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**WELLS & BENSON,
CPA, PA**

COPY

Fax

To: Terri Carlock	From: Carla D. Benson, CPA, MBA
Fax: (208) 334-3762	Pages:
Phone:	Date: June 7, 2012
Re: Island Park Water Company	cc:
<input type="checkbox"/> Urgent <input type="checkbox"/> For Review <input type="checkbox"/> Please Comment <input type="checkbox"/> Please Reply <input type="checkbox"/> Please Recycle	

**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 Island Park Water Company, Inc.
 - 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) PO Box 2521
 - 6 City Idaho Falls
 - 7 State Idaho
 - 8 Zip Code 83403
 - 9 Organization (proprietor, partnership, corp.) Corporation
 - 10 Towns, Counties served Fremont 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)	David E Benton	208-524-7426
Vice President		
Secretary		
General Manager	Dorothy McCarty	208-524-7426
Complaints or Billing	Dorothy McCarty	208-524-7426
Engineering	Benton Engineering	208-522-8033
Emergency Service	Dorothy McCarty	208-524-7426
Accounting	Dorothy McCarty	208-524-7426

- 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 550 Linden Drive
 - City Idaho Falls
 - State Idaho
 - Zip 83401

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Island Park Water Company, Inc.

COMPANY INFORMATION (Cont.)

For the Year Ended 12/31/2011

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?

18 If yes: Name of Organization

Name of owner or operator

Mailing Address

City

State

Zip

Gallons/CCF	\$Amount
Water Purchased	

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

Recommended that water flow meters be added to all wells and flush lines added to ends of lines (currently in process).

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? Nov-11

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: Island Park Water Company, Inc.

REVENUE & EXPENSE DETAIL

For the Year Ended

12/31/2011

SUB ACCT	DESCRIPTION		
400 REVENUES			
1 460	Unmetered Water Revenue	\$ 78,656.84	
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)	\$ 78,656.84	
	(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	3,364.58	
13 601.7	Labor - Customer Accounts		
14 601.8	Labor - Administrative & General	6,982.44	
15 603	Salaries, Officers & Directors	1,200.00	
16 604	Employee Pensions & Benefits		
17 610	Purchased Water		
18 615-16	Purchased Power & Fuel for Power	15,948.49	
19 618	Chemicals		
20 620.1-6	Materials & Supplies - Operation & Maint.	14,578.28	
21 620.7-8	Materials & Supplies - Administrative & General	7,265.50	
22 631-34	Contract Services - Professional	13,985.02	
23 635	Contract Services - Water Testing	1,760.00	
24 636	Contract Services - Other		
25 641-42	Rentals - Property & Equipment	2,200.00	
26 650	Transportation Expense		
27 656-59	Insurance	2,013.88	
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	2,439.63	
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)	\$ 71,797.82	

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Island Park Water Company, Inc.

INCOME STATEMENT

For the Year Ended

12/31/2011

SUB ACCT	DESCRIPTION		
1	Revenue (From Page 3, line 8)	<u>\$</u>	<u>70,658.84</u>
2	Operating Expenses (From Page 3, line 33)	<u>\$</u>	<u>71,737.82</u>
3 403	Depreciation Expense	<u>\$</u>	<u>5,665.83</u>
4 406	Amortization, Utility Plant Aquisition Adj.	<u>\$</u>	<u>(791.43)</u>
5 407	Amortization Exp. - Other		
6 408.10	Regulatory Fees (PUC)		
7 408.11	Property Taxes	<u>\$</u>	<u>2,857.42</u>
8 408.12	Payroll Taxes		
9A 408.13	Other Taxes (list) DEQ Fees	<u>\$</u>	<u>300.00</u>
9B	PUC	<u>\$</u>	<u>221.72</u>
9C			
9D			
10 409.10	Federal Income Taxes	<u>\$</u>	<u>263.00</u>
11 409.11	State Income Taxes	<u>\$</u>	<u>424.17</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>\$</u>	<u>80,678.53</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>\$ (2,021.69)</u>
20 415	Revenues, Merchandizing Jobbing and Contract Work		
21 416	Expenses, Merchandizing, Jobbing & Contracts		
22 419	Interest & Dividend Income	<u>\$</u>	<u>64.22</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>\$</u>	<u>64.22</u>
29	Gross Income (add lines 19 & 28)	<u>\$</u>	<u>(1,957.47)</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>\$</u>	<u>(1,957.47)</u>

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Island Park Water Company, Inc.

ACCOUNT 101 PLANT IN SERVICE DETAIL

SUB ACCT	DESCRIPTION	For the Year Ended			12/31/2011
		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	\$ 56,740.49			\$ 56,740.49
8 308	Infiltration Galleries & Tunnels				\$ -
9 309	Supply Mains				\$ -
10 310	Power Generation Equipment				\$ -
11 311	Power Pumping Equipment	\$ 47,943.24			\$ 47,943.24
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	\$ 6,288.36			\$ 6,288.36
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	\$ 1,937.08			\$ 1,937.08
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	\$ 127,231.43	\$ -	\$ -	\$ 127,231.43

(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: Island Park Water Company, Inc.

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For the Year Ended

12/31/2011

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		\$ 20,857.39	\$ 23,307.79	\$ 2,450.40
5 308	Infiltration Galleries & Tunnels				\$ -
6 309	Supply Mains				\$ -
7 310	Power Generation Equipment				\$ -
8 311	Power Pumping Equipment		\$ 16,440.80	\$ 18,682.39	\$ 2,241.59
9 320	Purification Systems				\$ -
10 330	Distribution Reservoirs & Standpipes				\$ -
11 331	Trans. & Distrib. Mains & Accessories				\$ -
12 333	Services		\$ 9,733.75	\$ 9,733.75	\$ -
13 334	Meters and Meter Installations		\$ 471.62	\$ 723.15	\$ 251.53
14 335	Hydrants				\$ -
15 336	Backflow Prevention Devices				\$ -
16 339	Other Plant & Misc. Equipment		\$ 1,472.14	\$ 1,930.99	\$ 458.85
17 340	Office Furniture and Equipment		\$ 825.91	\$ 1,089.37	\$ 263.46
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)		\$ 49,801.61	\$ 55,467.44	\$ 5,665.83

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

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Island Park Water Company, Inc.

BALANCE SHEET

		For the Year Ended		12/31/2011
		Balance	Balance	Increase
		Beginning	End of	or
		of Year	Year	(Decrease)
ASSETS				
SUB ACCT	DESCRIPTION			
1 101	Utility Plant In Service (From Pg 5, Line 29)	\$ 127,231.43	\$ 127,231.43	\$ -
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)	\$ 127,231.43	\$ 127,231.43	\$ -
7 108.1	Accumulated Depreciation (From Pg 6, Line 26)	\$ 49,801.61	\$ 55,467.44	\$ 5,665.83
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)	\$ 77,429.82	\$ 71,763.99	\$ (5,665.83)
14 123	Investment in Subsidiaries			\$ -
15 125	Other Investments			\$ -
16	Total Investments (Add lines 14 & 15)	\$ -	\$ -	\$ -
17 131	Cash	\$ 37,669.21	\$ 31,586.14	\$ (6,083.07)
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)	\$ 37,669.21	\$ 31,586.14	\$ (6,083.07)
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)	\$ 115,099.03	\$ 103,350.13	\$ (11,748.90)

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Island Park Water Company, Inc.

BALANCE SHEET

LIABILITIES & CAPITAL

For the Year Ended

12/31/2011

SUB 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	\$ (82,671.70)	\$ (84,629.17)	\$ (1,957.47)
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)	\$ (82,671.70)	\$ (84,629.17)	\$ (1,957.47)
9	221-2 Bonds			\$ -
10	223 Advances from Associated Companies			\$ -
11	224 Other Long - Term Debt			\$ -
12	231 Accounts Payable			\$ -
13	232 Notes Payable	\$ 112,329.57	\$ 103,329.57	\$ (9,000.00)
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	\$ 87,024.02	\$ 87,024.02	\$ -
28	272 Accum. Amort. of Contrib. in Aid of Const. **	\$ (1,582.86)	\$ (2,374.29)	\$ (791.43)
29	281-3 Accumulated Deferred Income Taxes			\$ -
30	Total Liabilities (Add lines 9 - 29)	\$ 197,770.73	\$ 187,979.30	\$ (9,791.43)
31	TOTAL LIABILITIES & CAPITAL (Add lines 8 & 30)	\$ 115,099.03	\$ 103,350.13	\$ (11,748.90)

** Only If Commission Approved

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Island Park Water Company, Inc.

SYSTEM ENGINEERING DATA Continued

For the Year Ended

12/31/2011

FEET OF MAINS

1	Pipe Size	In Use	Installed	Abandoned	In Use
		Beginning Of Year	During Year	During Year	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)	0	0	0	0

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

CERTIFICATE

State of Idaho)
) ss
County of)

WE, the undersigned Dorothy McCarty
and Dorothy McCarty
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.

Dorothy McCarty
(Chief Officer)

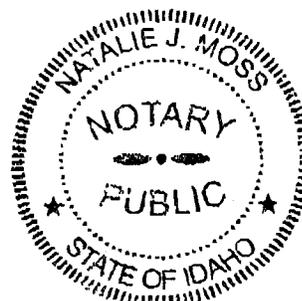
Dorothy McCarty
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 7th day of June

Natalie Moss
NOTARY PUBLIC

My Commission Expires 6-13-2012



gdk/excel/jnelson/annualrpts/wtrannualrpt