- 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)
Pumphouse-corner of Hoffman Ave & Anne St	#1 300	None		Well
	#2 190	None		Well
TOTALS			0	

- 3 System Storage:

Storage Designation or Location	Total Capacity 000's Gal.	Usable Capacity 000's Gal.	Type of Reservoir	Construction
			(Elevated Pressurized Boosted)	(Wood, Steel Concrete)
Pumphouse-corner of Hoffman Ave & Anne St	#1 4,000	4000	Pressurized	Steel
	#2 3,000	3000	Pressurized	Steel

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

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

SYSTEM ENGINEERING DATA Continued

For the Year Ended

2016

4 Pump information for ALL system pumps, including wells and boosters.

Designation or Location & Type of Pump**	Rated Horse power (hp)	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy used this Year (Kwh)
Corner of Hoffman Ave & Anne St				
Submersible	30	300		
Corner of Hoffman Ave & Anne St				
Submersible	20	190		

** 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? 000's gal. _____

 What was the total amount pumped during peak month? 000's gal. _____

 What was the total amount pumped on the peak day? gal. _____

6 If customers are metered, what was the total amount sold in peak month? 000's gal.

9,583

7 Was your system designed to supply fire flows?

Yes

 If Yes What is current system rating?

Unknown

8 How many times were meters read this year?

4

 During which months?

April, June, August and October

9 How many additional customers could be served with no system improvements

 except a service line and meter?

Less than 5%

 How many of those potential additions are vacant lots?

Less than 3%

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?

None

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Troy Hoffman Water Corporation

SYSTEM ENGINEERING DATA Continued

For the Year Ended

2016

FEET OF MAINS

1 Pipe Size	In Use	Installed	Abandoned	In Use
	Beginning Of Year	During Year	During Year	End of Year
8" Code	1600			1600
6"	3850			3850
4"	2263			2263
6"	3040			3040
4"	1237			1237

CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential	147	147	24,220	28,449
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)	147	147	24,220	28,449

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

CERTIFICATE

State of Idaho)
) ss
County of Kootenai)

WE, the undersigned Ron Stadley
and _____
of the Troy Hoffman Water Corp
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.

[Signature]
(Chief Officer)

[Signature]
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 13 day of April, 2017

Anne Weadick
NOTARY PUBLIC



My Commission Expires 9/6/18

gdk/excel/jnelson/anulrpts/wtrannualrpt

Troy Hobbman Water

From 2017 Sanitary Survey by DEQ

Contaminant	Next Monitoring Due	Waiver Renewal	Duration
IOCs	12/31/2019	12/31/2019	9 year
Cyanide	Not required	12/31/2019	9 year
VOCs	12/31/2019	12/31/2019	6 year
SOCs	Not required	05/01/2017	3 year
Dioxin	Not required	05/01/2017	3 year

The system mails all customers the Consumer Confidence Report annually. A copy of the report and certification form is provided to DEQ as required.

Management Capacity & Operator Certification

As previously indicated, the system is privately owned and under the designated supervision of Responsible Charge Operator, Ronald Stadley who holds a current very small operators license (VSWS-12189-GP) from the Idaho Bureau of Occupational Licensure, Drinking Water and Waste Water Professionals (IBOL). Mr. Ken Murren is the Substitute Responsible Charge Operator and also holds a current very small operators license (VSWS-17012) from IBOL.

Water Rate Schedule

Water rate schedule was updated in 2014. All service connections are metered and billed a flat rate of \$27.50 bi-monthly for a 10,000 gallon usage. An overage of \$1.12 for each additional 1,000 gallons per billing period is charge. A \$458 hook up fee is charged for new service connections.

Conclusion

The system was found to be operated in compliance with the Idaho Rules for Public Drinking Water Systems. Listed below is a summary of issues identified during the survey inspection. Please consult with DEQ staff within 30 days of receipt of this report to discuss a timeline for correction of deficiencies.

Deficiencies

1. Accurate instantaneous and totalizing flow meters are required on the 20 and 30 hp submersible well pump discharge lines as per IDAPA 58.01.08.542.04.
2. The pressure relief valve outlet on the 30 hp pump discharge is leaking and requires repair as per IDAPA 58.01.08.542.10.

Additional Requirement

1. Please complete the attached financial forms and return to the DEQ Coeur d'Alene Regional Office by March 31, 2017.

Recommendations

1. It is recommended are system valves are exercised on an annual basis.
2. It is recommended that an Operation and Maintenance Manual be developed for the system.