

RIC-W

ANNUAL REPORT

OF

RICKEL WATER COMPANY

PO Box 1261

Hayden Lake, ID 83835

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IDAHO PUBLIC
UTILITIES COMMISSION

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED: DECEMBER 31, 2004

**ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2004**

COMPANY INFORMATION

1 Give full name of utility Rickel Water Company
 2 Date of Organization 4/13/1995
 3 Organized under the laws of the state of Idaho
 4 Address of Principal Office (number & street) 24461 Old Hwy 95 N, Athol, ID 83801 (Not mailing address)
 5 P.O. Box (if applicable) PO Box 1261
 6 City Hayden Lake
 7 State Idaho
 8 Zip Code 83835
 9 Organization (proprietor, partnership, corp.) Corporation
 10 Towns, Counties served Kootenai 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)	Ken Rickel	208-683-8105
Vice President	Jerry Rickel	509-582-4940
Secretary	Cathy Rickel	208-683-8105
General Manager	Ken Rickel	208-683-8105
Complaints or Billing	Cathy Rickel	208-683-8105
Engineering	Inland NW Consultants	208-773-8370
Emergency Service	Ken Rickel	208-683-8105
Accounting	Susan Jacobson	866-791-5656

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 24461 Old Hwy 95 N
 City Athol
 State Idaho
 Zip 83801

NAME: Rickel Water Company

COMPANY INFORMATION (Cont.)

For the Year Ended 2004

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?

Yes

18 **If yes:** Name of Organization

Bitterroot Water Company

Name of owner or operator

Ken Rickel

Mailing Address

PO Box 2306

City

Hayden Lake

State

Idaho

Zip

83835

Water Purchased

Gallons/CCF

2,219,459

\$Amount

\$ 1,330.51

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?

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?

4/1/2004

Attach a copy of the Summary

24 Did significant additions or retirements from the Plant Accounts occur during the year?

Yes

Engineering diagrams to follow by USPS

If yes, attach full explanation and an updated system map

NAME: Rickel Water Company

REVENUE & EXPENSE DETAIL

For the Year Ended 2004

ACCT #	DESCRIPTION		
<u>400 REVENUES</u>			
1	460	Unmetered Water Revenue	
2	461.1	Metered Sales - Residential	\$ 9,921
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)	\$ 9,921
9	* DEQ Fees Billed separately to customers		Booked to Acct #
10	**	Hookup or Connection Fees Collected	\$ 18,130 Booked to Acct # 460.1
11	***	Commission Approved Surcharges Collected	Booked to Acct #
<u>401 OPERATING EXPENSES</u>			
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	\$ 1,660
19	618	Chemicals	
20	620.1-6	Materials & Supplies - Operation & Maint.	
21	620.7-8	Materials & Supplies - Administrative & General	\$ 889
22	631-34	Contract Services - Professional	\$ 1,050
23	635	Contract Services - Water Testing	
24	636	Contract Services - Other	\$ 5,338
25	641-42	Rentals - Property & Equipment	
26	650	Transportation Expense	
27	656-59	Insurance	\$ 621
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	\$ 5,737
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)		\$ 15,295

Name: Rickel Water Company

INCOME STATEMENT

For Year Ended 2004

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		\$ 9,921
2	Operating Expenses (From Page 3, line 33)	\$ 15,295	
3	403 Depreciation Expense	\$ 4,125	
4	406 Amortization, Utility Plant Aquisition Adj.		
5	407 Amortization Exp. - Other	\$ 140	
6	408.10 Regulatory Fees (PUC)		
7	408.11 Property Taxes	\$ 546	
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	\$ 20	
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)	\$ 20,126	
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)		\$ (10,205)
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)		\$ (10,205)
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)		\$ (10,205)

Name: **Rickel Water Company**

ACCOUNT 101 PLANT IN SERVICE DETAIL
For Year Ended **2004**

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization	\$ 2,098			\$ 2,098
2 302	Franchises and Consents	\$ -			\$ -
3 303	Land & Land Rights	\$ 5,094			\$ 5,094
4 304	Structures and Improvements	\$ 11,233	\$ 126		\$ 11,359
5 305	Collecting & Impounding Reservoirs	\$ -			\$ -
6 306	Lake, River & Other Intakes	\$ -			\$ -
7 307	Wells	\$ 54,380			\$ 54,380
8 308	Infiltration Galleries & Tunnels	\$ -			\$ -
9 309	Supply Mains	\$ -			\$ -
10 310	Power Generation Equipment	\$ -			\$ -
11 311	Power Pumping Equipment	\$ 16,719	\$ 580		\$ 17,298
12 320	Purification Systems	\$ -			\$ -
13 330	Distribution Reservoirs & Standpipes	\$ -			\$ -
14 331	Trans. & Distrib. Mains & Accessories	\$ 75,281	\$ 10,256		\$ 85,536
15 333	Services	\$ -			\$ -
16 334	Meters and Meter Installations	\$ 6,389	\$ 131		\$ 6,520
17 335	Hydrants	\$ -			\$ -
18 336	Backflow Prevention Devices	\$ -			\$ -
19 339	Other Plant & Misc. Equipment	\$ -			\$ -
20 340	Office Furniture and Equipment	\$ 950	\$ 2,019		\$ 2,969
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	\$ 172,143	\$ 13,112	\$ -	\$ 185,255

(Add lines 1 - 28)

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

Name: Rickel Water Company

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended 2004

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements	4.85%	\$ 3,064	\$ 3,615	\$ 551
2 305	Collecting & Impounding Reservoirs				\$ -
3 306	Lake, River & Other Intakes				\$ -
4 307	Wells	4.46%	\$ 17,861	\$ 20,287	\$ 2,426
5 308	Infiltration Galleries & Tunnels				\$ -
6 309	Supply Mains				\$ -
7 310	Power Generation Equipment				\$ -
8 311	Power Pumping Equipment	1.72%	\$ 1,977	\$ 2,274	\$ 297
9 320	Purification Systems				\$ -
10 330	Distribution Reservoirs & Standpipes				\$ -
11 331	Trans. & Distrib. Mains & Accessories	3.31%	\$ 16,084	\$ 18,917	\$ 2,833
12 333	Services				\$ -
13 334	Meters and Meter Installations	4.03%	\$ 1,507	\$ 1,770	\$ 263
14 335	Hydrants				\$ -
15 336	Backflow Prevention Devices				\$ -
16 339	Other Plant & Misc. Equipment				\$ -
17 340	Office Furniture and Equipment	1.85%	\$ 592	\$ 647	\$ 55
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)		\$ 41,085	\$ 47,510	\$ 6,425

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

BALANCE SHEETFor Year Ended 2004

ASSETS		Balance	Balance	Increase
ACCT #	DESCRIPTION	Beginning of Year	End of Year	or (Decrease)
1	101 Utility Plant in Service (From Pg 5, Line 29)	\$ 172,143	\$ 185,255	\$ 13,112
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)	\$ 172,143	\$ 185,255	\$ 13,112
7	108.1 Accumulated Depreciation (From Pg 6, Line 26)	\$ 41,085	\$ 47,510	\$ 6,425
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	\$ 1,201	\$ 1,340	\$ 139
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)	\$ 129,857	\$ 136,405	\$ 6,547
14	123 Investment in Subsidiaries			\$ -
15	125 Other Investments			\$ -
16	Total Investments (Add lines 14 & 15)			\$ -
17	131 Cash	\$ 22,100	\$ 16,364	\$ (5,736)
18	135 Short Term Investments			\$ -
19	141 Accts/Notes Receivable - Customers	\$ 6,635	\$ (210)	\$ (6,845)
20	142 Other Receivables	\$ 60	\$ 2,000	\$ 1,940
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)	\$ 28,795	\$ 18,154	\$ (10,641)
27	181 Unamortized Debt Discount & Expense			\$ -
28	183 Preliminary Survey & Investigation Charges			\$ -
29	184 Deferred Rate Case Expenses			\$ -
30	186 Other Deferred Charges		\$ 2,019	\$ 2,019
31	Total Assets (Add lines 13, 16 & 26 - 30)	\$ 158,652	\$ 156,577	\$ (2,075)

Name: Rickel Water Company

BALANCE SHEET

For Year Ended 2004

<u>LIABILITIES & CAPITAL</u>		Balance	Balance	Increase
ACCT #	DESCRIPTION	Beginning of Year	End of Year	or (Decrease)
1	201-3 Common Stock	\$ 68,430	\$ 68,430	\$ -
2	204-6 Preferred Stock			\$ -
3	207-13 Miscellaneous Capital Accounts	\$ 39,750	\$ 39,750	\$ -
4	214 Appropriated Retained Earnings			\$ -
5	215 Unappropriated Retained Earnings	\$ (82,709)	\$ (102,914)	\$ (20,205)
6	216 Reacquired Capital Stock			\$ -
7	218 Proprietary Capital			\$ -
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	\$ 25,471	\$ 5,266	\$ (20,205)
9	221-2 Bonds			\$ -
10	223 Advances from Associated Companies			\$ -
11	224 Other Long - Term Debt			\$ -
12	231 Accounts Payable	\$ -	\$ -	\$ -
13	232 Notes Payable	\$ 30,817	\$ 30,817	\$ -
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	\$ 117,455	\$ 135,585	\$ 18,130
28	272 Accum. Amort. of Contrib. in Aid of Const. **	\$ (15,091)	\$ (15,091)	\$ -
29	281-3 Accumulated Deferred Income Taxes			\$ -
30	Total Liabilities (Add lines 9 - 29)	\$ 133,181	\$ 151,311	\$ 18,130
31	TOTAL LIAB & CAPITAL (Add lines 8 & 30)	\$ 158,652	\$ 156,577	\$ (2,075)

**** Only if Commission Approved**

Name: Rickel Water Company

STATEMENT OF RETAINED EARNINGS
For Year Ended 2004

1	Retained Earnings Balance @ Beginning of Year	\$ (82,709)
2	Amount Added from Current Year Income (From Pg 4, Line 32)	\$ (10,205)
3	Other Credits to Account	_____
4	Dividends Paid or Appropriated	_____
5	Other Distributions of Retained Earnings	\$ (10,000)
6	Retained Earnings Balance @ End of Year	<u>\$ (102,914)</u>

CAPITAL STOCK DETAIL

	Description (Class, Par Value etc.)	No. Shares Authorized	No. Shares Outstanding	Dividends Paid
7	Common, no par value	109,336	109,336	0

DETAIL OF LONG-TERM DEBT

	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
8	Note Payable K & C Rickel		\$ 30,817	\$ 0	\$ 0

Name: Rickel Water Company

SYSTEM ENGINEERING DATA
For Year Ended 2004

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)
1.5 Miles West on Brunner Road	125	None	6,624	Well
from Highway 95, north side of road, before railroad tracks				

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)
1.5 Miles West on Brunner Road	2,000	2,000	Pressure	Steel
from Highway 95, north side of road, before railroad tracks				

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

Name: Rickel Water Company

**SYSTEM ENGINEERING DATA
(continued)**

For Year Ended 2004

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
1.5 Miles West on Brunner Road				
from Highway 95, north side of				
road, before railroad tracks				
Franklin Motor	25	125	60	22,649 KW

**** 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? 6,626,400
 - What was the total amount pumped during peak month? 3,096,500
 - What was the total amount pumped on the peak day? N/A
- 6 If customers are metered, what was the total amount sold in peak month? 913,610
- 7 Was your system designed to supply fire flows? NO
If Yes: What is current system rating? _____
- 8 How many times were meters read this year? 7
 During which months? March, April, May, June, July, August,
September
- 9 How many additional customers could be served with no system improvements
 except a service line and meter? 10
 How many of those potential additions are vacant lots? 10
- 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? UNKNOWN

Name: Rickel Water Company

SYSTEM ENGINEERING DATA
(continued)
For Year Ended 2004

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	8"	6,720	0	0	6,720
	6"	9,996	0	0	9,996

CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential	26	20	4,604	4,137
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	1	1	4,240	3,961
TOTALS (Add lines 2 through 8)	27	21	8,844	8,098

CERTIFICATE

State of Washington)
) ss
County of Spokane)

WE, the undersigned, Kenneth W. Rickel and Catherine L. Rickel, of the RICKEL 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.

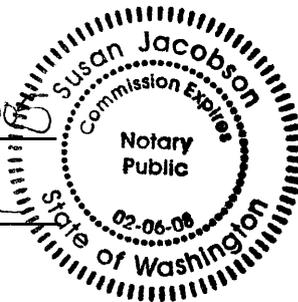
Kenneth Rickel
(Chief Officer)

Catherine Lebo
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 29th day of March, 2005

Susan Jacobson
NOTARY PUBLIC



My Commission Expires 02/06/2008

gdk/excel/jnelson/anulrpts/wtrannualrpt