

Dec April 15, 2012

TTS-W

# ***ANNUAL REPORT***

OF

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**NAME**

JON PINARDI/DIRECTOR  
TETON SPRINGS WATER &  
SEWER COMPANY, LLC  
75 WEST 950 SOUTH SUITE 3  
VICTOR, ID 83455

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IDAHO PUBLIC  
UTILITIES COMMISSION

TO THE

**IDAHO PUBLIC**

**UTILITIES COMMISSION**

FOR THE

YEAR ENDED 2011

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**ANNUAL REPORT FOR WATER UTILITIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING 12/31/11**

**COMPANY INFORMATION**

1 Give full name of utility Teton Springs Water & Sewer Company, LLC  
 Telephone Area Code (208) 787-8001  
 E-mail address jp@tetonms.com  
 2 Date of Organization 8/08/05  
 3 Organized under the laws of the state of Idaho  
 4 Address of Principal Office (number & street) 20 Headwaters Drive  
 5 P.O. Box (if applicable) \_\_\_\_\_  
 6 City Victor  
 7 State ID  
 8 Zip Code 83455  
 9 Organization (proprietor, partnership, corp.) Limited Liability Company  
 10 Towns, Counties served Teton Springs Subdivision in Teton 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)		
Vice President		
Secretary	<u>Jon Pinarci</u>	<u>208 201-4798</u>
General Manager		
Complaints or Billing		
Engineering		
Emergency Service		
Accounting	<u>Shannon Herndon</u>	<u>208 787-8001</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 20 Headwaters Drive  
 City Victor  
 State ID  
 Zip 83455

NAME: Teton Springs Water & Sewer Company, LLC

**COMPANY INFORMATION (Cont.)**

For the Year Ended 12/31/11

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

Yes

16 If yes: With whom is the contract?

Teton Management Services, Inc.

When does the contract expire?

12/31/12

What services and rates are included?

All operations 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

-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?

2/2009

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

NAME: Telton Springs Water & Sewer Company LLC

**REVENUE & EXPENSE DETAIL**

For the Year Ended 12/13/11

ACCT #	DESCRIPTION		
<b>400 REVENUES</b>			
1	460	Unmetered Water Revenue	<u>134,172</u>
2	461.1	Metered Sales - Residential	<u>90,180</u>
3	461.2	Metered Sales - Commercial, Industrial	<u>35,024</u>
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)	<u>259,376</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	_____
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>8,518</u>
19	618	Chemicals	<u>1,963</u>
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>30,636</u>
21	620.7-8	Materials & Supplies - Administrative & General	_____
22	631-34	Contract Services - Professional	<u>7,654</u>
23	635	Contract Services - Water Testing	<u>740</u>
24	636	Contract Services - Other	<u>87,075</u>
25	641-42	Rentals - Property & Equipment	_____
26	650	Transportation Expense	_____
27	656-59	Insurance	_____
28	660	Advertising	_____
29	666	Rate Case Expense (Amortization)	_____
30	667	Regulatory Comm. Exp. (Other except taxes)	_____
31	670	Bad Debt Expense	<u>&lt;19167</u>
32	675	Miscellaneous	<u>4,559</u>
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)		<u>139,229</u>

Name: Teton Springs Water & Sewer Company LLC

**INCOME STATEMENT**

For Year Ended 12/31/11

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>259,376</u>
2	Operating Expenses (From Page 3, line 33)	<u>139,229</u>	
3 403	Depreciation Expense	<u>1,484</u>	
4 406	Amortization, Utility Plant Acquisition Adj.		
5 407	Amortization Exp. - Other		
6 408.10	Regulatory Fees (PUC)	<u>297</u>	
7 408.11	Property Taxes	<u>782</u>	
8 408.12	Payroll Taxes		
9A 408.13	Other Taxes (list) DEQ Fees		
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>141,792</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>117,584</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>117,584</u>

Name: Teton Springs Water & Sewer Company LLC

**ACCOUNT 101 PLANT IN SERVICE DETAIL**  
 For Year Ended 12/31/11

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	12,363	—	—	12,363
28 348	Other Tangible Property				
29	<b>TOTAL PLANT IN SERVICE</b>	12,363	—	—	12,363

(Add lines 1 - 28)

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

Name: Teton Springs Water & Sewer Company LLC

**ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL**

For Year Ended 12/31/11

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)				
			10,138	11,622	1,484
			10,138	11,622	1,484

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

Name: Telton Springs Water & Sewer Company LLC

**BALANCE SHEET**

For Year Ended 12/31/11

**ASSETS**

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 101	Utility Plant in Service (From Pg 5, Line 29)	12,363	12,363	0.00
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)	12,363	12,363	0.00
7 108.1	Accumulated Depreciation (From Pg 6, Line 26)	11,622	11,622	0.00
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)	741	741	0.00
14 123	Investment in Subsidiaries			
15 125	Other Investments			
16	Total Investments (Add lines 14 & 15)			
17 131	Cash	68,857	33,779	(35,078)
18 135	Short Term Investments			
19 141	Accts/Notes Receivable - Customers	16,547	22,231	2,300
20 142	Other Receivables	25,000	25,000	0.00
21 145	Receivables from Associated Companies			
22 151	Materials & Supplies Inventory	12,363	12,363	0.00
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)	122,764	93,379	(29,385)
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)	123,505	94,120	(29,385)

Name: Teton Springs Water & Sewer Company LLC

**BALANCE SHEET**

For Year Ended 12/31/11

**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			
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	14,139	0.00	(14,139)
14	233 Accounts Payable - Associated Companies			
15	235 Customer Deposits (Refundable)	36,451	44,106	7,655
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)	50,590	44,106	(6,484)
31	<b>TOTAL LIAB &amp; CAPITAL ( Add lines 8 &amp; 30)</b>	<b>50,590</b>	<b>44,106</b>	<b>(6,484)</b>

\*\* Only if Commission Approved

Name: Teton Springs Water & Sewer Company LLC

**STATEMENT OF RETAINED EARNINGS**

For Year Ended 12/31/11

1	Retained Earnings Balance @ Beginning of Year	<u>65,965</u>
2	Amount Added from Current Year Income (From Pg 4, Line 32)	<u>117,584</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>183,549</u>

**CAPITAL STOCK DETAIL**

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

**DETAIL OF LONG-TERM DEBT**

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

Name: Telen Springs Water & Sewer Company LLC

**SYSTEM ENGINEERING DATA**

For Year Ended 12/31/11

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)
<u>Number 1</u>	<u>300</u>	<u>chl</u>		<u>well</u>
<u>Number 2</u>	<u>20</u>	<u>chl</u>		<u>well</u>

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)
<u>Water Tank</u>	<u>500</u>	<u>500</u>	<u>Elevated</u>	<u>STEEL</u>

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

Name: Teton Springs Water & Sewer Company LLC

**SYSTEM ENGINEERING DATA**

(continued)

For Year Ended 12/31/11

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

\*\* 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? 36,340,000  
 What was the total amount pumped during peak month? 7,641,200  
 What was the total amount pumped on the peak day? 418,200
- 6 If customers are metered, what was the total amount sold in peak month? N/A
- 7 Was your system designed to supply fire flows?  
 If Yes: What is current system rating? Yes
- 8 How many times were meters read this year?  
 During which months? - 0 -
- 9 How many additional customers could be served with no system improvements  
 except a service line and meter? 395  
 How many of those potential additions are vacant lots? 395
- 10 Are backbone plant additions anticipated during the coming year?  
 If Yes, attach an explanation of projects and anticipated costs! No
- 11 In what year do you anticipate that the system capacity (supply, storage or distribution)  
 will have to be expanded? Unknown

Name: Teton Springs Water & Sewer Company LLC

**SYSTEM ENGINEERING DATA**

(continued)

For Year Ended 12/31/11

**FEET OF MAINS**

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	4"	150			
	6"	400			
	8"	50,000			
	15"	5,600			
	16"	1,700			

**CUSTOMER STATISTICS**

		Number of Customers		Thousands of Gallons Sold	
		This Year	Last Year	This Year	Last Year
2	Metered:				
2A	Residential	N/A			
2B	Commercial	N/A			
2C	Industrial	N/A			
3	Flat Rate:				
3A	Residential	275	207		
3B	Commercial	4	5		
3C	Industrial	-0-	-0-		
4	Private Fire Protection				
5	Public Fire Protection				
6	Street Sprinkling				
7	Municipal, Other				
8	Other Water Utilities				
TOTALS (Add lines 2 through 8)		279	212		

# CERTIFICATE

State of Idaho )  
County of Teton ) ss

WE, the undersigned Jon Pinardi  
and Shannon Herne  
of the Teton Springs Water + Sewer  
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 10 day of April, 2012

[Signature]  
NOTARY PUBLIC

Teresa Albertson  
Notary Public  
State of Idaho

My Commission Expires 9/14/15  
Victor ID

gdk/excal/nelson/anurpts/wrannuallpt